



**City Council – Meeting Agenda
May 5, 2026 – 5:30 P.M. – Foley City Hall**

1. Call the meeting to order.
2. Pledge of Allegiance.
3. Approve the agenda.
4. Consent Agenda:
 - Approve minutes of April 21, 2026.
 - Approve 2026 seasonal pay rates.
 - Approve purchase of Fire Ski Unit for Side x Side UTV (with grant and donation funds).
 - Approve closure of Broadway Avenue N on September 12th for church and concert event.
 - Approve update to assets list of Foley Public Library.
 - Approve City of Foley/Benton Economic Partnership Home Loan Program Contract, Guidelines and Budget.
 - Approve hiring of full-time Admin Assist/UB Clerk – Name TBD.
 - Approve Foley Legion staff responses.
 - Approve payment of bills.
5. Mayor’s Comments & Open Forum
6. Department Reports:
 - Police Department –Katie McMillin
 - City Engineer – Jarod Griffith
 - Consider & Approve construction services contract for Lead Service.
 - Consider & Approve wetland delineation/update for industrial park property.
 - Public Works/Fire – Mark Pappenfus
 - Administration – Sarah Brunn
 - Consider & Adopt Resolution #2026-17 South Fairway Estates Lot Sales
 - Consider & Approve purchase documents.
7. Old Business
8. New Business
9. Adjourn/Recess

CITY OF FOLEY, MINNESOTA
CITY COUNCIL MEETING – April 21, 2026

The Foley City Council held its regular meeting at 5:30 p.m. on April 21, 2026, at Foley City Hall.

Members Present: Mayor Voit, Councilmembers Jeff Gondeck, Debra Mathiowetz, Gary Swanson, and Stephanie Lloyd

Members Absent: None

The pledge of allegiance was recited.

Motion by Gondeck, seconded by Mathiowetz, to approve the agenda.

Motion carried, unanimous.

Motion by Gondeck, seconded by Lloyd, to approve the consent agenda.

Consent Agenda:

- Approve minutes of April 7, 2026.
- Approve the hiring of Brittany Mellgran as Pool Manager.
- Approve the hiring of an assistant pool manager, Liz Thorsten.
- Approve payment of John Deere 1570 Mower Invoice (CIP purchase approved prior).

Motion carried, unanimous.

Overview

This document summarizes a series of city council meetings held on April 21, 2026. The meetings covered procedural approvals, public hearings for an alley vacation and rezoning, and the awarding of contracts for a lead service project and construction services. A significant portion of the discussion revolved around a potential expansion request from Dombroski Meats, a long-standing local business. The council debated how to handle the request, which involves installing a tank on their property—an action not permitted under current zoning ordinances for a legally non-conforming use. The council explored various legal and procedural options, including ordinance revisions, a Planned Unit Development (PUD), or an Interim Use Permit (IUP), weighing the need to support a local business against maintaining zoning integrity and downtown aesthetics. Ultimately, the council decided to direct the business to follow the standard PUD application process. Other topics included a change in City Hall operating hours, staffing needs, and community initiatives like a pool event and downtown beautification.

Meeting Preliminaries and Public Hearings

- The city council meeting for April 21st was called to order.
- The agenda and consent agenda were approved, with a note to ensure all members had the revised version which included some changes highlighted in bold.
- The regular council meeting was recessed at 5:31 PM to open a public hearing regarding the vacation of an alley on the existing government center property.
 - No one from the public was present to speak for or against the matter.
 - The council meeting reconvened at 5:32 PM.
 - A motion, by Swanson seconded by Gondeck, was passed unanimously to adopt resolution 2020-6-15, officially vacating the city right-of-way.
- The council meeting was recessed again at 5:32 PM for a public hearing on the rezoning of South Fairway Estates.
 - No public speakers were present for this hearing.
 - The regular meeting reconvened at 5:33 PM.
 - Motion by Gondeck, seconded by Lloyd, passed unanimously to adopt resolution 2020-6-16, approving the rezoning of South Fairway Estates.

Contract Awards

- The city engineer presented the results of the bid opening held on April 15th for the 2026 lead service project.
 - Four bids were received, ranging from \$360,908.50 to \$839,381.70.
 - The lowest bidder was Triple E, a contractor from Crystal, Minnesota, with experience in lead service replacement projects.
 - The previous contractor, Levanen Underground, placed the second bid at approximately \$413,000.
 - Motion by Lloyd, seconded by Mathiowetz, passed unanimously to award the project to Triple E. Work is expected to begin in late May or early June.
- The council reviewed a proposal for S.E.H. to provide construction services for the South Fairway Estates project, similar to the services provided for the Northside project.

- Services will include full-time inspection for public infrastructure (sanitary, water, storm sewer, roads) and part-time inspection for site grading and development aspects.
- The contract is for hourly services, so the final cost depends on the project duration.
- Motion by Voit, seconded by Swanson, approved unanimously the construction services agreement with S.E.H. for the South Fairway Estates project.

Dombroski Business Expansion

- A local business has requested a building permit to add a large tank to their property, but this was identified as an expansion of a legally nonconforming use, which is not permitted under the current ordinance.
- The business has been in its current location for a long time, and there is general support for helping them grow, especially given the difficult economic climate for businesses.
- The business cannot currently afford to move to the industrial park, making the on-site expansion their only feasible option for growth.
- Council members argued that this should be considered an "update" to existing mechanisms rather than a structural "expansion," as no new floor space is being added.
- It was noted that the business is not looking to hire additional people but may increase product output with fewer truck shipments.
- The new refrigeration tank will allow for larger, less frequent shipments, which is expected to reduce overall truck traffic compared to their previous shipping process.
- The company also stated that the truck to fill the tank would arrive after hours to minimize traffic disruption. These details would need to be formally recorded as part of the application process.
- Council members expressed strong support for the business, citing its long-standing presence in the city and willingness to work with the council. They feel the business is an asset and should be allowed to proceed.
- It was mentioned that the business had previously looked into buying a city building in 2024 but was unsuccessful.

- Informal conversations about relocating to the industrial park occurred a few years ago, and there is interest in revisiting those discussions to support the business's growth while preserving the downtown character.
- The council discussed whether to amend city ordinances to accommodate a request from Dombrowski Meats. They clarified that no specific ordinance changes would be made for this single property.
- As directed by the City Attorney, Adam Ripple, the business will be required to submit a formal application, likely under the PUD (Planned Unit Development) framework, which would then trigger public hearings and a formal review process estimated to take six to eight weeks.
- The city will inform the business of this decision. If they choose to proceed with the application, the city will move forward, but many steps cannot begin until the application is officially submitted.
- It was noted that there is no existing Conditional Use Permit (CUP) on file for the property, despite extensive record-keeping. The business is currently "boxed in" with zero lot lines, limiting expansion possibilities at its current location.

Legal and Procedural Options

- The primary purpose of prohibiting the expansion of nonconforming uses is to protect neighboring property owners who have made investments based on existing zoning laws.
- The city's legal counsel, Adam Ripple advised that simply ignoring the ordinance and allowing the expansion would create significant liability and risk for the city, as it could be challenged in court as favoritism.
- Several procedural options were discussed to legally accommodate the request:
 - **Rezoning:** Changing the property's zoning to industrial was deemed a "very bad idea" as it would be inconsistent with the city's comprehensive land use plan for the downtown area and could constitute "spot zoning."
 - **Planned Unit Development (PUD):** A PUD could provide flexibility to allow the expansion with specific conditions. However, the current ordinance requires a minimum of two acres for a PUD, so the ordinance would need to be revised.
 - **Interim Use Permit (IUP):** An IUP would allow the city to place a time limit on the approval (e.g., five or ten years), after which it could be reevaluated. An IUP can also be made specific to the applicant, not just the property.

- **Ordinance Revision:** The cleanest path forward involves revising the city's ordinances to create a clear process, followed by the business submitting a formal application. This process ensures the decision is defensible and not arbitrary.
- This process would require a public hearing, with notices mailed to residents within a 350- or 500-foot radius.
- The estimated timeline for this process is approximately six to eight weeks, as the applicant must prepare detailed materials and public notices must be issued.
- It was agreed that legal counsel would take a more significant role in drafting the ordinance changes with the understanding this would incur additional costs.
- The revised ordinance is intended to be applicable city-wide for future situations, not just for this specific property.

Concerns, Risks, and Mitigating Factors

- **Setting a Precedent:** While each zoning decision is legally independent, allowing one business to expand its nonconforming use creates strong political pressure to approve similar requests from others in the future. Denying a subsequent request could lead to claims of discrimination.
- **Downtown Aesthetics:** A primary concern is that adding a "big giant tank" downtown conflicts with ongoing efforts to beautify the area and attract new investment. The tank is not seen as fitting the desired vision for a thriving downtown.
- **Future Expansion:** There is a risk that approving one tank could lead to requests for more tanks in the future. The council wants to ensure it retains the power to review and potentially deny subsequent expansion requests.
- The business owner plans to install a religious monument and a garden area in front of the tank, which may help obscure its appearance.
- The plan also includes installing bollards and fencing for safety and to prevent skateboarders from accessing the area.
- The substance in the tank is a non-flammable freezing agent used for refrigeration, posing minimal safety risk.
- An initial safety assessment was conducted with a counterpart from a neighboring city. The materials involved are not considered corrosive, and the truck will have a green

sticker, not a flammable one. The assessment concluded that from a safety perspective, the proposed tank would not be an issue.

- A representative from Dombroski was not present for the discussion, and the council expressed a desire to have them attend a future meeting.
- It is unclear if the applicant will proceed once they are informed of the formal six-to-eight-week process, and staff resources will not be spent until the application is officially submitted.
- The public hearing process will notify many residents, and their feedback or opposition could impact the final decision.
- There is a risk that even with the formal process, the final ordinance may not be "bulletproof" against future legal challenges, although it is the most defensible route.

City Operations and Community Initiatives

- The city engineer provided an update following a spring walkthrough of a project site involving city, S.E.H., and county staff.
 - A "punch list" of remaining items was created, including turf establishment, adding topsoil behind curbs, and fixing wavy areas in the asphalt.
 - The final layer of asphalt is anticipated to be placed in early June after site cleanup and other construction items are completed.
 - Pavement striping for parking stalls on Broadway will be handled by a subcontractor.
- A proposal was made to adjust City Hall hours, which will be advertised and take effect on May 1st. The change is intended to help manage staff workload and address large accrued vacation and comp time banks, which represent a liability for the city.
- The council agreed with the change in hours.
- There are no plans to request additional administrative staff at this time, as the focus is on leveraging software and technology to improve efficiency.
- It was acknowledged that other departments, such as Public Works and Police, need more staff due to city growth and that their needs are a higher priority.
- **Community Pool Event:** A "big splash" event will be planned for the pool's opening day on June 3rd to engage the community.

- **Downtown Banners:** New banners have been installed downtown, adding color and improving the area's appearance.
- **Walking Path:** A council member has reached out to Stone Creek regarding the walking path and will follow up on the conversation.
- **Youth Firearms Program:** A thank you was extended to volunteers who helped with the youth firearms program, which had 75 students. The program was highlighted as a positive example of community collaboration.

Motion by Gondeck, seconded by Lloyd, to adjourn.

Motion carried, unanimous.

Meeting adjourned 6:50 p.m.

Sarah A. Brunn, Administrator
(Minutes By: Sara Judson Brown, Administrative Assistant, using AI recording device)

2026 Seasonal Wage Rates

<u>Pool Manager</u>	<u>WSI</u>	<u>Lifeguard</u>	<u>Public Works</u>
\$21.00 - Start	\$15.50 - Start	\$14.50 - Start	\$14.50 - Start
\$.50/hr return	\$.50/hr return	\$.50/hr return	\$.50/hr return
\$23.00 - Max	\$16.50 - Max	\$16.50 - Max	\$16.50 - Max

Asst. Pool Mgr
\$17.00 - Start
\$.50/hr returning
\$19.50 - Max

From: [Mark Pappenfus](#)
To: [Sarah Brunn](#)
Subject: FW: QTAC Quote: FOLEYMNFD- 85EMS-C V6 + ELECT REEL, VIPER (19456)
Date: Monday, April 27, 2026 6:21:05 PM
Attachments: [MTECH QUOTE QTAC 85 EMS-C V6 \(REV2\) #19456.pdf](#)

Sarah,

The Fire Department is looking to purchase the attached Skid Unit for the Side x Side UTV that the Relief Assn. donated to the FD. [QTAC 85EMS-C - QTAC Fire and Rescue Apparatus for UTVs and Trucks](#)

Total price is \$10,679.00. We don't plan to use any local FD money for this purchase. \$5,000 will come from the DNR VFD Grant we finished paperwork on last week and the other \$5,000 will be from the \$5,000 donation we received from Veterans Support Brigade earlier this year.

Due to the total price I wanted to run this past you prior to our officers approving it Wednesday evening.

Thanks, Mark

From: Steve Kleppe <skleppe@mtechincorporated.com>
Sent: Monday, April 27, 2026 9:39 AM
To: Mark Pappenfus <mpappenfus@gmail.com>
Subject: Re: FW: QTAC Quote: FOLEYMNFD- 85EMS-C V6 + ELECT REEL, VIPER (19456)

Good morning, here is a revised quote with the 75 Gallon restrictor .

If You want to order just reply to this e-mail and say we would like to order.

I need a billing and shipping address. We will invoice you when it ships .

The current build time is 4-6 weeks from date of purchase.

I hope this helps.

Best

Steve Kleppe | Inside Sales Representative
MTECH Inc. | QTAC Fire and Rescue Apparatus
Toll Free: 866.308.6699
Direct: 530.261.9197
www.qtacfire.com
www.mtechincorporated.com

MTECH Inc.
 1072 MARAUDER STREET
 SUITE 210
 CHICO, CA 95973
 Phone: 530-894-5091
 Fax: 530-894-5092

Quotation

Quote FOLEY FIRE DEPARTMENT
 To: , MN

Quote Number: 19456		Contact: MARK PAPPENFUS	
Quote Date: 04/27/2026	Expires: 05/27/2026	Inquiry:	
Customer: FOLEYMNFD		Terms: To be determined	
Salesman: Steve Kleppe		Phone: +1 (320) 250-6415	
Ship Via: FLAT RATE \$800		FAX:	
FOB: CHICO, CA			

1. This is an estimate only. Modification to line items may affect final pricing.
2. Price does not include sales tax (if applicable), crating or freight charges.
3. Commercial address with a forklift or loading dock is required to qualify for QTAC UTV skid flat rate shipping.

<u>Item</u>	<u>Part Number</u> <u>Description</u>	<u>Revision</u>	<u>Quantity</u>	<u>Price</u>
1	2300.005-02 QTAC 85EMS-C High Pressure Pump Build, Electric Hose Reel, Includes: - Welded, 85-gallon PolyTough internally baffled tank - Honda GX200, 5.5 HP manual start engine - Waterax Versax 6 2-stage pump (Max 105 GPM, 120 PSI) - Hannay electric hose reel - Black Commercial Grade Rubber Reel Hose, 3/4" X 75' - Brass Bullseye Nozzle w/ 1/4" turn shut off, 3/4" - 1-1/2" drain - 4" fill tower - 1" gated auxiliary discharge - Auxiliary draft suction (draft hose kit sold separately) - Water level sight tube - Grab rails and folding, convertible rescue litter platform - Red with white graphics	REVISION	1	\$9,235.0000 /EA
2	2250.006 Viper Nozzle with Pistol Grip, 10-23 GPM, 1" NST X 3/4" GHT Adapter		1	\$545.0000 /EA
3	2250.003-04 CAPACITY RESTRICTOR WITH ANTI-SLOSH, 2", FITS 4" FILL TOWER		1	\$99.0000 /EA
4	FR800 QTAC (Central/Eastern) flat rate shipping fee to a commercial address within the Contiguous U.S. Additional services such as lift gate, appointment requests, school, secure location, military base, or farm delivery will require additional fees.		1	\$800.0000 /EA
Total:				\$10,679.00

Steve Kleppe
 skleppe@qtacfire.com
 1-888-797-5100 EXT 166

<u>Item</u>	<u>Part Number</u> <u>Description</u>	<u>Revision</u>	<u>Quantity</u>	<u>Price</u>
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By STEVEN KLEPPE
MTECH Inc.

BENTON COUNTY SPECIAL ROAD USE PERMIT APPLICATION

APPLICATION FOR A BENTON COUNTY SPECIAL ROAD USE PERMIT

- I. Name of Applicant: Adam Dombrovski
- II. Title: Owner
- III. Email: adam@dombrovski.meats.com Phone: 968-6275 Fax: 968-6490
- IV. Name of Party or Organization Sponsoring Event: Dombrovski Meats
- V. Application is hereby made for permission to place/hold a (an) Mass + Concert
(Name of event)
On County Highway No. Broadway Ave from John St to Dewey St.
- Type of Closure Requested: Full Closure Partial Closure Shared Use
- VI. Attach a description of the proposed Event Route and if applicable a Lane Closure Plan and Detour Route. Close Broadway Ave From John Street to Dewey Street
- VII. Event or Detour to start at 10 a.m./p.m. 9/12, 2026, and to be completed before 10:00 a.m./p.m. 9/12, 2026.
(Date)
- VIII. Estimated number of participants: 100
- IX. Attach traffic and safety control plan and schematic, emergency vehicle access plan, and ingress and egress plan for impacted property owners.

- **APPLICANT SHALL LIST ALL SAFETY AND TRAFFIC CONTROL PROCEDURES AND PERSONNEL FOR THE EVENT.**
- Off-street parking facilities must be provided for at the start and finish locations. Temporary waste facilities may also be required. If temporary structures are proposed for in the right of way, they must be included in description of the Event Route.
- Include all proposed signs, flaggers and volunteers.



Application Requirements:

1. By making this application, applicant/organizer agrees that the Benton County Special Road Use Policy, in its entirety, applies to this application and the applicant/organizer agrees to comply with the policy requirements.
The policy is available at http://www.co.benton.mn.us/Public_Works/Permits.php.
Questions should be directed to the Highway Engineer at 320-968-5051.
2. Applicant shall submit a complete application and pay the application fee to the Benton County Highway Department a minimum of two months (60 days) prior to the event.
3. Failure to submit the required route, detour and lane closure plans and descriptions, an emergency vehicle access plan, ingress or egress plan for property owners, or the application fee shall deem the application incomplete. An incomplete application will be returned the applicant/organizer.
4. The County recommends the applicant/organizer have a professional prepare a Traffic Control Plan specific for that event. If the Highway Department prepares a Traffic Control Plan at the request of the sponsor, the sponsor acknowledges that the plan is taken from a regulatory source established for work zone safety and as such may not fully encapsulate all the safety needs of the event, and that all provisions of Paragraph IX apply and are agreed to.

I, We, the undersigned, herewith accept the terms and conditions of the regulations of the Benton County Board of Commissioners and agree to fully comply therewith to the satisfaction of the Board, Public Works Director and Local Law Enforcement.

Date: 2/10/26 Applicant Signature: Ali [Signature]

(Permit Requirements continue on next page)



Permit Requirements:

1. Applicant/Organizer shall abide by its proposed route, detour and lane closure plans and descriptions, emergency vehicle access plan, ingress or egress plan for property owners, and written traffic control plan or as amended by Benton County or local law enforcement agency in the special provisions. (The emergency vehicle access plan must be approved by the local law enforcement agency and fire chief.)
2. Applicant/Organizer shall coordinate all road closures with the Minnesota State Patrol and local law enforcement agencies and arrange adequate traffic control and law enforcement personnel, as determined by the local law enforcement agency.
3. The applicant shall conform with the terms of this permit, the Benton County Special Road Use Policy and other applicable regulations of Benton County, and any Special Provisions which are attached to the permit. The applicant shall comply with all applicable laws and ordinances, codes and regulations. All detours and/or lane closures shall conform to the provisions of the Minnesota Manual on Uniform Traffic Control Devices, including all appendices. The event shall be in no way detrimental to the highway or the safety of the public.
4. Applicant/Organizer agrees to restore the right of way to its original condition; including removal of temporary signs, temporary chalk based material, litter, structures (if allowed), etc.
5. Applicant/organizers will be responsible for all costs involved in or as a result of the event.
6. Failure to abide by the regulations of the permit and the Benton Count Special Event Policy will be cause for denial of future applications.
7. All participants shall obey all traffic laws and any county employees or law enforcement officers who may be assisting in traffic control for the event.
8. The applicant agrees the main point of contact for this event will be:
Name: Adam Dombrowski
Address: 425 Dewey St - Foley, MN 56329
Phone: 968-6275 - [REDACTED]
Email: adam@dombrowski.events.com

The main point of contact shall monitor the event to ensure the safety of the public from such hazards as traffic conflicts. This person shall be available during the event should police, county, city or township officials or staff have concerns with public safety during this event.

9. Applicant/Organizer agrees to assume entire responsibility and liability for all damages or injury to all persons, whether employees or otherwise, and to all property arising



out of, resulting from or in any manner connected with the operation of the event. The applicant agrees to indemnify the County, its agents and employees from all such claims, including, without limiting the generality of the foregoing claims, for which the Department may be or may be claimed to be liable, and legal fees and disbursements paid or incurred to enforce the provisions of this paragraph. The applicant further agrees to obtain, maintain and pay for such general liability coverage as will ensure the provision of this paragraph.

10. The Applicant/Organizer shall provide Commercial General Liability insurance which will indemnify Benton County and its employees in amounts of at least \$500,000.00 per injury and \$1,500,000.00 per occurrence. Benton County shall be listed as an additional insured.

Insurance Company West Bend Policy Number C389003

Liability Limits \$1.5 Million / \$2 Million

Dated this 23rd day of March, 2026.

(Department Review continues on next page)



Documents Submitted: (For Internal Review)

<input type="checkbox"/> Traffic Control Plan	<input type="checkbox"/> Detour Route Included	<input type="checkbox"/> Lane Closure Plan Included
<input type="checkbox"/> Emergency Vehicle Access Plan	<input type="checkbox"/> Law Enforcement Approval	<input type="checkbox"/> Fire Chief Approval
<input type="checkbox"/> Ingress and Egress Plan	<input type="checkbox"/> Permit Fee Paid (\$100)	

In consideration of the applicant/organizer's agreement to comply in all respects with the regulations of the Board of Commissioners covering such operations, permission is hereby **granted** for the Special Event Road Closure as described in above application or in a location or manner specified by the County Engineer in the attached Special Provisions.

The Special Event Road Permit Application is **denied**.

Date: _____ Signature: _____
Benton County Highway Department

Date: _____ Signature: _____
Benton County Board Chair

ATTEST:
Date: _____ Signature: _____
Montgomery Headley
Benton County Administrator



Special Provisions:

Benton County Highway Department
PO Box 247, Foley, MN 56329
Phone: (320) 968-5051: Fax: (320) 968-5333

Copies: Applicant
County Engineer
Sherriff's Office
Local Fire Department





Hi Sarah,

I do have some items that need to be added to the library asset list. They could be accepted by the city council at the next meeting.

16 individual storytime rugs

1 Walmart microwave 1100w

1 Emerson small refrigerator

1 Keurig coffee maker

1 Popcorn machine

2 Wood shelves on casters 20'x5'

We have sold or removed

3 paperback spinners

48 Fannykins figurines

1 Three section study carrel

Thank you,

Shelly Kuelbs | Library Services Coordinator

Great River Regional Library | Foley

shellyk@grrl.lib.mn.us

251 N. 4th Ave | Foley, MN 56329

320-968-6612

griver.org

Explore more than books: CDs, DVDs, streaming, and kits!

HOME IMPROVEMENT PROGRAM ORIGINATION AGREEMENT

This HOME IMPROVEMENT PROGRAM ORIGINATION AGREEMENT ("Agreement"), dated this ____ day of _____, 20____, is made by and between the City of Foley, a body corporate and politic under the laws of Minnesota, with offices at 251 4th Avenue N, Foley, MN 56329 ("Authority"), and CENTER FOR ENERGY AND ENVIRONMENT, with offices at 212 3rd Avenue North, Suite 560, Minneapolis, Minnesota 55401 ("CEE").

RECITALS

- A. The Authority has a need for certain professional services and desires to retain CEE to provide said services, all subject to the terms and conditions contained in this Agreement.
- B. CEE is qualified to provide the desired professional services and desires to provide said services for the Authority, all subject to the terms and conditions contained in this Agreement.

NOW, THEREFORE, in consideration of the foregoing and the mutual promises contained in this Agreement, the parties agree as follows:

1. Services/Scope of Work

1.1 CEE shall in conjunction with the Authority develop and deliver **Home Improvement Program** (hereinafter the "Program") and more fully described in Exhibit A attached hereto. All activities delivered under the Program shall be coordinated with the Authority's designated Executive Director or their designee.

1.2 CEE shall assist the Authority staff in marketing the Program. This will include being on the CEE website and creating an information sheet about the loan program.

1.3 The funding source is exclusively from the Authority.

2. Compensation

2.1 The Authority shall compensate CEE for services provided under this agreement according to the schedule in Exhibit B attached hereto. The Authority shall compensate CEE only for services completed.

2.2 Upon request, CEE will provide additional marketing services. Hourly rates are inclusive of all overhead expenses and will be charged only for hours directly related to marketing. CEE will be reimbursed by the Authority for any non-labor, out-of-pocket expenses, relating to these services on a dollar-for-dollar basis with no mark-up.

2.3 CEE shall invoice the Authority not more than two times each month. The Authority shall pay CEE within 45 days of receipt of the invoice.

3. CLIENT's Obligations

- 3.1 If requested by CEE, the Authority shall make reasonable efforts to respond promptly to requests from CEE for information and approvals regarding the services to be provided under this Agreement.
- 3.2 If requested by CEE, the Authority shall make reasonable efforts to obtain information and or permission for access from clients which may be necessary for CEE to provide the services under this Agreement.
- 3.3 The Authority shall provide sufficient funding to fund eligible Authority funded loans. The Authority shall determine the amount of funds allocated to the Program.
- 3.4 The Authority shall establish eligibility for the Program and shall provide these criteria in writing to CEE prior to commencement of any marketing efforts .
- 3.5 The Authority shall make reasonable efforts to respond promptly to requests from CEE for information and approvals regarding the services to be provided under this Agreement.

4. CEE's Obligations

- 4.1 CEE shall use its best efforts to provide services under this Agreement in a professional manner consistent with the care and skill used by reputable members of CEE's profession.
- 4.2 CEE, and all of its employees or agents, shall comply with all statutes, ordinances, rules, regulations and other laws applicable to the provision of services under this Agreement.
- 4.3 CEE shall secure all permits and licenses required for performance of the services under this Agreement.
- 4.4 CEE shall not engage in discriminatory employment practices against any employee or applicant for employment and shall in all respects comply with all federal, state and local laws, regulations and orders, including without limitation, Chapter 363 of the Minnesota Statutes, as amended from time to time. Failure to comply with the provisions hereof shall be deemed a material default under this Agreement.

5. Term and Termination

- 5.1 Unless earlier terminated as provided in the following paragraphs, this Agreement shall become effective on **August 1, 2026** and continue through December 31, 2027.
- 5.2 This Agreement may be terminated by either party, for any reason or no reason, immediately upon written notice to the other party. In the event this Agreement is terminated by CEE prior to the expiration of the term set forth in paragraph

5.1, the Authority shall compensate CEE for all services delivered up the date of termination and CEE shall provide the Authority with such information as the Authority may request regarding the status of the Program.

5.3 Any termination of this Agreement shall not release either party from their respective obligations under sections 7 and 8 of this Agreement.

6. Insurance

6.1 During the term of this Agreement, CEE will obtain and maintain insurance in the amounts listed below:

General Liability	\$2,000,000	Aggregate Limit
Automobile Liability	\$1,000,000	Combined Single Limit
Excess Liability	\$1,000,000	Aggregate Limit
Workers Compensation		Statutory Limit

7. Liability and Indemnification

7.1 CEE represents that the services to be provided under this Agreement are reasonable in scope and that CEE has the experience and ability to provide the services.

7.2 CEE warrants that any services provided hereunder shall be done in a professional and workmanlike manner.

7.3 CEE shall indemnify, defend and hold harmless Authority and its officers, directors, employees and agents from and against any and all claims, damages, losses, injuries and expenses (including attorneys' fees and damages for death, personal injury and property damage) which Authority may incur as a result of any act or omission by CEE in providing services under this Agreement.

7.4 Authority shall indemnify, defend and hold harmless CEE and its officers, directors, employees and agents from and against any and all claims, damages, losses, injuries and expenses (including attorneys' fees and damages for death, personal injury and property damage) which CEE may incur as a result of any act or omission by Authority in discharging its duties under this Agreement.

8. Confidentiality

Unless otherwise agreed by Authority in writing, CEE shall maintain in confidence and not disclose to any third party any information obtained regarding the Authority and/or any of Authority's clients for which CEE is providing services; provided, however, that this obligation to maintain confidentiality shall not apply to:

- a) Information in the public domain at the time of disclosure;
- b) Information which becomes part of the public domain after disclosure through no fault of CEE; or

- c) Information which CEE can demonstrate was known by it prior to the date of this Agreement.

Notwithstanding the foregoing, CEE shall be entitled to disclose the documents or client information covered by this paragraph to governmental authorities to the extent CEE reasonably believes it has a legal obligation to make such disclosures and to the extent CEE reasonably deems to be necessary; provided, however, that if CEE believes that any such disclosure is required by law, it shall provide advance notice to the Authority to provide the Authority with a reasonable opportunity to attempt to obtain an injunction or other protective order preventing such disclosure.

9. Relationship of Parties

CEE will provide services as an independent contractor under this Agreement. Neither CEE, nor any of its employees or agents, shall be considered employees of the Authority for any purpose, and neither shall CEE be eligible for any compensation or benefits which the Authority may provide to its employees from time to time. CEE shall be solely responsible for all employment and other taxes applicable to providing services hereunder, and the Authority will not withhold any taxes or contributions from the compensation payable to CEE under this Agreement.

10. Notices

All notices, requests, demands and other communications required to be given in writing under this Agreement shall be given to the other party in person or by mail as provided in this section. If delivered personally, notice shall be deemed to have been duly given on the date of delivery. If delivered by mail, such notice shall be sent via first class U.S. mail, postage prepaid, to the address set forth at the beginning of this Agreement or such other address as a party may otherwise request by written notice, and notice shall be deemed duly given three (3) business days after mailing.

11. Assignment

This Agreement shall be binding upon and inure to the benefit of the parties and their respective heirs, successors and assigns; provided, however, that neither party shall assign or transfer in any manner, this Agreement or any portion hereof without the prior written consent of the other party, and any attempt to assign or transfer without prior written consent shall be void and of no effect.

12. Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the State of Minnesota.

13. Miscellaneous

- 13.1 Headings and captions used in this Agreement are for convenience only and shall not affect the meaning of this Agreement.

- 13.2 This Agreement contains the entire agreement of the parties and supersedes all prior agreements, discussions and representations, written or oral, concerning the subject matter hereof.
- 13.3 No waiver by the Authority of any term or condition of this Agreement or any document referred to herein shall, whether by conduct or otherwise, be construed as a waiver or release of any other term or condition of this Agreement.
- 13.4 This Agreement may only be amended in a written agreement signed by both parties.
- 13.5 Except as expressly set forth in section 7, the rights and benefits under this Agreement shall inure solely to the benefit of the Authority and CEE, and this Agreement shall not be construed to give any rights, benefits or causes of action to any third party.
- 13.6 The invalidity or partial invalidity of any provision of this Agreement shall not invalidate the remaining provisions, and the remainder shall be construed as if the invalidated portion shall have never been a part of this Agreement.
- 13.7 CEE shall comply with the provisions of Minnesota Statutes Chapter 13 (Government Data Practices) that are applicable to the Authority and shall not disseminate any information concerning loan requests of the borrowers without the prior written approval of the Authority.
- 13.8 This Agreement may be signed in any number of counterparts, each of which shall be deemed an original and one and the same instrument.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

CITY OF FOLEY

By: _____
SARAH A. BRUNN

Its: CITY ADMINISTRATOR

Date: _____

CENTER FOR ENERGY & ENVIRONMENT

By: _____ Its: Chief Operation Officer
Stephanie Haddad

Date: _____ Tax ID # 41-1647799

EXHIBIT A

PROGRAM GUIDELINES

CITY OF FOLEY/BENTON ECONOMIC PARTNERSHIP LOAN PROGRAM

GUIDELINES

The City of Foley Home Loan Program is designed to supplement existing loan programs available from MHFA, CEE, private lenders, and other housing resources. Center for Energy and Environment shall serve as the administrator for the Loan Programs and will secure the most beneficial financing based on the borrower's needs independent of the funding source.

Home Improvement Loan

Interest Rate: 3%

Amortization Type: Amortizing (Monthly Payments Required).

Loan Amount: Up to \$25,000

Total Project Cost: The borrower must have sufficient funds necessary to cover the cost of the entire project as outlined in the bid(s). Additional funds may come from the applicant's personal savings, gifts, or other non-City loans.

Loan term: Generally, one year per \$1,000 borrowed. This will be somewhat flexible depending on the size of the loan and the borrower's ability to repay the loan. The minimum term is 1 year; the maximum term will be 10 years.

Eligible Properties: 1-4 unit owner-occupied properties located within City of Foley, including individual townhomes, twin homes, and condominiums.

Ineligible Properties: Properties with more than four units, cooperatives, manufactured homes, properties in the name of a Trust or Contract for Deed, or properties used for commercial purposes.

Eligible Borrowers: All borrowers must be legal residents of the United States.

Ineligible Borrowers: Including but not limited to: Foreign Nationals, Non-Occupant Co-Borrowers, and Properties in the name of a business.

Ownership/Occupancy: Owner-occupied only.

Loan - to - Value Ratio: The ratio of all loans secured by the property, including the new loan, should not exceed 110% of the property value. Half of the improvement value may be added to the initial property value. Value can be established by the Property Tax Statement, or an Appraisal dated within the past 12 months.

Income Limit: 80% AMI (will need to know what counties to use or just use Metro HUD table). Income shall be determined by the adjusted gross income from the most recent Federal Tax Return and family size.

Debt - to - Income Ratio: 50% (calculated by using projected gross income)

Credit Requirements: 1) All mortgage payments must be current and reflect no 30-day late payments history in the past 12-month period (without reasonable explanation). 2) All real estate taxes must be current. 3) No outstanding judgements or collections. 4) Bankruptcy must have been discharged for at least 18 months prior to loan closing (without reasonable explanation). 5) The redemption period on prior foreclosures must have occurred at least 18 months prior to the loan application date. 6) Generally, no more than two 60-day late payments on credit report (without reasonable explanation). 7) No defaulted government loans.

Multiple Loans per Property/Borrower: More than one loan per property/borrower is allowed, however, the outstanding balance(s) for this loan CANNOT exceed \$25,000.

Eligible Use of Funds: TBD.

Ineligible Use of Funds: Payment for work initiated prior to the loan being approved and closed, unless due to emergency. Recreation or luxury projects (pools, lawn sprinkler systems, playground equipment, saunas, whirlpools, etc.), furniture, non-permanent appliances (unless part of a full kitchen remodel), and funds for working capital, debt service, homeowner labor or refinancing existing debts are NOT allowed. TBD

Bids: Only 1 bid is required. All contractors must be properly licensed or registered and permits must be obtained when required.

Sweat Equity / Homeowner Labor: Not permitted.

Post Installation Inspection: Permits must be obtained and signed off by a City inspector where required; when not required, a post installation inspection will be performed by a City Inspector or staff at Benton Economic Partnership, Inc. to ensure the work has been completed before any funds will be released.

Loan Security: All loans will be secured with a mortgage in favor of the City of Foley.

Borrower Fees: Borrower will be responsible for a 1% origination fee, title report, document preparation fee, mortgage filing and service fees, credit report fees and any applicable closing fee.

Underwriting Decision: Applicants must have acceptable credit history. CEE will approve or deny loans based on a credit report, income verification and other criteria as deemed necessary through CEE's underwriting guidelines. CEE's decision shall be final.

Work Completion: All work must be completed within 120 days of the loan closing. However, when warranted, CEE may authorize exceptions on a case-by-case basis.

General Program Conditions

Application Processing: Loans will be distributed on a first come first serve basis as borrowers qualify. **Applicants must provide a completed application package including the following in order to be considered for funding.**

- Completed and signed application form
- Proof of income
- Bids or estimates for proposed projects
- Other miscellaneous documents loan officers may require.

Loan Security: All loans that will be secured with a mortgage will be in favor of the City of Foley.

Program Costs: Loan origination, post installation inspection and remodeling advisor visit fees will be paid out of the Program Budget. Loan program marketing efforts will be billed directly to Benton Economic Partnership, Inc. and is a separate expense should Benton Economic Partnership, Inc. choose to commission CEE for marketing support.

Disbursement Process: Payment to the contractor will be made upon completion of work. An inspection will be performed by a City Inspector and/or Benton Economic Partnership, Inc. to verify the completion of the work. The following items must be received prior to final disbursement of funds:

- Final invoice or proposal from contractor (or materials receipt from supplier);
- Final inspection verification by a City Inspector Benton Economic Partnership, Inc.;
- Completion certificate(s) signed by borrower and contractor;
- Lien waiver for entire cost of work;
- Evidence of city permit (if required)

EXHIBIT B

City of Foley/Benton Economic Partnership Program Budget

Budget Allocation (includes Annual Administration Fee, One Time Program Set-Up Fee and Loan Origination Fees): \$210,000

TOTAL PROGRAM BUDGET: \$200,000

Budget Notes:

1. CEE shall submit monthly invoices for grants, origination fees and post-installation inspections for that period.
2. Services performed by CEE will initially be funded from the Total Program Budget as stated above and paid in accordance with the following schedule.

(1) Annual Administration Fee	\$6,000
(2) Home Improvement Loan Origination Fee:	\$775 per loan closed
(3) On Time-Program Set-Up Fee:	\$1,500

*Annual Administration Fee is pro-rated the first year of the contract and determined by the date the contract is executed. Annual Administration Fee shall be due January 1 each year thereafter.

3. **Marketing**
Marketing efforts outside of CEE's website and grant information are not included in the administrative budget. Hourly rates are inclusive of all overhead expenses and will be charged only for hours directly related to the labor of all additional program marketing. CEE will also be reimbursed by Benton Economic Partnership for any non-labor, out-of-pocket expenses relating to these services on a dollar-for-dollar basis.



City of Foley

251 4th Avenue North • P.O. Box 709
Foley, Minnesota 56329
(320) 968-7260 • Fax (320) 968-6325
www.ci.foley.mn.us • email: contactus@ci.foley.mn.us

American Legion Post 298
Attn: Duane Walters, Commander
P.O. Box 91
Foley, MN 56329

Dear Mr. Walters:

The City Council directed city staff at their meeting on February 10, 2026 to have staff respond to a list of questions asked by the Legion related to bringing their parking lot into compliance with the city zoning ordinance. Staff prepared those comments and they were provided to members of the Legion. Mr. Joe Kaproth came back to the city and requested they be approved by the city council and provided on city letterhead. This letter serves as that approval and was presented to the council on May 5, 2026 for council approval.

Here are the provided comments (original comments):

Foley Legion Lot

- **Council indicated deadline for completion would be Fall of 2027.**
- **A site plan review would be required. This is submitted to planning commission for review who then makes a recommendation to the City Council. Both boards must review the site plan prior to construction.**
- **The necessary plan items are outlined in the Parking & Loading Zoning Code – Section 7. I do not believe the code specifies depth of asphalt – our engineer or Public Works Director would need to comment on if they have a minimum requirement.**
 - **We would recommend access come from the alley side of the lot as not to lose any more on street parking spaces. Curbing would be required to identify a clear separation and control water.**
 - **We would recommend screening as identified in the ordinance since this lot abuts residential properties.**

- **Lighting would need to be downward facing and we can consider part of the lighting may be provided by current city owned street lights – but it's very possibly private lighting would also be necessary.**
- **A parking lot could be done in phases but I would recommend the full plan (with all the phases) be presented and approved prior to start of construction.**
- **Any areas of the lot that will be used for parking must meet the hard surfacing requirements. If the entire space is not needed for parking – then green space or landscaping would be necessary in the non-hard surfaced areas.**
- **The City is not able to contribute financially to the development of this lot. The lot would be privately owned and used and therefore any city financial participation would not meet the public purpose definition.**

If you have additional questions regarding this matter, please contact City Hall.

Thank you.

Sincerely,

Mayor Brandon Voit

A handwritten signature in cursive script that reads "Sarah A. Brunn".

City Administrator Sarah A. Brunn

BILLS LIST 5/5/2026

Gross Salaries	Payroll - 4/17/26	\$42,092.56
EFTPS	Federal Withholding	\$7,567.87
MN Dept of Revenue	State Withholding	\$1,504.53
State Treas. PERA	PERA	\$8,061.14
Nationwide	Deferred Comp	\$1,245.34
Pacific Life Ins	Roth IRA	\$100.00
Health Equity	HSA Contribution	\$1,874.69
Law Enforcement Labor Services, Inc	Union Dues	\$219.00

Gross Salaries	Payroll - 5/5/26	\$40,253.78
EFTPS	Federal Withholding	\$7,261.50
MN Dept of Revenue	State Withholding	\$1,503.63
State Treas. PERA	PERA	\$7,972.66
Nationwide	Deferred Comp	\$1,245.34
Pacific Life Ins	Roth IRA	\$100.00
Health Equity	HSA Contribution	\$1,874.69

Already Paid 5/5/26

VOYA - HCSP	STACY GRAHAM SEVERANCE	\$4,846.77
COLONIAL LIFE	3/26 EMP VOLUNTARY ACCIDENT INS	\$160.58
MN DEPT OF LABOR	2026 QTR 2 BUILDING PERMIT SURCHARGE	\$117.50
MN DEPT OF REVENUE	3/26 SALES & USE TAX	\$293.00
XCEL ENERGY	3/26 UTILITIES	\$1,095.61
HEALTH EQUITY	3/26 HSA ADMIN FEES	\$37.85
HEALTH EQUITY	4/26 HSA ADMIN FEES	\$37.85
MIDWEST MACHINERY	2026 JOHN DEERE MOWER - PARKS DEPARTMENT	\$36,076.46

To Be Paid 5/5/26

ALLSPEC SERVICES	APRIL 2026 INSPECTION FEES	\$267.60
AUTO VALUE	PARK SLIDE REPAIR, FD J5 MAINTENANCE - BATTERY	\$358.54
AVAYA LLC	PHONES & VOIP	\$309.35
AXON ENTERPRISE, INC	NEW TASER	\$1,450.00
BATTERIES PLUS	UPS BACKUP BATTERIES	-\$29.99
BENTON COMMUNICATION	05/26 LIFT STATION FIBER (\$100 CREDIT FOR AUTOPAY)	\$29.90
BENTON COUNTY ATTORNEY	03/26 LEGAL FEES	\$1,750.00
BENTON COUNTY HIGHWAY DEPT	3/26 PD FUEL	\$736.70
BENTON COUNTY SHERIFFS DEPT	04/26 & 5/26 TYLER CAD - FOLEY'S PORTION FROM BC	\$1,109.74
BOUND TREE MEDICAL, LLC.	FD MEDICAL SUPPLIES	\$40.79
CASELLE, LLC	2026 ANNUAL MAINT	\$200.00
CENTRACARE	FD - JANTE PRE-EMPLOYEMENT	\$36.00
CENTRAL MN HEALTH & SAFETY TRAINING LLC	FD EMR INITIAL TRAINING	\$2,100.00
CINTAS CORPORATION	UNIFORMS - WATER	\$397.80
CITY OF ST. CLOUD	DEBT SERVICE & WASTE WATER TREATMENT	\$31,450.14
CLOUDNET	4/26 SERVER FEE	\$10.00
CM2 SUPPLY	PD MEDICAL EQUIP	\$23.73
COLONIAL LIFE	4/26 ACCIDENT INS	\$160.58
CORE PROFESSIONAL SERVICES PA	EMP EVAL - LIND	-\$120.00
DSC COMMUNICATIONS	FD PAGER REPLACEMENT	\$2,225.00
EAST CENTRAL ENERGY	LIFT STATION AND WELL UTILITIES	\$1,712.58
EVOQUA WATER TECHNOLOGIES LLC	WW BIOXIDE FOR FORCEMAIN PUMPING	\$13,447.40
FERGUSON WATERWORKS #2518	WATER METER REPLACEMENT & PARTS	\$2,636.66
FIRST NATIONAL BANK OF OMAHA	04/26 CC PURCHASES	\$3,545.74
FOLEY HARDWARE	COMPOST GATE, J-5 MAINT, FD KEYS, PARK MAINT, POOL SUMP PUMP, WATER MISC SUPPLIES, WELL MAINTENANCE	\$442.47
GALLS, LLC	PD UNIFORMS	\$644.47
HAWKINS, INC.	WELL #5 CHEMICALS	\$511.82
HEALTHPARTNERS	03/26 & 4/26 PD EAP, 5/26 HEALTH INS	\$24,516.94
INTERSTATE ALL BATTERY CENTER	PD BATTERIES	\$21.90
JM TRUCK & TRACTOR REPAIR	906 CAT MAINTENANCE	\$1,577.00
K&K TIRE & AUTO CENTER INC	2025 DURANGO - BRAKES	\$643.74
KM FIRE PUMP SPECIALISTS	FD TANKER #4 REPAIR	\$4,599.58
KOTSMITH LUMBER	SCOUT HOUSE MAINTENANCE	\$830.27
MACQUEEN EQUIPMENT	SEWER VAC TRUCK REPAIR	\$184.91
MARCO TECHNOLOGIES, LLC	4/26 COPIER LEASE	\$333.54
MIDCONTINENT COMMUNICATIONS	04/26 INTERNET	\$404.12
MES SERVICE COMPANY, LLC	FD NOZZLES AFG GRANT 24	\$5,106.86
MIMBACH FLEET SUPPLY	PW SHOP TOOLS, FD PITCHFORK	\$296.92
RINKE-NOONAN	GENERAL LEGAL, SOUTH FAIRWAY ESTATES, NUISANCE PROSECUTION	\$5,358.50
RMB ENVIRONMENTAL LABORATORIES	MONTHLY WATER ANALYSIS & SC WWTP SAMPLING	\$502.65
SHORT ELLIOT HENDRICKSON, INC	2025 LEAD SERVICE, 2025 NORTHSIDE IMPROVEMENTS, SOUTH FAIRWAY ESTATES	\$31,412.99

STAPLES	OFFICE SUPPLIES	\$55.36
SUN LIFE FINANCIAL	5/26 LTD INS	\$352.30
TRI-COUNTY HUMANE SOCIETY	2026 QTR 1 ANIMAL SURRENDER	\$150.00
USABLE LIFE	5/26 LIFE INSUR	\$301.00
VALIDITY SCREENING SOLUTIONS	FD BACKGROUND CHECK	\$212.00
WEX BANK	04/26 FUEL PURCHASES	\$1,721.86
WILLIAMS INTEGRACARE CLINIC	FD NEW HIRE PHYSICALS	\$1,902.00
XCEL ENERGY	UTILITIES	\$6,603.74

Additional To Be Paid 5/5/26

TOTAL \$152,535.20

Supplemental Letter Agreement

In accordance with the Master Agreement for Professional Services between City of Foley (“Client”), and Short Elliott Hendrickson Inc. (“Consultant”), effective January 1, 2016, this Supplemental Letter Agreement dated May 5, 2026 authorizes and describes the scope, schedule, and payment conditions for Consultant’s work on the Project described as: **2026 Lead Water Service Replacements – Construction Services**.

Client’s Authorized Representative: Sarah Brunn

Address: PO Box 709, Foley, Minnesota 56329

Telephone: 320.968.7260

Email: sbrunn@ci.foley.mn.us

Project Manager: Jarod Griffith

Address: 2351 Connecticut Avenue, Suite 300, Sartell, Minnesota 56377

Telephone: 320.229.4304

Email: jgriffith@sehinc.com

Scope: The Services to be provided by Consultant:

Our services will consist of Construction Services in connection with the 2026 Lead Water Service Line Replacement final construction Contract Documents prepared by SEH and approved by the Client on March 10, 2026.

Construction Administration:

Provide construction administration services associated with construction of the proposed improvements and coordination with the Contract Documents. Specific tasks included are:

- Coordinate execution of the Contract Documents.
- Coordinate and lead a pre-construction conference.
- Review Contractor material submittals and shop drawings for compliance with the plans and specifications.
- Office design and construction support.
- Make periodic site visits by Engineer to observe progress and quality of executed work of Contractor(s).
- Coordinate and conduct weekly construction meetings (assumes up to 5).
- BABA compliance review.
- Wage rate compliance review.
- Review and preparation of change orders.
- Prepare pay applications (assumes up to 3).
- Serve as the liaison between City, Contractor, and the Public.
- Maintain and prepare record drawings.

Construction Observation:

Provide construction observation services (i.e. Resident Project Representative; RPR) to document conformance to the Contract Documents. Specific tasks included are:

- Provide Full-Time Resident Project Representation (RPR) services (assumes 2 services completed per day).
- Observe and document testing procedures and results.
- Employee payroll interviews.
- Document daily work activities for conformance to the plans and specifications.
- Measure and document bid items for payment.
- Prepare punch list.
- Assist the Client with the final walkthrough and project closeout.
- Assumes up to 210 hours of observation.
- RPR services will be provided in accordance with attached Exhibit B.

Assumptions and Exclusions:

- City Staff will perform all in-home inspections requiring City permits.
- Construction soil and materials testing services.
- Permit fees.
- Televising Services.

Schedule:

Construction is planned to be completed by the end of October 2026.

Payment:

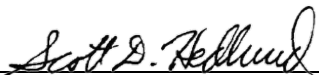
The fee is hourly estimated to be \$66,500 including expenses and equipment.

The payment method, basis, frequency and other special conditions are set forth in attached Exhibit A-1. Additional work, if required, shall be compensated in accordance with our normal hourly rates.

Other Terms and Conditions: Other or additional terms contrary to the Master Agreement for Professional Services that apply solely to this project as specifically agreed to by signature of the Parties and set forth herein: None.

Short Elliott Hendrickson Inc.

City of Foley

By: 
 Full Name: Scott Hedlund
 Title: Principal

By: _____
 Full Name: _____
 Title: _____

Exhibit A-1

Payments to Consultant for Services and Expenses Using the Hourly Basis Option

The Agreement for Professional Services is amended and supplemented to include the following agreement of the parties:

A. Hourly Basis Option

The Client and Consultant select the hourly basis for payment for services provided by Consultant. Consultant shall be compensated monthly. Monthly charges for services shall be based on Consultant's current billing rates for applicable employees plus charges for expenses and equipment.

Consultant will provide an estimate of the costs for services in this Agreement. It is agreed that after 90% of the estimated compensation has been earned and if it appears that completion of the services cannot be accomplished within the remaining 10% of the estimated compensation, Consultant will notify the Client and confer with representatives of the Client to determine the basis for completing the work.

Compensation to Consultant based on the rates is conditioned on completion of the work within the effective period of the rates. Should the time required to complete the work be extended beyond this period, the rates shall be appropriately adjusted.

B. Expenses

The following items involve expenditures made by Consultant employees or professional consultants on behalf of the Client. Their costs are not included in the hourly charges made for services but instead are reimbursable expenses required in addition to hourly charges for services and shall be paid for as described in this Agreement:

1. Transportation and travel expenses.
2. Long distance services, dedicated data and communication services, teleconferences, Project Web sites, and extranets.
3. Lodging and meal expense connected with the Project.
4. Fees paid, in the name of the Client, for securing approval of authorities having jurisdiction over the Project.
5. Plots, Reports, plan and specification reproduction expenses.
6. Postage, handling and delivery.
7. Expense of overtime work requiring higher than regular rates, if authorized in advance by the Client.
8. Renderings, models, mock-ups, professional photography, and presentation materials requested by the Client.
9. All taxes levied on professional services and on reimbursable expenses.
10. Other special expenses required in connection with the Project.
11. The cost of special consultants or technical services as required. The cost of subconsultant services shall include actual expenditure plus 10% markup for the cost of administration and insurance.

The Client shall pay Consultant monthly for expenses.

C. Equipment Utilization

The utilization of specialized equipment, including automation equipment, is recognized as benefiting the Client. The Client, therefore, agrees to pay the cost for the use of such specialized equipment on the project. Consultant invoices to the Client will contain detailed information regarding the use of specialized equipment on the project and charges will be based on the standard rates for the equipment published by Consultant.

The Client shall pay Consultant monthly for equipment utilization.

Exhibit B-1

A Listing of the Duties, Responsibilities and Limitations of Authority of the Resident Project Representative

Through more extensive on site observations of the construction work in progress and field checks of materials and equipment by the Resident Project Representative (RPR), Consultant shall endeavor to provide further protection for Client against defects and deficiencies in the work of contractor (Work); but, the furnishing of such services will not make Consultant responsible for or give Consultant control over construction means, methods, techniques, sequences or procedures or for safety precautions or programs, or responsibility for contractor's failure to perform the Work in accordance with the Contract Documents. Contract Documents are the documents that govern or are pertinent to contractor's Work including but not limited to the agreement between Client and contractor, the contractor's bid, the bonds, construction plans, standard specifications, special provisions, field design changes, permits, manuals, addenda, clarifications, interpretations, change orders, and reviewed shop drawings. The duties and responsibilities of the RPR are further defined as follows:

A. General

RPR is an agent of the Consultant at the site, will act as directed by and under the supervision of Consultant, and will confer with Consultant's project engineer regarding RPR's actions. RPR's dealings in matters pertaining to the on-site work shall in general be with Consultant's project engineer and contractor assisting with keeping the Client informed as necessary. RPR's dealings with subcontractors shall only be through or with the full knowledge and approval of contractor. RPR shall generally communicate with Client with the knowledge of and under the direction of Consultant's project engineer.

B. Duties and Responsibilities of RPR

1. Schedules: Review the proposed construction schedule, schedule of shop drawing submittals and schedule of values prepared by contractor; and consult with Consultant's project engineer concerning acceptability.

2. Conferences and Meetings: Attend meetings with contractor, such as preconstruction conferences, progress meetings, project conferences and other project-related meetings, and prepare and circulate copies of minutes thereof.

3. Liaison:

(a) Serve as Consultant's liaison with contractor, working principally through contractor's superintendent, and assist with understanding / communicating the intent of the Contract Documents; and assist in serving as Client's liaison with contractor when contractor's operations affect Client's on site operations.

(b) Assist in obtaining from Client additional information, when required for proper execution of the Work.

4. Shop Drawings and Samples:

(a) Record date of receipt of shop drawings and submittals provided by the contractor and coordinate that review has been completed by appropriate team members.

(b) Receive samples furnished at the site by contractor, and notify Consultant's project engineer and Client of availability of samples to review.

(c) Notify Consultant's project engineer and contractor of the commencement of any Work requiring a shop drawing or sample if the submittal has not been reviewed for general conformance by Consultant.

5. Review of Work, Observations and Tests:

- (a) Conduct on site observations of the Work in progress to determine if the Work is in general proceeding in accordance with the Contract Documents.
- (b) Regularly update the Consultant's project engineer to keep them informed of issues and progress of the Work.
- (c) Notify the Consultant's project engineer immediately of any unanticipated project conditions, any Work believed to be unsatisfactory or defective and does not conform to the Contract Documents, any unauthorized Work, or any non-conforming materials that are subject to rejection.
- (d) Coordinate with the project materials tester and/or testing consultant to schedule testing. Confirm compliance with project requirements and the project Schedule of Materials Controls. RPR shall confirm that test report records or certificates of compliance have been received prior to the incorporation of materials in the Work.
- (e) Review and monitor the contractor's schedule for construction.
- (f) Confirm that the contractor is performing daily reviews of construction signing, detour signing, completing traffic control maintenance and is taking corrective actions in accordance with the Contract Documents.
- (g) Conduct or coordinate with others the completion of wage interviews in the field with individual contractor/subcontractor employees and properly file documentation in accordance with project requirements.
- (h) Perform reviews of temporary and permanent erosion control measures on the project and verify contractor is maintaining compliance with applicable permits and Contract Documents.
- (i) Determine if tests, equipment and systems start ups and operating and maintenance training are conducted in the presence of appropriate personnel, and that contractor maintains adequate records thereof; and observe, record and report to Consultant appropriate details relative to the test procedures and start ups.
- (j) Accompany visiting inspectors representing public or other agencies having jurisdiction over the Project, record the results of these inspections and report to Consultant's project engineer.
- (k) If unsafe conditions are observed, notify the contractor immediately, and if unresolved, notify the Consultant's project engineer and Client for determination of possible suspension of Work.

6. Interpretation of Contract Documents: Report to Consultant's project engineer when clarifications, interpretations, and requests for information regarding the Contract Documents are requested by contractor and transmit to contractor clarifications and interpretations as issued by Consultant's project engineer.

7. Modifications:

- (a) Convey contractor's suggestions for modifications in construction plans and specifications to Consultant's project engineer and assist with evaluation. Transmit to contractor decisions as issued by Consultant.
- (b) Assist with evaluation of proposed change orders and obtain change justification from contractor. Provide assistance with preparation of final documentation of change orders and field design changes.

8. Records / Reporting:

- (a) Measure and document project field quantities, maintain an up to date item record account, and enter quantities into the Project filing system in a timely manner.
- (b) Maintain orderly files of correspondence, reports of project conferences, shop drawings and samples, reproductions of original Contract Documents including all addenda, change orders, field design changes,

additional drawings issued subsequent to the execution of the construction contract, Consultant's clarifications and interpretations of the Contract Documents, progress reports, and other related documents.

(c) Keep a diary, recording contractor hours on the job site, weather conditions, data relative to questions of change orders, or changed conditions, list of job site visitors, daily activities, decisions, photos, observations in general, and specific observations in more detail as in the case of observing test procedures; and send copies to Consultant's project engineer.

(d) Document changes in the plans and field conditions for record plan preparation.

(e) Record names, addresses and telephone numbers of all contractors, subcontractors and major suppliers of materials and equipment.

(f) Furnish Consultant's project engineer periodic reports of progress of the Work and of contractor's compliance with the proposed construction schedule.

(g) Prepare appropriate lists of observed items requiring completion or correction by the contractor.

(h) Notify Consultant's project engineer and Client immediately upon the occurrence of any accident.

9. Payment Requests: Review applications for payment for compliance with the established procedure for their submission and forward with recommendations to Consultant's project engineer, noting particularly the relationship of the payment requested to the schedule of values, Work completed and specific pay requests for materials and equipment delivered to the site but not incorporated in the Work.

10. Certificates, Maintenance and Operation Manuals: During the course of the Work, verify that certificates, maintenance and operation manuals and other data required to be assembled and furnished by contractor are applicable to the items actually installed and in accordance with the Contract Documents, and have this material delivered to Consultant for review and forwarding to Client prior to final payment for the Work.

11. Completion:

(a) Prepare final documentation of construction pay items, quantities, material certification and other requirements as per the plans, specifications, and special provisions.

(b) Conduct final inspection in the company of Consultant's project engineer, Client, and contractor and assist with preparation of a final list of items to be completed or corrected.

(c) Observe that all items on final list have been completed or corrected and make recommendations to Consultant's project engineer concerning acceptance.

(d) Assist Consultant's project engineer with preparation of record plans and documentation.

C. Limitations of Authority

Resident Project Representative:

1. Shall not authorize any deviation from the Contract Documents or substitution of materials or equipment, unless authorized by Client.

2. Shall not provide direction, superintendence, or guidance to the contractor, their crews, their subcontractors, or their suppliers on means and methods to accomplish the Work.

3. Shall not suspend any portion of the Work without explicit Client authorization.
4. Shall not exceed limitations of Consultant's authority as set forth in the Agreement for Professional Services.
5. Shall not undertake any of the responsibilities of contractor, subcontractors or contractor's superintendent.
6. Shall not advise on, issue directions regarding or assume control over safety precautions and programs in connection with the Work.
7. Shall not accept shop drawing or sample submittals from anyone other than contractor.
8. Shall not authorize Client to occupy the Project in whole or in part.
9. Shall not participate in specialized tests or inspections conducted by others except as specifically authorized by Client.

Supplemental Letter Agreement

In accordance with the Master Agreement for Professional Services between City of Foley (“Client”), and Short Elliott Hendrickson Inc. (“Consultant”), effective January 1, 2016, this Supplemental Letter Agreement dated May 5, 2026 authorizes and describes the scope, schedule, and payment conditions for Consultant’s work on the Project described as: **2026 Industrial Park City Property – Wetland Delineation**.

Client’s Authorized Representative: Sarah Brunn

Address: PO Box 709, Foley, Minnesota 56329,

Telephone: 320.968.7260

Email: sbrunn@ci.foley.mn.us

Project Manager: Joel Asp

Address: 2351 Connecticut Avenue, Suite 300, Sartell, Minnesota 56377

Telephone: 320.229.4316

Email: jasp@sehinc.com

Scope: The Services to be provided by Consultant:

Our services will consist of Wetland Services in connection with the industrial park properties City staff asked SEH to delineate at the March 10, 2026 Council meeting. The City of Foley owned properties include PID 130066700, PID 130066800, and PID 130066900. SEH understands that the City is interested in re-platting these properties but those services are not included at this time.

Wetland Delineation and Report:

The on-site delineation tasks include collecting vegetation and soil data, flagging the boundary, and collecting data points for mapping. The delineation will follow the methodology described in the USACE 1987 Manual, and the North Central and North East Region Supplement. A meeting with the local Wetland Conservation Act representative will occur for concurrence of the wetland boundary. The approved wetland boundary will be provided in an electronic format upon completion of the delineation.

Following completion of the field investigation and initial agency meeting, a Wetland Delineation Report will be prepared and submitted. This report will include: a description of the wetland habitat present, datasheets supporting the findings, figures, and site photographs. An “approval request” of the wetland boundaries will be officially completed at this time.

Assumptions and Exclusions:

- Permitting and mitigation for any wetland impacts.
- Boundary and topographic survey services.
- Property platting services.

Schedule:

We anticipate completion of our services 60 days after the Client provides notice to start work.

Payment:


The fee is hourly estimated to be \$5,000 including expenses and equipment.

The payment method, basis, frequency and other special conditions are set forth in attached Exhibit A-1. Additional work, if required, shall be compensated in accordance with our normal hourly rates.

Other Terms and Conditions: Other or additional terms contrary to the Master Agreement for Professional Services that apply solely to this project as specifically agreed to by signature of the Parties and set forth herein: None.

Short Elliott Hendrickson Inc.

City of Foley

By: 
Full Name: Joel Asp
Title: Sr. Scientist

By: _____
Full Name: _____
Title: _____

Exhibit A-1

Payments to Consultant for Services and Expenses Using the Hourly Basis Option

The Agreement for Professional Services is amended and supplemented to include the following agreement of the parties:

A. Hourly Basis Option

The Client and Consultant select the hourly basis for payment for services provided by Consultant. Consultant shall be compensated monthly. Monthly charges for services shall be based on Consultant's current billing rates for applicable employees plus charges for expenses and equipment.

Consultant will provide an estimate of the costs for services in this Agreement. It is agreed that after 90% of the estimated compensation has been earned and if it appears that completion of the services cannot be accomplished within the remaining 10% of the estimated compensation, Consultant will notify the Client and confer with representatives of the Client to determine the basis for completing the work.

Compensation to Consultant based on the rates is conditioned on completion of the work within the effective period of the rates. Should the time required to complete the work be extended beyond this period, the rates shall be appropriately adjusted.

B. Expenses

The following items involve expenditures made by Consultant employees or professional consultants on behalf of the Client. Their costs are not included in the hourly charges made for services but instead are reimbursable expenses required in addition to hourly charges for services and shall be paid for as described in this Agreement:

1. Transportation and travel expenses.
2. Long distance services, dedicated data and communication services, teleconferences, Project Web sites, and extranets.
3. Lodging and meal expense connected with the Project.
4. Fees paid, in the name of the Client, for securing approval of authorities having jurisdiction over the Project.
5. Plots, Reports, plan and specification reproduction expenses.
6. Postage, handling and delivery.
7. Expense of overtime work requiring higher than regular rates, if authorized in advance by the Client.
8. Renderings, models, mock-ups, professional photography, and presentation materials requested by the Client.
9. All taxes levied on professional services and on reimbursable expenses.
10. Other special expenses required in connection with the Project.
11. The cost of special consultants or technical services as required. The cost of subconsultant services shall include actual expenditure plus 10% markup for the cost of administration and insurance.

The Client shall pay Consultant monthly for expenses.

C. Equipment Utilization

The utilization of specialized equipment, including automation equipment, is recognized as benefiting the Client. The Client, therefore, agrees to pay the cost for the use of such specialized equipment on the project. Consultant invoices to the Client will contain detailed information regarding the use of specialized equipment on the project and charges will be based on the standard rates for the equipment published by Consultant.

The Client shall pay Consultant monthly for equipment utilization.

**CITY OF FOLEY
COUNTY OF BENTON
STATE OF MINNESOTA**

RESOLUTION 2026-17

**RESOLUTION APPROVING SALE OF RESIDENTIAL LOTS LOCATED WITHIN
SOUTH FAIRWAY ESTATES**

WHEREAS, the City of Foley previously operated a wastewater treatment facility on property owned by the City; and

WHEREAS, the wastewater treatment facility has been partially decommissioned and a significant portion the property is no longer needed for municipal utility purposes; and

WHEREAS, the City has platted the property as the subdivision known as South Fairway Estates for residential development; and

WHEREAS, some remaining utility infrastructure remains on the property in reserved utility easements and subject to State bonding restrictions as contained in Benton County Recorder Document #: 462976; and

WHEREAS, the City Council finds that encouraging residential construction within the City promotes the public purposes of community growth, expansion of the City's housing supply, and expansion of the local tax base; and

WHEREAS, the City has incurred costs associated with preparing the property for residential development, including but not limited to platting, engineering, and installation of public infrastructure and utilities; and

WHEREAS, the City Council finds that the proposed sale price of approximately \$50,000 per lot reflects the fair market value of comparable residential lots in the region and will allow the City to recoup a portion of the public costs associated with development of the subdivision; and

WHEREAS, the City intends to sell the lots on a first-come, first-served basis pursuant to a standard form purchase agreement approved by the City; and

WHEREAS, in order to ensure that the lots are developed for residential use in a timely manner and to prevent speculative holding of undeveloped property, the City finds it necessary to require that lots be sold to licensed home builders who will construct a residential dwelling on the property within two (2) years after closing; and

WHEREAS, the City further finds it appropriate to include a reverter provision in the deed providing that if construction of a residential dwelling is not completed within the required timeframe, title to the property will revert to the City; and

WHEREAS, the City also intends to record certain restrictive covenants applicable to the lots, including limitations on permitted construction types due to soil and groundwater conditions, prohibition of manufactured homes, and a requirement that the lots be used solely for single-family residential purposes; and

WHEREAS, the City is working with the state on infrastructure grant funds which may require additional conditions or restrictions on the lots;

WHEREAS, purchasers of the lots within South Fairway Estates will remain responsible for payment of applicable Sewer Availability Charges (SAC), Water Availability Charges (WAC), building permit fees, park fees and meter charge and any other applicable charges at the time of development.

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

1. The City Council finds that the property described in the South Fairway Estates is no longer needed for municipal utility purposes and is suitable for residential development.
2. The City Council finds that the sale of the residential lots within the plat serves a valid public purpose, including promoting residential growth and development within the City and expanding the City's tax base.
3. The City Council approves the marketing of the residential lots within the plat at prices generally ranging from \$40,000 to \$50,000 per lot, as established by the City with consideration with the number of lots purchased in a transaction.
4. The City Administrator and Mayor are authorized to execute standard form purchase agreements for the sale of the lots on a first-come, first-served basis of interested licensed builders. This is based upon interest that was expressed when the City first started the project to develop lots.
5. All prospective purchasers shall be provided the uniform disclosure sheet for the property.
6. If the state grant requires additional restrictions, they will be incorporated into the sale process.
7. Each deed conveying a lot shall include:
 - a. a requirement that construction of a single-family residence be completed within two (2) years after closing;
 - b. a reverter provision providing that title to the property shall revert to the City if the construction requirement is not satisfied; and
 - c. reference to recorded restrictive covenants applicable to the subdivision.
8. The restrictive covenants shall include, at minimum:
 - a. a requirement that the lots be used solely for single-family residential purposes;
 - b. prohibition of manufactured/modular homes;
 - c. limitations on foundation or construction types necessary due to soil and groundwater conditions; and

- d. such other reasonable development restrictions as the City may determine are necessary for orderly development of the subdivision.
9. Purchasers shall be responsible for all applicable development-related fees at the time of construction, including Sewer Availability Charges (SAC), Water Availability Charges (WAC), park fee, meter fee and building permit fees.
10. The Mayor and City Administrator are authorized to take all actions necessary to implement this resolution and complete the sale of the lots.

Adopted by the City Council of the City of Foley this 5th day of May, 2026.

Brandon Voit, Mayor

ATTEST:

Sarah Brunn, Administrator

DECLARATION OF COVENANTS

THIS DECLARATION OF COVENANTS (this “**Declaration**”) is made and entered into as of _____, 2026 (the “**Effective Date**”), by **City of Foley, Minnesota**, a body politic under the laws of Minnesota (“**Declarant**”).

RECITALS

- A.** Declarant is the owner of certain real property located within the plat known as South Fairway Estates, Benton County, Minnesota, legally described in **Exhibit A** (the “**Property**”). Declarant desires to impose certain restrictive covenants upon all lots within the Property.
- B.** This Declaration provides for certain building restrictive covenants as to residential dwellings.

DECLARATION

The Declarant makes the following Declaration. The restrictions described below shall apply to the Property and shall run with the land and shall be binding on all parties and all persons claiming under them:

1. **Use Restriction.** Each lot shall be used solely for construction of one single-family residential dwelling and customary residential accessory uses. No manufactured homes, as defined by the City’s zoning ordinance, shall be permitted. No temporary structures, trailers, or storage buildings may be used as a residence.
2. **Foundation and Drainage Improvements.** Due to soil and groundwater conditions within the subdivision, residential dwellings shall utilize foundation systems consistent with the building options described in **Exhibit B**. The City makes no representation or warranty regarding soil conditions, groundwater conditions, or the suitability of any lot for basements or particular foundation types. Each owner is responsible for verifying soil conditions, drainage conditions, and foundation design for improvements constructed on the owner’s lot. Each dwelling shall include sump pump systems and drainage improvements as required by the City Building Official.

3. **Lot Grading and Drainage Patterns.** Each lot shall be graded so as to maintain the drainage patterns established by the subdivision grading plan approved by the City. No owner shall alter the drainage pattern of a lot in a manner that adversely affects drainage on adjacent lots or public drainage systems. The City may require corrective action if grading or improvements interfere with established drainage patterns.

4. **Severability.** Invalidation of any of the provisions contained in this Declaration, or of the application of them to any person, by judgment or court order, will in no way affect any of the other provisions of this Declaration or the application to any other person, and the same will remain in full force and effect.

5. **Enforcement.** The City of Foley shall have the right to enforce these covenants by any proceeding by law or in equity. In addition, the City may enforce these covenants through its administrative and regulatory authority, including but not limited to the withholding or denial of building permits, inspections, approvals, or certificates of occupancy for any lot within the Property that is not in compliance with these covenants. The rights of enforcement contained in this section are cumulative and shall not limit any other remedies available to the City.

6. **Term and Binding Effect.** These covenants shall run with the land for a period of thirty (30) years from the date of recording and shall automatically renew for successive ten (10) year periods unless amended or terminated by the City. This Declaration shall be recorded against the Property.

[Signature page to follow.]

The parties have executed this Declaration of Covenants as of the Effective Date.

DECLARANT:

Grantor:

CITY OF FOLEY, MINNESOTA

By _____
Brandon Voit, Its Mayor

CITY OF FOLEY, MINNESOTA

By _____
Sarah Brunn, Its Administrator

STATE OF MINNESOTA

COUNTY OF BENTON

This instrument was acknowledged before me on _____, 20__, by Brandon Voit, as the Mayor of the City of Foley.

Notary Public

STATE OF MINNESOTA

COUNTY OF BENTON

This instrument was acknowledged before me on _____, 20__, by Sarah A. Brunn, as the Administrator of the City of Foley.

Notary Public

THIS INSTRUMENT DRAFTED BY:
RINKE NOONAN (AAR/mjr)
1015 West St. Germain Street, Suite 300
P.O. Box 1497
St. Cloud, MN 56302
320-251-6700
File No. 04313-0276

EXHIBIT A

(Legal Description)

Lot ____, Block ____, South Fairway Estates, Benton County, Minnesota.

EXHIBIT B

(Foundation Restrictions)

<insert>

CITY OF FOLEY

SOUTH FAIRWAY ESTATES RESIDENTIAL LOT DISCLOSURE

The City of Foley has developed excess land formerly associated with the City's wastewater treatment facility in order to create additional residential lots. The property has been platted as South Fairway Estates. This disclosure is provided to all prospective purchasers so that all buyers receive consistent information regarding the subdivision.

1. **Restrictive Covenants**. The lots within South Fairway Estates are subject to recorded restrictive covenants, attached as **Exhibit A**.
2. **Residential Use Restriction**. Each lot shall be used solely for construction of one single-family residential dwelling. Manufactured homes, as defined in the City's zoning ordinance, are not permitted within the subdivision.
3. **Prior Wastewater Facility Use**. The property within South Fairway Estates was previously part of the City's wastewater treatment facility site. The wastewater ponds located north of the subdivision remain in use as shown in **Exhibit B**. Purchasers of lots within South Fairway Estates may occasionally experience sights, odors, insects, equipment activity, or other conditions associated with the ongoing operation of the wastewater ponds.
4. **No Speculative Purchases**. The South Fairway Estates has been developed for the purpose of fostering residential construction and not for speculative purchases.
5. **Soil Conditions and Groundwater**. Similar to other areas within the City, the subdivision is subject to relatively high groundwater conditions and soils that may limit the feasibility of traditional full-basement construction. Certain foundation types may be required. Soil and groundwater conditions may vary from lot to lot. Purchasers are responsible for consulting with their builder, engineer, or other professionals regarding appropriate foundation design and construction methods.
6. **Foundation Construction Requirements**. Residential dwellings constructed on lots within must utilize foundation types consistent with the building options identified in **Exhibit C**. These requirements are intended to address the soil and groundwater conditions present within the subdivision. The City makes no representation or warranty regarding soil conditions, groundwater conditions, or the suitability of any lot for full basement construction or other specific foundation types.
7. **Construction Requirement and Reverter**. Each deed conveying a lot within will include a construction requirement and reverter provision requiring construction of a dwelling within specified time periods:
 - a. Construction must commence within one (1) year after closing;
 - b. Construction must be substantially completed within two (2) years after closing;
 - or
 - c. Substantial completion means issuance of a certificate of occupancy by the City.

If the construction requirement is not satisfied within the required time periods, title to the property may revert to the City as provided in the deed. A sample deed provision containing the reverter language is attached as **Exhibit D**.

8. **Drainage and Grading**. Lots within the subdivision are subject to established drainage patterns and grading requirements. Owners are responsible for constructing and maintaining improvements in a manner that does not alter established drainage patterns or adversely affect adjacent properties or public drainage systems.
9. **Temporary Structures and Residency**. No temporary structures, trailers, recreational vehicles, tents, or similar structures shall be used as a residence on any lot. Temporary construction trailers or storage structures may be used during active construction of a dwelling but must be removed upon completion of construction.
10. **Independent Investigation**. Purchasers are responsible for conducting their own investigation of the property, including soil conditions, groundwater conditions, drainage conditions, utilities, and the suitability of the property for their intended construction. Buyers should consult with their builder, engineer, or other professionals regarding site conditions prior to construction.
11. **Sewer and Water Connection Charges**. Purchasers of lots within will be responsible for payment of applicable Sewer Availability Charges (SAC), Water Availability Charges (WAC), building permit fees, and other development-related fees at the time building permits are issued.
12. **Property Taxes**. The property is currently owned by the City of Foley and is therefore exempt from property taxation. After a lot is sold to a private owner, the property will become subject to property taxation in accordance with Minnesota law. Purchasers will be responsible for real estate taxes first payable after closing.
13. **Bond Finance Restriction**. Lots 1 through 6 of Block 1 are subject to a bond finance restriction pursuant to the Real Property Declaration recorded September 22, 2022, as Document No. 462976. This relates to a sewer force main located within the utility easements on these lots. The restriction does not preclude the construction of a single-family residence. This restriction runs with the land and survives transfer of ownership.

This disclosure is provided for informational purposes only so that all buyers receive the same information regarding the subdivision. Buyers are encouraged to inspect the property and conduct any investigations they deem necessary prior to purchasing a lot. All lots are sold on a first come first served basis. This disclosure is not a warranty and does not replace the need for independent investigation by Buyer.

(Top 3 inches reserved for recording data)

QUIT CLAIM DEED
Business Entity to Individual(s)

Minnesota Uniform Conveyancing Blanks
Form 10.3.4 (2016)

eCRV Number: _____

DATE: _____, 20__

DEED TAX DUE: \$ _____

FOR VALUABLE CONSIDERATION, **City of Foley, Minnesota**, a body politic under the laws of Minnesota (“City”), hereby conveys and quitclaims to **<insert name of each Grantee>** (“Buyer”), as **<tenants in common>** **<joint tenants>**, real property in Benton County, Minnesota, legally described as follows:

Lot <>, Block <>, South Fairway Estates

together with all hereditaments and appurtenances belonging thereto.

This conveyance is made subject to the Declaration of Restrictive Covenants recorded on **<date>**, as Document No. **_____**, Benton County Recorder.

Check here if all or part of the described real property is Registered (Torrens)

The City certifies that the City does not know of any wells on the described real property.

City and Buyer agree that this Deed is subject to the following covenants, conditions, restrictions and provisions:

1. Construction Requirement and Possibility of Reverter. Buyer expressly covenants that Buyer shall commence construction of a single-family dwelling on the Property within twelve (12) months after the date of this Deed and shall substantially complete construction within twenty-four (24) months after the date of this Deed. For purposes of this provision, “commence construction” means the installation of permanent structural improvements pursuant to a valid

building permit; “substantial completion” means issuance of a certificate of occupancy by the City. If the dwelling is not substantially completed within this time period, title to the Property shall automatically revert to the City of Foley, Minnesota, subject to the mortgagee protection provision below. The City Council, in its sole discretion, may extend the time periods contained in this section for good cause.

2. **Subordination.** The possibility of reverter described in this Deed shall be subordinate to the lien of any mortgage securing financing for construction of the dwelling. In the event a mortgagee acquires title to the Property through foreclosure or deed in lieu of foreclosure, the mortgagee shall not be subject to the automatic reverter provided in this Deed; however, any subsequent purchaser of the Property from the mortgagee shall remain subject to the construction requirement contained herein.

3. **Evidence of Reversion.** The City may record an affidavit or other instrument confirming that title to the Property has reverted pursuant to this Deed.

4. **Release of Reverter.** Upon issuance of a certificate of occupancy for the dwelling constructed on the Property, the City shall, upon request of the owner, execute and record a document confirming satisfaction of the construction requirement and termination of the possibility of reverter.

5. **Runs With the Land.** The covenant and possibility of reverter contained in this Deed shall run with the land and shall bind the Buyer and the Buyer’s successors and assigns.

CITY OF FOLEY, MINNESOTA

By _____
Brandon Voit, Its Mayor

By _____
Sarah Brunn, Its Administrator

STATE OF MINNESOTA

COUNTY OF BENTON

This instrument was acknowledged before me on _____, 20__, by Brandon Voit, as the Mayor of the City of Foley.

Notary Public

STATE OF MINNESOTA

COUNTY OF BENTON

This instrument was acknowledged before me on _____, 20__, by Sarah A. Brunn, as the Administrator of the City of Foley.

Notary Public

<name>, Buyer

<name>, Buyer

STATE OF MINNESOTA

COUNTY OF _____

This instrument was acknowledged before me on _____, 20__, by <name>, <married to <> / a single adult>.

Notary Public

STATE OF MINNESOTA

COUNTY OF _____

This instrument was acknowledged before me on _____, 20__, by <name>, <married to <> / a single adult>.

Notary Public

THIS INSTRUMENT DRAFTED BY:
Rinke Noonan (AAR/mjr)
1015 West St. Germain, Suite 300
P.O. Box 1497
St. Cloud, MN 56302-1497
BP (320) 251-6700
File No. 04313-0276

**TAX STATEMENTS FOR THE REAL
PROPERTY DESCRIBED IN THIS
INSTRUMENT SHOULD BE SENT TO:**

VACANT RESIDENTIAL LOT PURCHASE AGREEMENT

THIS PURCHASE AGREEMENT (“Agreement”) is made between the City of Foley, Minnesota (“City”), and _____ (“Buyer”).

1. **Property.** City agrees to sell to Buyer the real property legally described as: Lot ___, Block ___, South Fairway Estates, Benton County, Minnesota (“Property”).
2. **Purchase Price.** The purchase price for the Property shall be \$_____ (“Purchase Price”). Buyer shall deposit earnest money of \$_____ with the Title Company within five (5) days after acceptance of this Agreement. The earnest money shall be applied to the Purchase Price at Closing.
3. **Closing.** Closing shall occur within sixty (60) days after acceptance of this Agreement, or on another date agreed by the parties. Closing shall take place at Benton County Abstract & Title Company (the “Title Company”). City will pay the costs of issuing the Title Commitment. Buyer will pay all costs of the ALTA Form Owner’s Title Policy. Buyer and City shall each pay ½ of any customary closing fee or charge imposed by the Title Company. City shall pay applicable state deed tax. Buyer will pay the recording fee for the deed.
4. **Title.** City shall provide a commitment for an Owner’s Policy of Title Insurance in the amount of the Purchase Price. The Property shall be subject to Declarations of Restriction in favor of the City. Buyer shall have ten (10) days after receipt of the commitment to make written objections to title. If objections are not cured prior to Closing, Buyer may terminate this Agreement and receive a return of the earnest money.
5. **Taxes and Assessments.** Real estate taxes first payable after Closing shall be the responsibility of the Buyer. Buyer acknowledges that Sewer Availability Charges (SAC), Water Availability Charges (WAC), building permit fees, and all other development-related fees will be the responsibility of Buyer at the time of construction.
6. **Construction Requirement.** The parties acknowledge that Buyer’s commitment to build a single-family home is a material condition of this Purchase Agreement. Buyer shall secure a building permit and commence the construction of a single-family dwelling on the Property within twelve (12) months after Closing and shall substantially complete construction within twenty-four (24) months after Closing. Substantial completion means issuance of a certificate of occupancy by the City. The City Council may, but is not obligated to, extend these deadlines for good cause.
7. **Reverter.** If Buyer fails to secure a building permit or substantially complete construction within the required time periods, title to the Property shall revert to the City as provided in the deed.

8. **Transfer Restriction.** Buyer may not transfer the Property prior to issuance of a Certificate of Completion without the prior written consent of the City, which shall not be unreasonably withheld.

9. **City Representations.** City represents that: (1) City owns the Property, (2) City has authority to enter into this Agreement and convey the Property, and (3) City has not received notice of pending assessment, liens, condemnation, or other claims affecting the Property.

10. **Disclosures.** Buyer acknowledges receipt of the City of Foley Property Disclosure Sheet, attached as **Exhibit A**. Buyer acknowledges that Buyer has had the opportunity to inspect the Property and conduct any investigations Buyer deems necessary regarding soils, drainage, utilities, and suitability for construction. Buyer is relying on Buyer's own inspection and investigation of the Property.

11. **Default.** If Buyer defaults under this Agreement and fails to cure such default within fifteen (15) days after written notice, City may terminate this Agreement and retain the earnest money as liquidated damages. If City defaults, Buyer may pursue specific performance or other remedies available at law.

12. **Notices.** Any notice required under this Agreement shall be given by mail or overnight delivery to the following addresses:

City:

City of Foley

With a copy to: Rinke Noonan, Ltd.
 c/o Adam Ripple
 1015 W St. Germain St., Suite 300
 St. Cloud, MN 56301
 Aripple@RinkeNoonan.com

Buyer:

13. **Miscellaneous.** This Agreement constitutes the entire agreement between the parties and may be modified only in writing signed by both parties. This Agreement binds and benefits the parties and their successors and assigns. All of the terms, representations and warranties in this Agreement will survive and be enforceable after the Closing.

I agree to sell the property for the price and terms and conditions set forth above.

I agree to purchase the property for the price and terms and conditions set forth above.

Dated: _____,
20__

Dated: _____, 20__

CITY OF FOLEY, MINNESOTA

<name>, Buyer

By _____
Its _____

<name>, Buyer

EXHIBIT A

City of Foley Property Disclosure Sheet

TO: FOLEY CITY COUNCIL
FROM: SARAH BRUNN, CITY ADMINISTRATOR
SUBJECT: 05-05-26 –COUNCIL MEETING
DATE: APRIL 29, 2026

Consent Agenda

Fire Ski Unit – this will be purchased with donation funds already received and grant funds we also have been approved for. The City will be responsible for keeping it as an asset and insuring the equipment.

The Dombrowski family has requested closure of Broadway Ave N for a church event to be held on September 12th. The county must also approve this request and that application is in your packet. No concerns of staff as long as the county approves the request.

An updated asset listing was provided by the library; this is just to officially accept the changes. These assets are listed in the formal agreement with Great River.

A number of agreements are listed in your consent agenda. This is for the program we were awarded funds from for home improvement loans. The state grant awarded was for \$200,000 – but the city will be responsible for some administration costs – see budget details. Benton Economic Partnership is assisting us with this program and we are also contracting with the Center for Energy and Environment to administer the program. This would be very similar to how we had Tri Cap administer our small cities funds many years ago.

We had many applications for the open position at City Hall – and since we had some very good applicants, we conducted extra first round interviews. We are in the process of narrowing this pool of applicants and working on a second round of interviews/testing. If we are able to get that completed by the meeting I will add a name to the agenda – if not, I am hoping the council can recess the meeting and reconvene it later next week just to make the hiring approval.

City staff responded to the Legion reps regarding the parking lot compliance. Joe Kaproth reached back out and requested they be put on city letterhead and approved by the city council. Those responses are included in the consent agenda.

Lead Service Engineering Services

An agreement is in your packet for engineering for lead service replacement this year. The engineer can answer any questions you have at the meeting.

Wetland Delineation Quote

We had discussed selling a portion of property across from L.E.I. a few months back. If the council is still interested the first step would be to verify the wetlands – a proposal for this is included in your packet.

South Fairway Estates Lot Sales

I have provided some minor updates to the resolution related to the lots sales in South Fairway Estates. For now, we will be forgoing the use of state funding for the first phase of this project. The contracts are likely to be delayed again after my meeting with the state last week and I do not recommend holding off any longer with the construction and utilizing the ARPA funds. We will attempt to see if we can use these funds for the 2nd phase. The state has indicated we have 3 years from the signing of the contract to use the funds. I have also included the purchase documents again.

Dombrovski Tank/Expansion Request

The information/application process we discussed at the last meeting was sent via email over to Pat Dombrovski – I have not had a reply yet but also know it was a lot of information that may take some time to get through.

Upcoming Reminders

May 1, 2026 – City Hall -Friday 1:30pm Closing Starts

May 5, 2026 – Council Meeting

May 11, 2026 – Planning Commission – Foss Variance, Benton County Lot Split

May 13, 2026 – Water Shut-Offs

May 25, 2026 – Offices Closed – Memorial Day

June 2, 2026 – Council Meeting – Possible Audit Presentation – Liquor License Renewals

June 15-17, 2026 – Foley Fun Days

June 19, 2026 – City Offices Closed – Juneteenth