

FARGO CITY COMMISSION AGENDA  
Monday, June 8, 2026 - 5:00 p.m.

City Commission meetings are broadcast live on TV Fargo Channel 56 and online at [www.FargoND.gov/Streaming](http://www.FargoND.gov/Streaming). They are rebroadcast Mondays at 5:00 p.m., Thursdays at 7:00 p.m. and Saturdays at 8:00 a.m. They are also included in the video archive at [www.FargoND.gov/CityCommission](http://www.FargoND.gov/CityCommission).

- A. Pledge of Allegiance.
- B. Roll Call.
- C. Approve Order of Agenda.
- D. Minutes (Regular Meeting, May 26, 2026).

**CONSENT AGENDA – APPROVE THE FOLLOWING:**

- 1. Developer Agreement with Lennon Lofts, LLC.
- 2. Agreement with Spencer Halvorson, the City of Fargo and Lake Agassiz Water Authority (LAWA).
- 3. Ratification of the Mayor's signature on the First Amendment to Memorandum of Understanding with Presentation Partners in Housing.
- 4. 1st reading of an Ordinance Amending Section 21.1-0102 of Article 21.1-01 of Chapter 21.1 of the Fargo Municipal Code Relating to the International Residential Code.
- 5. 2nd reading, waive reading and final adoption of an Ordinance Amending Ordinance No. 5536 Pertaining to Zoning of EOLA Second Addition and J & O 45th Street Apartments Addition to the City of Fargo, Cass County, North Dakota; 1st reading, 5/26/26.
- 6. Resolution for the City's Wildlife Management Program for 2026-2027.
- 7. Resolution Consenting to the Refunding of the Capital Financing Program, Series 2013A Bonds and the Capital Financing Program, Series 2014B Bonds by the Metro Flood Diversion Authority.
- 8. Site Authorizations for Games of Chance.
- 9. Applications for Games of Chance.
- 10. Receive and file the additional funding notification from the ND Department of Transportation for the alternative selection for the 64th Avenue South and I-29 Interchange Project.
- 11. Encroachment Agreement (Parking Lot Encroachment) with Farmers Union Oil Company of Moorhead, Minnesota for 3001 Main Avenue.
- 12. Change Order No. 1 in the amount of \$1,550.98 and 2-day time extension for Project No. BR-27-E4.

13. Negative Final Balancing Change Order No. 2 in the amount of -\$23,432.87 for Improvement District No. BR-25-A1.
14. Access Easement (Storm Sewer Easement) with Southeast Cass Water Resource District (Improvement District No. BN-25-F1).
15. Create Improvement District No. BN-26-B and adopt Resolution of Necessity (New Paving and Utility Construction).
16. Contract and bond for Improvement District No. PR-26-F.
17. Items from FAHR Meeting:
  - a. Receive and file Sales Tax Revenue - Accrual Basis.
  - b. Agreement for Interim Health Officer Services with Dr. Jessie Lindemann.
  - c. Purchase of Service Agreement with Kindred Public School District.
  - d. Contract with HS GovTech USA (RFP26033).
  - e. Sale of the City's remaining inventory of new, stock water meters to Cass Rural Water Users District for the negotiated purchase price of \$40,000.00 and related budget adjustment.
  - f. Budget adjustment to accurately reflect the gross expense and agency bill-backs associated with the GIS mapping project with Fugro USA Land, Inc. (RFP26019).
18. Set June 22, 2026 at 5:05 p.m. as the date and time for a Hearing on a dangerous building at 111-113 32nd Avenue North.
19. Resolution approving Plat of Jerstad-Thompson Second Subdivision.
20. Contract and bond for Project No. SW2601.
21. Contract and bond for Project No. WA2509.
22. Bid award to Johnson & Schock Excavating, LLC in the amount of \$439,814.00 for Project No. WA2513.
23. Bills.

#### **REGULAR AGENDA:**

24. Construction Update.
25. Recommendation to approve the Community Development Block Grant (CDBG) and HOME Investment Partnership (HOME) Programs, 2026 HUD Action Plan and Budget, and Amendments to the 2025 Action Plan and Citizen Participation Plan.
26. Liaison Commissioner Assignment Updates.
27. **PUBLIC COMMENTS (2.5 minutes will be offered for comment with a maximum of 30 minutes total for all public comments. Individuals who would like to address the Commission, whether virtually or in person, must sign-up [here](#)).**

People with disabilities who plan to attend the meeting and need special accommodations should contact the Commission Office at 701.241.1310 at least 48 hours before the meeting to give our staff adequate time to make arrangements.

Minutes are available on the City of Fargo website at [www.FargoND.gov/CityCommission](http://www.FargoND.gov/CityCommission).




①

**City Administration**  
225 4th Street North  
Fargo, ND 58102

## MEMORANDUM

**TO:** Fargo City Commission

**FROM:** Jim Gilmour, Director of Strategic Planning and Research 

**DATE:** May 29, 2026

**SUBJECT:** Lennon Lofts – Amendment of Property Tax Exemption

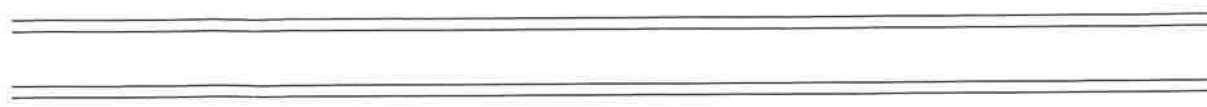
Last year, the City Commission approved property tax incentives for a redevelopment project on 6th Avenue North. One of those exemptions was a 5-year Tax Increment Financing exemption.

Construction costs were much higher than expected, and the developer did not proceed with the project.

Kevin Bartram is the new general partner and is going to proceed with the project. A new development agreement is needed to provide additional time to complete the project and list Kevin Bartram as the general partner. All other terms of the agreement are that same as what was approved last year. The agreement is attached for your consideration.

### Recommended Motion

Approve the agreement to provide a 5-year Tax Increment Financing exemption for the Lennon Lofts project.



DEVELOPER AGREEMENT

By and Between

CITY OF FARGO, NORTH DAKOTA

a North Dakota Municipal Corporation

and

Lennon Lofts, LLC



TABLE OF CONTENTS  
(Included for Convenience of Reference Only)

Table of Contents

ARTICLE I Definitions.....	1
ARTICLE II Representations, Warranties and Covenants .....	4
ARTICLE III Completion of Minimum Improvements; Future Requests for Public Assistance; TIF Tax Exemption to Offset Certain Costs .....	7
ARTICLE IV Completion Of Minimum Improvements .....	13
ARTICLE V Insurance And Condemnation.....	15
ARTICLE VI Reserved.....	16
ARTICLE VII Mortgage Financing .....	17
ARTICLE VIII Prohibitions Against Assignment And Transfer; Indemnification .....	19
ARTICLE IX Events of Default.....	21
ARTICLE X Additional Provisions .....	24
ARTICLE XI Termination of Agreement; Expiration.....	26
Exhibit A – Legal description	
Exhibit B – Form of Certificate of Completion	

**DEVELOPER AGREEMENT**  
**[TIF Exemption Project]**  
**City of Fargo - Lennon Lofts, LLC**

THIS AGREEMENT, dated as of the \_\_\_ day of \_\_\_\_\_, 20\_\_ (“Effective Date”), is by and between the City of Fargo, a North Dakota municipal corporation, and Lennon Lofts, LLC, a North Dakota limited liability company; and provides as follows:

ARTICLE I

**Definitions**

Section 1.1. **Definitions.** As used in this Agreement, the following terms have the following respective meanings:

"Agreement" means this Developer Agreement, as the same may be amended.

"Certificate of Completion" means a certification in the form of the certificate attached hereto as Exhibit B and hereby made a part of this Agreement, provided to the Developer pursuant to Section 3.3 of this Agreement.

"City" means the City of Fargo, a North Dakota municipal corporation.

"Condemnation Award" means the amount remaining from an award to the Developer for the acquisition of title to and possession of the Development Property, or any material part thereof, after deducting all expenses (including fees and disbursements of counsel) incurred in the collection of such award.

"County" means the County of Cass, North Dakota.

"Capitalized Interest" means the portion of the principal amount of the TIF Eligible Expenses that represents the sum of the products of the various eligible expenses initially borne by Developer and the City that will be multiplied by an interest rate of Five and no/100ths Percent (5.00%) per annum, simple interest, multiplied by the number of years, or fraction thereof, between the later of the Effective Date or the date such expense was incurred and the date of the Certificate of Completion or, if earlier, February 1<sup>st</sup> of an earlier first (1<sup>st</sup>) Tax Year if one is specified as provided in Section 3.3(i) (regarding the Designation of Specified First Tax Year).

"Developer" means Lennon Lofts, LLC, a North Dakota limited liability company, or permitted successors or assigns.

"Development Costs" means those costs incurred and to be incurred by or on behalf of the Developer in acquiring the Development Property, in completing the Minimum Improvements and in financing those undertakings (including all interest charges on borrowed funds).

"Development Plan" means the development or renewal plan for the Development Property approved by the City on March 17, 2025, including all exhibits thereto, as the same may be amended from time to time.

"Development Property" means the real property described in Exhibit A to this Agreement.

"Effective Date" means the date and year first above written or, if said date and year is not completed, the Effective Date means the date and year that this Agreement is last signed by one of the Parties.

"Environmental Laws" means the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. sec. 96.01 et seq., the Resource Conservation and Recovery Act, 42 U.S.C. sec. 69.01 et seq., the Hazardous Materials Transportation Act, 49 U.S.C. sec. 1802 et seq., the Toxic Substances Control Act, 15 U.S.C. sec. 2601 et seq., the Federal Water Pollution Control Act, 33 U.S.C. sec. 1251 et seq., the Clean Water Act, 33 U.S.C. sec. 1321 et seq., the Clean Air Act, 42 U.S.C. sec. 7401 et seq., , and any other federal, state, county, municipal, local or other statute, law, ordinance or regulation which may relate to or deal with human health or the environment, all as may be from time to time amended.

"Event of Default" means an event of default defined in Section 9.1 of this Agreement.

"Hazardous Substances" means asbestos, ureaformaldehyde, polychlorinated biphenyls ("PCBs"), nuclear fuel or material, chemical waste, radioactive material, explosives, known carcinogens, petroleum products and by-products and other dangerous, toxic or hazardous pollutants, contaminants, chemicals, materials or substances listed or identified in, or regulated by, any Environmental Law.

"Minimum Improvements" means the improvements or other project work that is contemplated by and in accordance with this Agreement and described in Section 4.1.

"Mortgage" means any mortgage or security agreement in which the Developer has granted a Mortgage or other security interest in the Development Property, or any portion or parcel thereof, or any improvements constructed thereon, and which is a permitted encumbrance pursuant to the provisions of Article VII; the term "Mortgage" shall specifically include, but shall not be limited to, leases or sale-leaseback arrangements which provide financing for the acquisition of the Development Property, or the undertaking of the Minimum Improvements.

"ND TIF Exemption Law" means the Urban Renewal Law pertaining to the use of a property tax exemption including, in particular, N.D.C.C. §40-58-20(11).

"Party" means either the Developer or City.

"Parties" means the Developer and the City.

"Project" means the project of Minimum Improvements in and adjacent to the TIF District contemplated in the Development Plan.

"Tax Year" is one of a maximum of five (5) successive calendar years pursuant to this Agreement, with the first Tax Year being the year as provided in Article III of this Agreement and with the subsequent years being the four (4) subsequent calendar years. The fifteenth (5th) Tax Year, therefore, is the fourth (4th) calendar year following the first said year.

"TIF Eligible Expenses" are Development Costs incurred, City Administrative Costs; and interest accumulated that are eligible to be paid or reimbursed or, as an alternative, may be offset by a property tax exemption pursuant to Urban Renewal Law.

"Urban Renewal Law" means the North Dakota Urban Renewal Law, that is, North Dakota Century Code, Chapter 40-58, as the same may be amended.

"TIF District" means the area identified as the "District" under the City's Development Plan approved by the Board of City Commissioners of the City of Fargo on March 17, 2025, as the same may be amended.

"Unavoidable Delays" means any delay outside the control of the Party claiming its occurrence which is the direct result of strikes; other labor troubles; unusually severe or prolonged bad weather; unavailability of materials; Acts of God; fire or other casualty to the Minimum Improvements; remediation of contaminants, pollutants or hazardous substances; unforeseen soil conditions, hazardous materials or concealed conditions; litigation (including without limitation bankruptcy proceedings) and which directly results in delays; or acts of any federal, state or local governmental unit which directly result in delays.

ARTICLE II

**Representations, Warranties and Covenants**

Section 2.1. **Representations, Warranties and Covenants by City.** The City represents and warrants that:

(a) The City has received the approval of its Board of City Commissioners to enter into and perform its obligations under this Agreement.

(b) The City herein makes no representation or warranty, either express or implied, as to the Development Property or its condition or the soil conditions thereon or that the Development Property shall be suitable for the Developer's purposes or needs.

Section 2.2. **Representations, Warranties and Covenants by Developer.** The Developer represents and warrants that:

(a) The Developer is a limited liability company duly organized and in good standing under the laws of the State of North Dakota, is not in violation of any provisions of its operating agreement or articles of organization or the laws of the State of North Dakota and is authorized to enter into and perform its obligations under this Agreement.

(b) The execution and delivery of this Agreement, the consummation of the transactions contemplated hereby and the fulfillment of or compliance with the terms and conditions of this Agreement are not prevented or limited by and will not conflict with or result in a breach of any provision or requirement applicable to the Developer or of any provision of any evidence of indebtedness, agreement or instrument of whatever nature to which the Developer is now a party or by which it is bound.

(c) The Developer, with respect to its undertaking of the Minimum Improvements upon the Development Property, will cause the same to occur in accordance in all material respects with this Agreement and all local, state and federal laws and regulations (including without limitation environmental, zoning, building code and public health laws and regulations and including any relocation requirements under local, state or federal law).

(d) The Developer has received no notice or communication from any local, state or federal official or body that any activities of the Developer respecting the Development Property contemplated by this Agreement, including the undertaking of the Minimum Improvements on the Development Property, may be or will be in violation of any law or regulation.

(e) The Developer will use its reasonable efforts to obtain, in a timely manner, all required permits, licenses and approvals, and to meet, in a timely manner, all requirements of all applicable local, state and federal laws and regulations which must be obtained or met before the Minimum Improvements may be lawfully completed.

(f) To the best knowledge and belief of the Developer, the undertaking of the Minimum Improvements on the Development Property at this this point in time, said point in time

occurring prior to Developer being ready to fully develop the Development Property, is conditioned on the assistance and benefit to the Developer provided for in this Agreement. The Developer would not undertake the Project at this point in time without the financing provided by the City pursuant to this Agreement.

(g) The Developer represents and covenants that throughout the term of this Agreement that the tax increment assistance provided under this Agreement will be used by the Developer solely to finance those costs which are eligible costs for reimbursement of a project as defined in the Urban Renewal Law. This provision does not apply to those costs that are initially borne by the City and reimbursed to the City by Developer as provided in Section 3.3 of this Agreement.

(h) The Developer will cooperate fully with the City with respect to any litigation commenced by third parties or by the City or both against third parties with respect to the Project.

(i) The Developer will cooperate fully with the City in resolution of any traffic, parking, trash removal or public safety problems which may arise in connection with the undertaking of the Project.

(j) The Developer has not received any notice from any local, state or federal official that the activities of the Developer with respect to the Project may or will be in violation of any Environmental Law or regulation, and the Developer, without any duty of inquiry, is not aware of any state or federal claim filed or planned to be filed by any party relating to any violation of any Environmental Law.

(k) The Developer understands that the City will or may subsidize or encourage the development of other properties in the City, including properties that compete with the Development Property and Developer's intended improvements, and that such subsidies or encouragements may be more favorable than the terms of this Agreement, and that the City has not represented that development of the Development Property will be favored over the development of other properties.

(l) The Developer will spend enough in undertaking of the Project, when combined with the value of the Development Property, to generate an estimated minimum market value of \$2,400,000.

(m) The Developer expects that, barring Unavoidable Delays, the Project will be substantially completed by December 31, 2028.

(n) As of the Effective Date, the Developer shall have obtained an opinion from its independent legal counsel that this agreement is in accordance with North Dakota state law, including the provisions of N.D.C.C. Chapter 40-58, and is a binding and enforceable agreement.

(o) As of the Effective Date, the Developer has marketable record title to Developer's Property free and clear of any encumbrances or lienholders except as provided in Article VII of this Agreement or, to the extent Developer does not have marketable record title, Developer has obtained from the person, firm or entity having such title an agreement [hereinafter referred to as

an “Agency Agreement”] authorizing Developer to develop Developer’s Property as contemplated by this agreement and authorizing Developer to enter into this Agreement, said Agency Agreement to be in a form approved by the City.

ARTICLE III

**Completion of Minimum Improvements; Future Requests for Public Assistance; TIF Tax Exemption to Offset Certain Costs**

Section 3.1. **Completion of Minimum Improvements by Developer.** The Developer agrees that it will cause the Minimum Improvements on the Development Property to be completed. Subject to Unavoidable Delays, as addressed in Section 4.2, below, the Developer shall have substantially completed the Minimum Improvements for the Project by December 31, 2028. The Developer's use of the Development Property shall be subject to (a) all of the conditions, covenants, restrictions and limitations imposed by this Agreement and also to (b) building and zoning laws and ordinances and all other local, state and federal laws and regulations.

Section 3.2. **Future Requests for Public Assistance.** Developer may apply for additional public assistance for the Project development in the form of Renaissance Zone exemptions, with applications for such additional public assistance to be considered by the City according to the approval process and the decision-making criteria for those programs in effect at that time; provided further, that in order for the Development Property to be eligible for such additional public assistance, the application therefor must be made and submitted to the City prior to the Effective Date.

Section 3.3. **Whole or Partial Tax Exemption Granted by City to Offset Certain Eligible Costs.** The Developer has and/or will incur and pay significant Development Costs a portion of which costs are expected to qualify as TIF Eligible Expenses. The total sum of TIF Eligible Expenses which, including Capitalized Interest thereon, will be used to determine the amount and term of years of a TIF Tax Exemption to be granted for the Developer Property. In this manner, the City hereby agrees to permit the offset of a portion of such costs up to \$365,000 utilizing the tax exemption authorized by the N.D. TIF Exemption Law. The TIF Eligible Expenses that are authorized by this Agreement are comprised of six components:

First Component--Cost of Acquisition or Market Value: The sum of \$220,000 said amount constituting the cost of acquisition or the market value of the buildings existing on the Development Property as of the Effective Date as determined by the City Assessor and agreed-upon by Developer;

Second Component--Demolition and Site Cleaning, Soil Correction and Remediation of Grading: The sum of \$95,000, which is the estimated cost, determined by the Developer and approved by the City, to demolish the said existing buildings and other improvements on the Development Property;

Third Component-- Removal of substandard soils, rubble and site clearing; and, asbestos remediation; filling and grading of the site: \$30,000

Fourth Component--Advance Administrative TIF Fees: As an advance fee for the administration of this tax increment program project, the sum of \$20,000 to be borne by the Developer and paid to the City.

Fifth Component—Capitalized Interest: Certain interest on TIF Eligible Expenses as described and calculated herein to become Capitalized Interest.

The advance administrative TIF fee, set forth above, will be paid by Developer, and will be due and payable by Developer to the City on or before the Effective Date.

If there is a category of expense that is deemed ineligible under the Urban Renewal Law, but there are additional eligible expenses not otherwise reimbursed under this Agreement, then such otherwise non-reimbursed, but eligible, expenses may be recognized as an eligible expense under this Agreement.

The amount of TIF Eligible Expenses to be recognized as the basis for the City's grant of the TIF Tax Exemption will be calculated along with the resulting term of years of tax exemption to be granted and the portion or percentage of full tax exemption applied throughout said term of years shall be determined as follows:

(a) Subject to the conditions of this Agreement, the City intends to provide public assistance to Developer for the project by the grant of total or partial tax exemption as set forth herein, as a means by which the Developer may recoup TIF Eligible Expenses. N.D.C.C. §40-58-20 subs. 11. With respect to the award or grant by a City of a tax exemption, as set forth in this Agreement, the calculation of a full or partial tax exemption value is determined by and limited to the calculated "tax increment" as defined in Urban Renewal Law. *Id.* Accordingly, at such time as the parties have entered into this Agreement, the Development Plan and TIF District shall have previously been approved by the City thereby establishing the authority of the City to request the Cass County Auditor and Treasurer to compute and certify tax increments resulting from the TIF District and the County Auditor will compute and certify the original taxable value of each lot and parcel of real estate in the TIF District, "as last assesses and equalized" before the date of the request, thus establishing the "base" from which tax increment may then be calculated. N.D.C.C. §40-58-20 subs. 1, 2. Thereafter, in accordance with the statute, in each subsequent year the County Auditor undertakes a process to extend the aggregate property tax mill rate against both the "base" value and the said calculated tax increment, to offset tax increment proceeds by any lost values that occur and then to remit the net tax increment to the City having established the Development Plan and TIF District. *Id.* at subs. 3-7. Therefore, the total or partial tax exemption described in this Agreement is limited to, and based upon, said tax increment. *Id.* at subs. 11.

(b) When the Developer has substantially completed the Minimum Improvements in a timely manner, the Developer will be responsible for submitting to the City a compilation of Development Costs which Developer will represent as being TIF Eligible Expenses fitting within the several components identified in this Section, above, said costs to be categorized according to said individual components along with receipts and other evidence of such costs. Demonstration of said costs shall be made pursuant to one or more certifications in form and substance

satisfactory to the City that all or a portion of the costs of the Minimum Improvements have been incurred, together with evidence satisfactory to the City of the nature and amount of the costs of the Minimum Improvements and of the costs incurred by the Developer. Each certification shall demonstrate the specific purpose and amount of the costs of the Minimum Improvements and their compliance with the representation set forth at Section 2.2(g). The City's determination of a cost's compliance with the representation set forth at Section 2.2(g) shall, if based on the advice of its city attorney after consultation with the Developer or its counsel, be conclusive.

(c) TIF Tax Exemption—Direction to County, Term of Years, Portion of Exemption. If the conditions set forth in this Section are met, the Certificate of Completion shall be ready to be issued and delivered by the City in a form substantially similar to Exhibit B when the Developer has thus demonstrated in writing to the reasonable satisfaction of the City that the Developer has incurred and paid eligible expenses in the amounts and categories as provided in this Section, such costs being expended in furtherance of construction of the Minimum Improvements to be borne by Developer, and which expenses will not be otherwise reimbursed or paid. Further, once the Certificate of Completion has been issued and delivered by the City, the City, upon written request by the Developer, will issue written communication to the County Finance Office requesting and directing that a tax increment financing exemption authorized by N.D.C.C. Section 40-58-20(11) is to be applied against the Development Property over a term of five (5) years, with the first year of said exemption to be the First Tax Year, and with said exemption to continue thereafter from year-to-year for another four (4) Tax Years after which the TIF Tax Exemption will therefore expire. The said TIF Tax Exemption to be applied for the term of years and percentage as follows:

- (1) Tax Years One (1) through Five (5)-- 100% tax exemption.

To the extent the sum of the Developer's submitted TIF Eligible Expenses that have been approved and verified by the City totals not less than Three Hundred Thousand and no/100ths Dollars (\$300,000), then the schedule of tax exemption applicable over the term of years shall be modified to the schedule described in subsection (j), below.

(d) The Certificate of Completion shall be delivered only if no Event of Default shall have occurred and be at the time continuing.

(e) If the City shall refuse or fail to provide a Certificate of Completion for the Project in accordance with the provisions of this Section 3.3, the City shall, within thirty (30) days after written request by the Developer, provide the Developer with a written statement indicating in adequate detail in what respects the Developer has failed to complete the Project in accordance with the provisions of this Agreement, or is otherwise in default under the terms of this Agreement, and what measures or acts it will be necessary, in the opinion of the City, for the Developer to take or perform in order to obtain such Certificate of Completion.

(f) Subject to an approved adjustment in accordance with subsection (i) of this Section 3.3, the tax exemption will commence after the issuance of the Certificate of Completion, the first Tax Year of the TIF Tax Exemption being the calendar year within which the next February 1<sup>st</sup> that is subsequent to the date of issuance of the Certificate of Completion. By way of example,

therefore, if the Certificate of Completion is issued on December 15<sup>th</sup> of 2028, the first Tax Year will be the year 2027, the property taxes for which become payable in 2028, said year 2027 being the calendar year within which “the next February 1<sup>st</sup> falls that is subsequent to said December 15, 2028. In the same manner, if the Certificate of Completion were, for example, issued on January 15, 2027, the first Tax Year would still be the year 2027 because February 1, 2027, is subsequent to the January 15, 2027, date of issuance of the Certificate of Completion. As a result, the valuation of the Development Property as of said February 1<sup>st</sup>, as determined by the City Assessor, shall therefore be used to quantify the value of the TIF Tax Exemption, or portion thereof, being applied as provided in this Agreement.

(g) Developer may apply for additional public assistance in the form of Renaissance Zone assistance. Such application will be considered by the City in accordance with the criteria for such program. If Developer succeeds with such application, then the TIF Tax Exemption can be coordinated or scheduled (i.e. by appropriately identifying the “first (1<sup>st</sup>) Tax Year”) to follow such other public assistance program. For example, if the project also qualifies for a Renaissance Zone exemption for five years, the first Tax Year for the application of the TIF Tax Exemption may be scheduled to follow the five-year exemption so the two programs complement each other.

(h) The Developer specifically recognizes and agrees that if the Developer obtains other public assistance in the form of a five-year Renaissance Exemption from property taxes for the Project, such five-year exemption will not commence until sometime after completion of construction of the Project and, therefore the first Tax Year of a TIF Tax Exemption will not commence until after the expiration of the Renaissance Zone tax exemption and, therefore, it may be necessary or appropriate for the City Assessor to refrain from making any written request to the County Finance Office requesting and directing that the TIF Tax Exemption to be applied for a particular Tax Year until the Renaissance Zone property tax exemption is nearing its conclusion. Therefore, Developer will be responsible for submitting a timely written request to the City Assessor requesting the Assessor to remit the written correspondence to the County Finance Office requesting and directing that said TIF Tax Exemption, having been authorized by N.D.C.C. Section 40-58-20(11), is to be applied against the Development Property as is referenced in subsection (c) of this Section 3.3, said Developer request to the City Assessor to include the name of the original Developer of this Agreement, the effective date of this Agreement, the legal description of the Development Property, and enclosing a complete copy of this Agreement so that the City Assessor has sufficient information at hand to make the Assessor’s written request to the County Finance Office.

(i) Designation of Specified First Tax Year. The Developer shall be authorized to request the City to approve the issuance of the TIF Tax Exemption prior to substantial completion of the Minimum Improvements, to therefore be applicable to a specified first Tax Year instead of the first Tax Year as is otherwise determined under this Agreement, by the following method:

- (1) The Developer submits a written request to the City at least 60 days prior to February 1<sup>st</sup> of the year that the Developer proposes to be the first Tax Year;
- (2) That although the Project has not reached the point of substantial completion, Developer represents to the City that the valuation of the

Development Property, including the construction of the Minimum Improvements underway, is at least 80% of the expected value of the Minimum Improvements as identified in Section 4.1 of this Agreement, said representation being subject to review and confirmation by the City;

(3) In the same manner as provided in subsection (b) of this Section 3.3, Developer will be responsible for submitting to the City a compilation of Development Costs which Developer will represent as being TIF Eligible Expenses fitting within the several components identified in this Section, above, said costs to be categorized according to said individual components along with receipts and other evidence of such costs. The Developer, in making said request prior to substantial completion, is thereby waiving the right to request approval of any subsequent expenses that might otherwise be TIF Eligible Expenses.

(4) In the same manner as provided above, in subsections (b) and (c), hereof, the City may, and is authorized to, approve said expenses and issue the request to the County Finance Office to commence the TIF Tax Exemption for the first Tax Year prior to substantial completion in the same manner as is provided above. The mayor is authorized to approve the same. Such approval shall not be unreasonably withheld.

(j) Shortfall of TIF Eligible Expenses—Adjustment of Annual Exemption. As referred to in subsection (c), hereof, in such event that the City-approved and verified TIF Eligible Expenses total a sum of less than \$300,000 then the schedule of the TIF Tax exemption applied to the Development Property shall be modified to a schedule of percentages that is commensurate with the reduced level of TIF Eligible Expenses as determined by the City after consultation with the Developer.

(k) For purposes of this Agreement all project values shall be as valued by the City Assessor.

(l) The public assistance being provided to Developer via this Agreement being in the form of a TIF Tax Exemption allows the Developer to avoid incurring a portion of property taxes that would otherwise be applicable; however, nothing in this Agreement should be interpreted or construed to provide any guaranty or assurance that the schedule of TIF Tax Exemption to be applied to the Development Property will result in the Developer being able to completely recoup the full extent of the approved and verified TIF Eligible Expenses including Capitalized Interest thereon.

#### Section 3.4. **Release and Indemnification Covenants.**

(a) The Developer releases the City and the governing body members, officers, agents, including independent contractors, consultants and legal counsel, servants and employees thereof (hereinafter, for purposes of this Section, collectively the "Indemnified Parties") from, covenants and agrees that the Indemnified Parties shall not be liable for, and agrees to indemnify and hold harmless the Indemnified Parties against, any loss or damage to property or any injury to or death

of any person for which a claim is made prior to the issuance of a Certificate of Completion and occurring at, about or in connection with the Development Property and/or Minimum Improvements, or the Developer's undertaking and completion thereof, or resulting from any defect therein, except to the extent such loss, damage or death is caused by the negligence or other wrongful acts of the Indemnified Parties. This subsection (a) shall only apply to claims made prior to the issuance of the Certificate of Completion for the Project.

(b) Except for any willful misrepresentation or any willful or wanton misconduct or negligence of the Indemnified Parties, the Developer agrees to protect and defend the Indemnified Parties, now and forever, and further agrees to hold the aforesaid harmless from any claim, demand, suit, action or other proceeding whatsoever by any person or entity whatsoever brought prior to the issuance of a Certificate of Completion and arising or purportedly arising from this Agreement, or the transactions contemplated hereby or the acquisition, construction, installation, ownership, and operation of the Minimum Improvements; provided that this indemnification shall not apply to the warranties made or obligations undertaken by the City in this Agreement.

(c) The Indemnified Parties shall not be liable for any damage or injury to the persons or property of the Developer or its officers, agents, servants or employees or any other person who may be about the Project due to any act of negligence of any person, other than any act of negligence on the part of any such indemnified party or its officers, agents, servants or employees.

(d) All covenants, stipulations, promises, agreements and obligations of the City contained herein shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the City and not of any governing body member, officer, agent, servant or employee of the City.

(e) This Agreement shall not create nor be construed to create any partnership, joint venture, agency, or employment relationship between the Parties.

### Section 3.5. **Requests for Extensions.**

Developer is authorized to make a written request for the extension of any of the Developer's deadlines for commencement or completion of work in advance of the deadline in question. Such request must be delivered to the City at least thirty (30) days in advance of the deadline unless the reason for the extension arose subsequent to such 30-day advance notice period. Requests for extension will be submitted to the board of city commissions for its consideration and the City Commission's decision on such request or requests shall be final.

### Section 3.6. **Use of Tax Increment by City.**

Although the TIF tax exemption as referenced in Section 3.3(a) of this Agreement, that is extended to the Development Property will thereby preclude the City from receiving a considerable portion of tax increments; however, it is expected that the City will still receive the remittance of tax increment from the County Auditor over and above the portion comprising the tax exemption. The City may use such tax increment proceeds for any purpose permitted by law.

ARTICLE IV

**Completion Of Minimum Improvements**

Section 4.1. **Completion of Minimum Improvements.** The Minimum Improvements shall consist of the demolition of two buildings existing on the Development Property; asbestos remediation and the removal of substandard soils, rubble and other site clearing; right-of-way improvements; utility relocation and connections and related street repairs, and the construction of a multi-level apartment building with a minimum of twenty-two (22) residential apartment dwelling units with enclosed (indoor) parking on the ground level. The Minimum Improvements constitute the minimum extent of the project work required to be provided hereunder by the Developer.

Section 4.2. **Commencement and Completion of Minimum Improvements.** Subject to Unavoidable Delays, by October 1, 2026, the Developer shall have commenced the demolition work of the described Minimum Improvements, and by December 31, 2028, the Developer shall have substantially completed the Minimum Improvements as stated in Section 3.1.

Time lost as a result of Unavoidable Delays shall be added to extend the completion date above beyond such date, a number of days equal to the number of days lost as a result of Unavoidable Delays.

The Developer agrees for itself, and every successor in interest to the Development Property, or any part thereof, that the Developer, and such successors and assigns, shall cause to be promptly begun and diligently prosecuted to completion of the Minimum Improvements thereon, and that such work shall in any event be commenced and completed within the period specified in this Section 4.2. It is intended and agreed that such agreements and covenants shall be covenants running with the land and that they shall, in any event, and without regard to technical classification or designation, legal or otherwise, and except only as otherwise specifically provided in this Agreement, be, to the fullest extent permitted at law and in equity, binding for the benefit of the City and enforceable by the City against the Developer and its successors and assigns. Until the Minimum Improvements has been completed, the Developer shall make reports to the City, in such detail and at such times as may reasonably be requested by the City, as to the actual progress of the Developer with respect to the Minimum Improvements.

The Developer agrees that it shall permit designated representatives of the City to enter upon the Development Property during the work on the Minimum Improvements to inspect such work, after reasonable notice to Developer and at City's risk, to determine compliance with this agreement. This subsection is not intended to apply to the customary building or code inspections by the City, which inspections are otherwise required and permitted by law.

Section 4.3. **Reserved.**

Section 4.4. **Certificate of Completion-Project.** The City's obligation to issue and deliver the Certificate of Completion for the Project shall require the Developer to have substantially completed construction of Project with a project value that brings the assessed value of the

Development Property to a minimum of \$2,400,000, as determined by the City Assessor; and to have substantial completion of construction occurring no later than the deadline for such completion as described in Section 3.1. Said Certificate of Completion shall be issued under the conditions and under the authority described in Article III, including Section 3.3 thereof. Such Certificate of Completion shall be a conclusive determination that the Developer has fulfilled the obligations of the Developer, and its successors and assigns, to commence and substantially complete the Project.

ARTICLE V

**Insurance And Condemnation**

Section 5.1. **Insurance.**

(a) The Developer will provide and maintain or cause to be maintained at all times during the process of constructing the Minimum Improvements and, from time to time at the request of the City, furnish the City with proof of payment of premiums on:

(i) Reserved.

(ii) Comprehensive general liability insurance (including operations, contingent liability, operations of subcontractors, completed operations and contractual liability insurance) together with an Owner's Contractor's Policy with limits against bodily injury and property damage of not less than \$500,000 for each occurrence (to accomplish the above-required limits, an umbrella excess liability policy may be used); and

(iii) Worker's compensation insurance, with statutory coverage.

(b) All insurance required in this Article V shall be taken out and maintained in responsible insurance companies selected by the Developer which are authorized under the laws of the State to assume the risks covered thereby. The Developer will deposit upon the request of the City, but no more often than annually, with the City copies of policies evidencing all such insurance, or a certificate or certificates or binders of the respective insurers stating that such insurance is in force and effect. In lieu of separate policies, the Developer may maintain a single policy, or blanket or umbrella policies, or a combination thereof, which provide the total coverage required herein, in which event the Developer shall deposit with the City a certificate or certificates of the respective insurers as to the amount of coverage in force upon the Minimum Improvements as to Phase One Development and as to, if any, the Project.

Section 5.2. **Condemnation.** In the event that title to and possession of the Minimum Improvements, or any material part thereof, but solely as to the Development Property which the Developer retains ownership of, shall be taken in condemnation or by the exercise of the power of eminent domain by any governmental body or other person (except the City) prior to the Maturity Date the Developer shall, with reasonable promptness after such taking, notify the City as to the nature and extent of such taking.

ARTICLE VI

**Reserved.**

ARTICLE VII

**Mortgage Financing**

Section 7.1. **Limitation Upon Encumbrance of Property.** Prior to the completion of the Minimum Improvements, as certified by the City, neither the Developer nor any successor in interest to the Development Property or any part thereof shall engage in any financing or any other transaction creating any mortgage or other encumbrance or lien upon the Development Property, whether by express agreement or operation of law, or suffer any encumbrance or lien to be made on or attach to the Development Property, other than:

- (a) except for the purpose of securing financing for the Development Property or Minimum Improvements, or all of them; and
- (b) only if the City is given notice of such Mortgage in accordance with Sections 7.1 and 7.2.

Section 7.2. **Notice of Mortgage.** The Developer shall provide the City with a copy of the Mortgage and related note prior to the completion of the Minimum Improvements thereon.

Section 7.3. **Notice of Default; Copy to Mortgagee.** Whenever the City shall deliver any notice or demand to the Developer with respect to any breach or default by the Developer in its obligations or covenants under this Agreement for which the remedies of Sections 9.2 and 9.3 are available, the City shall at the same time forward a copy of such notice or demand to each holder of any Mortgage at the last address of such holder shown in the records of the City.

Section 7.4. **Mortgagee's Option to Cure Defaults.** After any breach or default referred to in Section 7.3, each such holder shall (insofar as the rights of the City are concerned) have the right, at its option, to cure or remedy such breach or default (or such breach or default to the extent that it relates to the part of the Development Property covered by its mortgage) and to add the cost thereof to the Mortgage debt and the lien of its Mortgage; provided, however, that if the breach or default is with respect to construction covered by the Mortgage, nothing contained in this Section or any other Section of this Agreement shall be deemed to require such holder, either before or after foreclosure or action in lieu thereof, to undertake or continue the construction or completion of the work covered by the Mortgage (beyond the extent necessary to conserve or protect the work or construction already made), provided that any such holder shall not devote the Development Property or portion thereof to a use inconsistent with the Development Plan or this Agreement without the agreement of the City.

Section 7.5. **City's Option to Cure Default on Mortgage.** In the event that the Developer is in default under any Mortgage authorized pursuant to this Article VII, whether or not the holder of the Mortgage has given the Developer notice of such default, the Developer shall notify the City in writing of:

- (a) the fact of the default;
- (b) the elements of the default; and

(c) the actions required to cure the default.

If the default is an "Event of Default" under such Mortgage, which shall entitle such holder thereof to foreclose upon the Development Property covered by the Mortgage or any portion thereof, the Developer shall afford the City an opportunity to cure the "Event of Default" to the extent consistent with the Mortgage or permitted by the holder of the Mortgage upon request of the Developer, which request the Developer hereby covenants to make, within the time for cure provided by the Mortgage or within such longer reasonable time period as the holder shall deem appropriate. The City shall have no obligation to cure any such default.

ARTICLE VIII

**Prohibitions Against Assignment And Transfer; Indemnification**

Section 8.1. **Status of Developer; Transfer of Substantially All Assets.** As security for the obligations of the Developer under this Agreement, the Developer represents and agrees that prior to the earlier of the Maturity Date, the Developer will maintain its existence as a North Dakota limited liability company and maintain its authority to conduct business in the State of North Dakota and shall not consolidate with or merge into another entity and shall not dissolve or otherwise dispose of all or substantially all of its assets; provided that the Developer may consolidate with or merge into another entity or sell or otherwise transfer to a partnership, corporation, limited liability company or other entity organized under the laws of one of the United States, or an individual, all or substantially all of its assets as an entirety and thereafter dissolve and be discharged from liability hereunder if (i) the transferee partnership, corporation, other entity or individual assumes in writing all of the obligations of the Developer under this Agreement; and (ii) the City receives such new security from the successor Developer to assure completion of the Project and the fulfillment of the remaining obligations of this Agreement as the City deems necessary or desirable.

Section 8.2. **Prohibition Against Transfer of Property and Assignment of Agreement.** The Developer represents and agrees that prior to the issuance of the Certificate of Completion:

(a) Subject to Article VII and Section 8.2(c) of this Agreement, except only by way of security for, and only for, the purpose of obtaining financing necessary to enable the Developer or any successor in interest to the Development Property, or any part thereof, to perform its obligations with respect to making the Minimum Improvements under this Agreement, and any other purpose authorized by this Agreement, the Developer has not made or created and will not make or create or suffer to be made or created any total or partial sale, assignment, conveyance, or lease, or any trust or power, or transfer in any other mode or form of or with respect to the Agreement or the relevant portion of the Development Property or any part thereof or any interest therein, or any contract or agreement to do any of the same, without the prior written approval of the City.

(b) Subject to Section 8.2(c), the City shall be entitled to require, except as otherwise provided in the Agreement, as conditions to any such approval that:

(i) Any proposed transferee shall have the qualifications and financial responsibility, in the reasonable judgment of the City, necessary and adequate to fulfill the remaining obligations undertaken in this Agreement by the Developer with respect to the relevant portion of the Development Property.

(ii) Any proposed transferee, by instrument in writing satisfactory to the City and in form recordable among the land records, shall, for itself and its successors and assigns, and expressly for the benefit of the City, have expressly assumed with respect to the relevant portion of the Development Property all of the remaining obligations of the Developer under this Agreement and agreed to be

subject to all the conditions and restrictions to which the Developer is subject (unless the Developer agrees to continue to fulfill those obligations, in which case the preceding provisions of this Section 8.2(b)(ii) shall not apply); provided, however, that the fact that any transferee of, or any other successor in interest whatsoever to, the Development Property, or any part thereof, shall not, for whatever reason, have assumed such obligations or so agreed, shall not (unless and only to the extent otherwise specifically provided in this Agreement or agreed to in writing by the City) deprive the City of any rights or remedies or controls with respect to the Development Property or any part thereof or to the Minimum Improvements work; it being the intent of the parties as expressed in this Agreement that (to the fullest extent permitted at law and in equity and excepting only in the manner and to the extent specifically provided otherwise in this Agreement) no transfer of, or change with respect to, ownership in the Development Property or any part thereof, or any interest therein, however consummated or occurring, and whether voluntary or involuntary, shall operate, legally or practically, to deprive or limit the City of or with respect to any rights or remedies or controls provided in or resulting from this Agreement with respect to the Minimum Improvements that the City would have had, had there been no such transfer or change. In the absence of specific written approval by the City to the contrary, no such transfer or approval by the City thereof shall be deemed to relieve the Developer, or any other party bound in any way by this Agreement or otherwise with respect to the Minimum Improvements work, from any of its obligations with respect thereto.

(iii) There shall be submitted to the City for review and prior written approval all pertinent instruments and other legal documents involved in effecting the transfer of any interest in this Agreement or the Development Property governed by this Article VIII.

(c) Upon the furnishing of a Certificate of Completion for Project pursuant to Section 4.4, notwithstanding any provisions to the contrary in this Article VIII, the Developer may sell or transfer such property or a portion thereof without any approval pursuant to Section 8.2(a) or (b).

Section 8.3. **Approvals.** Any approval of a transfer of interest in the Developer, this Agreement, or the Development Property or of a release of the Developer from its obligations hereunder required to be given by the City under this Article VIII may be denied only in the event that the City reasonably determines that the ability of the Developer to perform its obligations under this Agreement and its statutory duty, as owner, to pay ad valorem real property taxes assessed and not exempted with respect to the Development Property, or any part thereof, or the overall financial security provided to the City under the terms of this Agreement, or the likelihood of the Minimum Improvements being successfully completed pursuant to the terms of this Agreement, will be materially impaired by the action for which approval is sought.

Section 8.4. **Pre-approved Transfers. Reserved.**

ARTICLE IX

**Events of Default**

Section 9.1. **Events of Default Defined.** The following are Events of Default under this Agreement:

(a) There shall have occurred a failure in the observance or performance in any material respect of any covenant, condition, obligation or agreement to be observed or performed under this Agreement.

(b) If any representation or warranty made by the Developer herein shall at any time prove to have been incorrect in any material respect as of the time made.

(c) If the Minimum Improvements are not substantially completed by December 31, 2028, as such time may be extended by Unavoidable Delays.

(d) If the holder of any mortgage on the Development Property or any portion thereof shall commence a legal action on the secured indebtedness or a foreclosure of its mortgage.

(e) If the Developer shall breach any warranties, covenants or other provisions of this Agreement not referred to in the foregoing provisions of this Section 9.1.

(f) The filing by the Developer of a voluntary petition in bankruptcy or the adjudication of the Developer as a bankrupt, the insolvency of the Developer or the filing by the Developer of any petition or answer seeking or acquiescing in any reorganization, arrangement, composition, readjustment, liquidation resolution or similar relief under any present or future federal, state or other statutes, laws or regulations relating to bankruptcy, insolvency or other relief for debtors, or if the Developer seeks or consents to or acquiesces in the appointment of any trustee, receiver or liquidator for itself or its property, or makes any general assignment for the benefit of creditors, or admits in writing its inability to pay its debts generally as they become due.

(g) If the Developer shall not have available, and be able to demonstrate to the reasonable satisfaction of the City, sufficient funds to complete the Improvements and pay all costs thereof.

An Event of Default shall also include any occurrence which would with the passage of time or giving of notice become an Event of Default as defined hereinabove.

Section 9.2. **Remedies on Default.** Whenever any Event of Default occurs, in addition to all other remedies available to the City at law or in equity, the City (1) may without notice suspend its performance under this Agreement until it receives assurances from the Developer, deemed adequate by the City, that the Developer has cured its default and will continue its performance under this Agreement, and (2) may, after provision of sixty (60) days written notice to the Developer of the Event of Default, but only if the Event of Default has not been cured within said sixty (60) days, or, if the Event of Default cannot be cured within sixty (60) days, the

Developer does not provide assurances to the City reasonably satisfactory to the City that the Event of Default will be cured as soon as reasonably possible, terminate this Agreement, without further obligation whatsoever hereunder to the Developer. Further, whenever an Event of Default occurs that is described in Section 9.1(c), then, after provision of fifteen (15) days written notice to the Developer of such Event of Default, the City shall have the right to enter and take possession of any or all of the Development Property for the purpose of completing the Minimum Improvements and, in the course of so doing, securing the Development Property from intruders and/or preventing uninvited or unwanted persons from, entering the Development Property as may be necessary and appropriate and to abate or mediate any fire hazards or other safety hazards that are reasonably determined to exist by the City. City may enter the property under the authority granted by this Agreement, by one or more ordinances enacted pursuant to Section 40-58-18 of the North Dakota Century Code, or by both such authority.

Notwithstanding anything to the contrary stated in this Agreement, the City shall not exercise any remedies at law or in equity or under this Agreement upon an Event of Default by the Developer, other than the City's right to suspend its performance under this Agreement, until after provision of sixty (60) days written notice to the Developer of the Event of Default, but only if the Event of Default has not been cured within said sixty (60) days, or, if the Event of Default cannot be cured within sixty (60) days, the Developer does not provide assurances to the City reasonably satisfactory to the City that the Event of Default will be cured as soon as reasonably possible.

As a remedy for an Event of Default:

- (a) The City may withhold a Certificate of Completion.
- (b) The City may suspend or terminate the grant of the TIF tax exemption having been provided as set forth in this Agreement, if the Event of Default is a Specified Event of Default.
- (c) The City may take any action, including legal, equitable or administrative action, which may appear necessary or desirable to collect any payments due under this Agreement, to recover any damages or to enforce performance and observance of any obligation, agreement, or covenant of the Developer under this Agreement.

**Section 9.3. Right to Enter Property Upon Certain Events to Abate Safety Hazard.**

Subject to the limitation of remedies contained in Section 9.2, prior to receipt by the Developer of the Certificate of Completion for the Project, if an Event of Default under Section 9.1(a) - (g) occurs and (except in the case of an Event of Default under subsection (f) of Section 9.1) is not cured within the times specified in Section 9.2, then the City shall have the right to enter and take possession of any or all of the Development Property for the purpose of securing the Development Property from intruders and/or preventing uninvited or unwanted persons from, entering the Development Property as may be necessary and appropriate and to abate or mediate any fire hazards or other safety hazards that are reasonably determined to exist by the City. Such abatement or mediation action may, in the reasonable discretion of the City, include the entry by the City or a contractor engaged by the City upon the Development Property for the purpose of

completing all or any portion of the Minimum Improvements. Developer agrees to this provision and authorizes such entry onto the Development Property under such circumstances. Further, in such event or events, the City shall be authorized to offset costs incurred by the City in furtherance of the actions authorized by this Section from tax increments.

Section 9.4. **No Remedy Exclusive.** No remedy herein conferred upon or reserved to the either Party is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient.

Section 9.5. **No Additional Waiver Implied by One Waiver.** If any agreement contained in this Agreement should be breached by either Party and thereafter waived by the other Party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other concurrent, previous or subsequent breach hereunder.

Section 9.6. **Agreement to Pay Attorneys' Fees and Expenses.** Whenever any Event of Default occurs and has not been cured within sixty (60) days and the City shall employ attorneys or incur other expenses for the enforcement, performance or observance of any obligations or agreement on the part of the Developer contained herein, or for the identification and/or pursuit of any remedies or possible workouts of such default, the Developer agrees that it shall, on demand therefor, pay to the City the reasonable fees of such attorneys and such other reasonable expenses so incurred by the City. If an Event of Default cannot be cured within sixty (60) days, but the Developer has provided assurances to the City reasonably satisfactory to the City that the Event of Default will be cured as soon as reasonably possible (as provided in Section 9.2), and the Developer does so cure said Event of Default in the manner as assured to the City, the Event of Default shall be deemed to have been cured within said sixty (60) days for purposes of this Section.

ARTICLE X

**Additional Provisions**

Section 10.1. **Titles of Articles and Sections.** Any titles of the several parts, Articles and Sections of this Agreement are inserted for convenience of reference only and shall be disregarded in construing or interpreting any of the provisions hereof.

Section 10.2. **Notices and Demands.** Except as otherwise expressly provided in this Agreement, a notice, demand or other communication under this Agreement by either Party to the other shall be sufficiently given or delivered if sent by registered or certified mail, postage prepaid, return receipt requested, or delivered personally; and,

(a) in the case of the Developer, to Lennon Lofts, LLC, 505 Broadway St. N, Suite 201, Fargo, ND 58102, Attention: Kevin J. Bartram; and,

(b) in the case of the City, to the City at 225 4<sup>th</sup> Street North, North Dakota 58102, Attention: Director of Strategic Planning and Research AND to the City at 225 North 4<sup>th</sup> Street, Fargo, North Dakota 58102, Attention: City Auditor;

or at such other address with respect to either such Party as that Party may, from time to time, designate in writing and forward to the other as provided in this Section.

Section 10.3. **Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall constitute an original hereof.

Section 10.4. **Law Governing.** The Parties agree that this Agreement shall be governed and construed in accordance with the laws of the State of North Dakota.

To the extent the ability of the City to perform any obligations under this agreement is impaired or limited by modifications in North Dakota law, as established either by the legislature or the courts, this agreement shall be interpreted and construed to maximize the fulfillment of such obligations under the law; however, no breach of this agreement may be deemed to occur as a result of such impairment or limitation

Section 10.5. **No Filing of Agreement.** The Parties agree that this Agreement shall not be filed against the Development Property, and each Party agrees that if it shall inadvertently cause or suffer this Agreement to be so filed, it will take such actions as may be necessary to remove, satisfy and render ineffective any such filing.

Section 10.6. **Modification.** If the Developer is requested by the holder of a Mortgage or by a prospective holder of a prospective Mortgage to amend or supplement this Agreement in any manner whatsoever, the City will, in good faith, consider the request with a view to granting the same unless the City, in its reasonable judgment, concludes that such modification is not in the public interest, or will significantly and undesirably weaken the financial security provided to the interests of the City by the terms and provisions of this Agreement.

Section 10.7. **Legal Opinions.** Upon execution of this Agreement, each party shall, upon request of the other parties, supply the other parties with an opinion of its legal counsel to the effect that this Agreement is legally issued or executed by, and valid and binding upon, such party, and enforceable in accordance with its terms.

Section 10.8. **Approvals; Mayor Authority-Action.** Wherever in this Agreement the consent or approval of the City or Developer is required or requested, such consent or approval shall not be unreasonably withheld or unduly delayed (except to the extent that, as a remedy upon the occurrence of an Event of Default, the City is entitled to withhold its performance). Any approval, execution of documents, or other action to be taken by the City pursuant to this Agreement or for the purpose of determining sufficient performance by the Developer under this Agreement may be made, executed or taken by the Mayor of the City without further approval by the Board of City Commissioners of the City, to the extent permitted by law. The Mayor may, but shall not be required to, consult with other City staff with respect to such matters.

ARTICLE XI

**Termination of Agreement; Expiration**

Section 11.1. **City's Option to Terminate.** As provided and under the conditions specified in Section 9.2, the City may terminate this Agreement if an Event of Default shall have occurred hereunder and be continuing. Nothing in that or in this Section shall affect the City's right, should the City not so elect to terminate this Agreement and as recourse against the Developer, to insist on performance hereunder by the Developer.

Section 11.2. **Expiration.** This Agreement shall expire when the TIF tax exemption granted for a term of one or more years pursuant to this Agreement has expired.

Section 11.3. **Effect of Termination or Expiration.** No termination or expiration of this Agreement pursuant to the terms hereof shall terminate any rights or remedies of the City arising hereunder due to an Event of Default, or of the Developer arising hereunder due to a breach of this Agreement by the City, occurring prior to such termination or expiration.

Section 11.4. **No Third Party Beneficiaries.** There shall, as against the City, be no third party beneficiaries to this Agreement. More specifically, the City enters into this Agreement, and intends that the consummation of the City obligations contemplated hereby shall be, for the sole and exclusive benefit of the Developer, and notwithstanding the fact that any other "persons" may ultimately participate in or have an interest in the Improvements, the City does not intend that any party other than the Developer shall have, as alleged third party beneficiary or otherwise, any rights or interests hereunder as against the City, and no such other party shall have standing to complain of the City's exercise of, or alleged failure to exercise, its rights and obligations, or of the City's performance or alleged lack thereof, under this Agreement.

IN WITNESS WHEREOF, the City and Developer have caused this Agreement to be executed by their duly authorized representatives.

Dated \_\_\_\_\_

CITY OF FARGO,  
a North Dakota municipal corporation

(SEAL)

By \_\_\_\_\_  
Dr. Tim Mahoney, its Mayor

ATTEST:

By \_\_\_\_\_  
Angie Bear, Deputy City Auditor on behalf of  
the City Auditor

STATE OF NORTH DAKOTA     )  
  )ss.  
COUNTY OF CASS             )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 20\_\_, by Dr. Tim Mahoney and Angie Bear, Deputy City Auditor, respectively, of the City of Fargo, North Dakota, on behalf of said City.

\_\_\_\_\_  
Notary Public

This document drafted by:

Erik R. Johnson  
Assistant City Attorney  
Fargo, ND  
701-371-6850



**EXHIBIT A**

**LEGAL DESCRIPTION OF DEVELOPMENT PROPERTY**

The Development Property consists of that certain real property situate in the City of Fargo, County of Cass and State of North Dakota, more fully described as:

Lot One (1), Block One (1), 220 Addition to the City of Fargo

The property address is 220 6<sup>th</sup> Avenue North, Fargo, ND 58102.

**EXHIBIT B**

**CERTIFICATE OF COMPLETION—**

**\_\_\_\_\_ PROJECT**

WHEREAS, the City of Fargo, North Dakota, a municipal corporation, (the "City") and Lennon Lofts, LLC, a North Dakota limited liability company (the "Developer") have entered into an agreement dated as of the \_\_\_\_ day of \_\_\_\_\_, 20\_\_; and

WHEREAS, pursuant to said agreement, the Developer was obligated to undertake and substantially complete in a timely manner certain Minimum Improvements as described in said agreement and the Developer did so in a timely and acceptable manner; and,

WHEREAS, the Developer has to the present date performed said covenants and conditions insofar as it is able in a manner deemed sufficient by the City to permit the execution of this certification;

NOW, THEREFORE, this is to certify that all the Project specified to be done and made by the Developer have been completed, and the above covenants and conditions in said Developer Agreement have been performed by the Developer and that the Developer has fulfilled the obligations of the Developer, and its successors and assigns, for the Project.

CITY OF FARGO,  
a North Dakota municipal corporation

By: \_\_\_\_\_  
\_\_\_\_\_, Mayor

Attest:

\_\_\_\_\_  
\_\_\_\_\_, City Auditor

MEMORANDUM

**TO:** BOARD OF CITY COMMISSIONERS

**FROM:** MAYOR TIMOTHY J. MAHONEY AND LAWA BOARD CHAIR *TJM*

**DATE:** JUNE 8, 2026

**RE:** LAWA EXECUTIVE DIRECTOR EMPLOYMENT AGREEMENT

Attached for your reference, please find an Employment Agreement with Spencer Halvorson associated with Lake Agassiz Water Authority's (LAWA) hiring of an Executive Director. The hiring of an Executive Director is the first step for LAWA to begin staffing its organization. At this time, the LAWA organization has not matured to the point where it can independently employ staff, therefore the City of Fargo has agreed to employ the Executive Director under an Employment (contractual) Agreement.

At present, LAWA does not maintain independent staff, payroll or Human Resource functions. Therefore, Fargo has agreed that the individual serving as LAWA Executive Director could be employed by the City of Fargo as a non-civil service employee and assigned, pursuant to an Employment Agreement, to perform services on behalf of LAWA, as its Executive Director. The City would serve as the individual's employer for all payroll, benefits and employment policy purposes, while the individual would carry out the duties of the Executive Director under the direction of the LAWA governing board.

Terms of the Employment Agreement were negotiated following the City of Fargo standard terms for employment contracts and include the following sections:

- Appointment
- Term
- Compensation
- Employer Contributions
- Benefits
- Relocation Expenses
- Temporary Housing Stipend
- Policies
- Civil Service Status
- At-will Acknowledgement
- Severance

LAWA will fully reimburse the City of Fargo for all costs associated with the position beyond Fargo's proportional LAWA cost share, including salary, benefits, payroll taxes and related employment expenses. Under no circumstances will Fargo bear costs attributable to other LAWA member entities.

**SUGGESTED MOTION:** To approve the Employment Agreement between the City of Fargo, Spencer Halvorson and LAWA associated with the position of the LAWA Executive Director.

## AGREEMENT

LAWA Executive Director

THIS AGREEMENT made and entered into effective \_\_\_\_\_, by and between Spencer Halvorson (hereinafter referred to as "Contracted Employee" or "Halvorson"), the CITY OF FARGO, a municipal corporation, whose address is 225 4<sup>th</sup> Street North, Fargo, North Dakota 58102 (hereinafter referred to as "City"), and the LAKE AGASSIZ WATER AUTHORITY, a governmental agency, body politic and corporate of the State of North Dakota, whose address is PO Box 140, Carrington, North Dakota 58421 (hereinafter referred to as "LAWA").

### Recitals

WHEREAS, LAWA has created the position of LAWA Executive Director and desires to fill the position; and

WHEREAS, the parties acknowledge that LAWA does not maintain independent staff, payroll, or human resources functions. Accordingly, the parties agree that the individual serving as LAWA Executive Director shall be employed by the City of Fargo as a non-civil service employee and assigned, pursuant to this Agreement, to perform services on behalf of LAWA, as its Executive Director. The City shall serve as the individual's employer for all payroll, benefits, and employment policy purposes, while the individual shall carry out the duties of Executive Director under the direction of the LAWA governing board; and

WHEREAS, LAWA and the City desire to hire Halvorson to perform the duties and services of LAWA Executive Director; and

WHEREAS, the City and LAWA desire, for administrative and budgeting purposes, to recognize an anticipated period of service beginning June 22, 2026, and ending June 22, 2027, while expressly acknowledging that the appointment remains an at-will relationship that may be terminated by any party at any time, with or without cause; and

WHEREAS, Halvorson has agreed to accept such employment to perform the duties and services of LAWA Executive Director on a contract employee basis according to the terms of this agreement; and

WHEREAS, the parties wish to commit their agreement to writing.

### Agreement

NOW, THEREFORE, the parties hereto do hereby agree as follows:

1. Appointment. LAWA and City agree to hire Halvorson for the purpose of performing the duties and services of LAWA Executive Director as described in Exhibit A attached hereto (the "Services"), and Halvorson agrees to serve as LAWA Executive Director. The City shall employ Halvorson as a non-civil service employee and assign Halvorson to serve as the LAWA Executive Director for

purposes of performing the Services. In such role, Halvorson shall perform the Services, and such other legally permissible and proper duties and functions on behalf of LAWA as assigned from time-to-time, under the general direction of the LAWA governing body (the "LAWA Board"), subject to all applicable City employment policies, this Agreement, and applicable law. The parties agree that Halvorson is a contracted non-civil service employee pursuant to Fargo Municipal Code section 7-0102(D).

2. Scope of Employment. Halvorson will faithfully and diligently perform all of the duties, responsibilities, and powers to so vested, delegated, and assigned, and will uphold and enforce all laws of the United States and of the State of North Dakota. Halvorson will perform his duties as Executive Director with integrity; he will engage in activities and conduct that reflect positively on the City and LAWA; and he will utilize his skills and ability to promote the interests of LAWA.
3. Hours of Work. Halvorson shall be considered an exempt employee of the City, and his normal working hours shall be the normal working hours of City employees as set forth in the City's employment policies; provided, however, LAWA requires that Halvorson attend all meetings of the LAWA Board and of LAWA's committees in person even if such meetings occur outside of Halvorson's normal working hours. Halvorson may request approval from the Chair of the LAWA Board and/or the chair of the committee to be absent from a meeting and/or to attend virtually. Halvorson acknowledges that proper performance of the Executive Director will require Halvorson to generally observe normal business hours, maintain in person office hours, and will also often require the performance of necessary services outside of normal business hours. Halvorson agrees to devote such additional time as necessary for the full and proper performance of the Executive Director's duties and that compensation herein provided includes compensation for performance of all such work. Halvorson will devote full time and effort to the performance of the Services and shall remain in the exclusive employ as the Executive Director; provided further that, with the consent of the LAWA Board, Halvorson may accept temporary, outside professional employment that will not in any way interfere with the performance of, or Halvorson's availability for the performance of, the Executive Director's duties hereunder. The term "outside professional employment" means services provided to third parties for which Halvorson is compensated and which are performed on the Halvorson's time off. LAWA encourages Halvorson to accept speaking engagements; to submit written articles, or other opportunities to communicate with the community; to make, use, and share data and information with relevant persons and groups within the State of North Dakota; and to participate in professional development courses and seminars, that serve to improve the knowledge and capacity of Halvorson to perform the Executive Director's duties.
4. Term. The term of this Agreement shall commence on June 22, 2026 (the "Commencement Date"), and shall continue for an initial term of one (1) year. Thereafter, this Agreement shall automatically renew for successive one-year terms unless terminated by the City (with the consent of LAWA), LAWA, or Halvorson. Notwithstanding the foregoing, the employment relationship described herein is at-will and may be terminated by the City (with the consent of LAWA), LAWA, or Halvorson at any time, with or without cause, subject only to any severance obligations expressly set forth in this Agreement. Nothing in this Agreement shall be construed as

creating a guarantee of employment for any specific duration or as limiting the parties' right to terminate the employment relationship at any time; Halvorson's employment is at-will.

5. Policy Decisions. Halvorson agrees and acknowledges that all policy decisions regarding LAWA shall be made by the LAWA Board, not by Halvorson.
6. Compensation. LAWA and the City agree to compensate Halvorson in the amount of \$158,288 annually (Grade 23, Step 4) for the Services performed under this Agreement. Compensation shall be paid in accordance with the City's regular payroll practices and shall be prorated for any partial year or partial period of service. Beginning in 2027 and each year thereafter that this Agreement remains in effect, compensation shall be adjusted in accordance with the City's compensation plan, including applicable step increase, as well as adjusted in an amount equal to the Cost of Living Adjustment that the City approves for its employees.
7. Employer Contributions. In addition to the terms of compensation listed above, the City shall pay the employer's share of all required payroll taxes and contributions, including but not limited to the following:
  - a) Social Security (FICA);
  - b) Workers Compensation;
  - c) Unemployment Insurance; and
  - d) Medicare.
8. Benefits. Halvorson shall be a full-time employee of the City and shall be eligible to enroll in the City's benefit programs, including health insurance, dental insurance, vision insurance, life insurance and flexible spending accounts and be covered under the City's long-term disability and North Dakota Public Employee Retirement System (NDPERS), subject to the terms and conditions of such programs. In addition, Halvorson shall accrue annual leave and sick leave in accordance with the City's personnel policies applicable to full-time non-civil service employees. For purposes of initial placement, Halvorson shall be credited with the annual leave accrual rate corresponding to two (2) weeks of annual leave per year. Thereafter, annual leave and sick leave accrual rates shall be determined pursuant to City policy, as amended from time to time. Halvorson will additionally receive paid holidays in accordance with City policy and will be reimbursed for business expenses in performance of the Services as set forth in City policy.
9. Professional Expenses. LAWA and the City agree to pay or to reimburse Halvorson for all reasonable, ordinary, and necessary professional expenses including, but not limited to, license renewal fees, professional association dues, continuing education costs, leadership and management training, and other expenses related to performing his duties as Executive Director during the term of this Agreement. Halvorson will provide invoices to the City for payment or reimbursement.

10. Relocation Expenses. The City shall reimburse reasonable moving expenses incurred by Halvorson in relocating to the Fargo area. Prior to incurring such expenses, Halvorson shall obtain and submit at least three (3) written quotes from qualified moving companies. Reimbursement shall be limited to the lowest responsive quote unless otherwise approved in writing by the City.
11. Temporary Housing Stipend. To assist with relocation, the City shall provide Halvorson a temporary housing stipend of One Thousand Dollars (\$1,000) per month for a period of three (3) months following his start date, for a maximum total benefit of Three Thousand Dollars (\$3,000). Such stipend shall be paid through the City's payroll system and shall be subject to applicable tax withholdings and deductions.
12. Policies. During the term of this Agreement, Halvorson agrees to comply with all employee policies of the City, including all safety rules and procedures.
13. Civil Service Status. The parties hereto understand and agree that Halvorson shall not be part of the Civil Service of the City of Fargo, but, instead, he is employed as a non-civil service employee, as permitted under Fargo Municipal Code section 7-0102(D).
14. At-will Acknowledgement. Halvorson acknowledges and agrees that his employment with the City and assignment as Executive Director of LAWA are at-will. Nothing in this Agreement shall be construed as creating a property interest in employment or a guarantee of employment for any specific duration. Halvorson's employment may be terminated at any time, with or without cause, subject only to any severance obligations expressly provided in this Agreement.
15. Performance Reviews.
  - a) No later than ninety (90) calendar days prior to the anniversary of the Commencement Date, the LAWA Board shall establish goals for Halvorson, which will generally be attainable within the time limitations specified and within the annual operating and capital budgets and appropriates provided.
  - b) Halvorson shall have a yearly performance review on or near the anniversary of the Commencement Date to assess his performance in meeting annual goals and his management of his relationship with the City and LAWA and to propose personal performance objectives for the next appraisal period. LAWA Board and committee members will be provided with the opportunity to complete an evaluation of Halvorson's performance prior to his performance review. The Chair of the LAWA Board will present the evaluation to the LAWA Board for discussion with Halvorson regarding performance review.
16. Severance. In the event Halvorson's employment under this Agreement is terminated by the City (with the consent of LAWA) or LAWA without Cause, Halvorson shall be entitled to receive severance pay equal to three (3) months of his then-current base salary, less all required payroll withholdings and deductions. Such severance shall be paid in accordance with the City's regular

payroll practices unless the parties agree otherwise in writing. For purposes of this Agreement, "Cause" shall include, but not be limited to, misconduct, insubordination, violation of law, material violation of City policy, dishonesty, or failure to satisfactorily perform the essential duties of the position. No severance shall be payable if Halvorson voluntarily resigns, retires, becomes unable to perform the essential functions of the position due to disability, or is terminated for Cause.

17. Entire Agreement. This Agreement constitutes the entire agreement between the parties concerning the subject matter hereof and supersedes all prior and contemporaneous negotiations, discussions, representations, understandings, and agreements, whether written or oral. No amendment, modification, or waiver of any provision of this Agreement shall be effective unless set forth in a written instrument signed by all parties. If any provision of this Agreement is determined to be invalid or unenforceable, the remaining provisions shall remain in full force and effect.
18. North Dakota Law. This Agreement shall be governed by and construed in accordance with the laws of the State of North Dakota, without regard to its conflict of laws principles. Any legal action or proceeding arising out of or relating to this Agreement shall be brought exclusively in a state or federal court located in Cass County, North Dakota, and the parties consent to the jurisdiction and venue of such courts.
19. Conflicts of Interest. Halvorson shall avoid conflicts, potential or real, between his own personal and financial interests and that of LAWA and the City, and Halvorson shall notify the LAWA Board as soon as possible of any potential conflict of interest that may arise.
20. Open Records. Halvorson understands and agrees that any and all communications, notes, and/or records that he creates as Executive Director are subject to potential release under the North Dakota open records laws as set forth in Chapter 44-04 of the North Dakota Century Code.
21. Amendments. Except as otherwise provided in this Agreement, any amendment or supplement to this Agreement shall be in writing and duly executed by all parties.
22. Assignment. No party may assign its rights, duties, or obligations under this Agreement to any person or entity, in whole or in part, and any attempt to do so shall be void and deemed a material breach of this Agreement.
23. Waiver. No waiver of any provision hereof or any right or remedy hereunder shall be effective unless in writing and signed by the party against whom such a waiver is sought to be enforced. No delay in exercising, no course of dealing with respect to, or no partial exercise of any right or remedy hereunder shall constitute a waiver of any other right or remedy, or future exercise thereof.
24. Electronic Signatures. The parties agree that an electronic signature to this Agreement shall be as valid as an original signature of the City, LAWA, and Halvorson and shall be effective to bind

the signatories to this Agreement. For purposes hereof: (i) "electronic signature" means a manually signed original signature that is then transmitted by electronic means or an electronic acknowledgment which provides the signatory the ability to validate and affix a digital signature that is then transmitted by electronic means; and (ii) "transmitted by electronic means" means sent in the form of a facsimile or sent via the internet as a portable document format ("pdf"), *DocuSign*, or other replicating image attached to an electronic mail or internet message.

*(Remainder of page intentionally left blank.)*

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

**THE CITY OF FARGO, NORTH DAKOTA**

By: \_\_\_\_\_  
Timothy J. Mahoney, Mayor

ATTEST:

\_\_\_\_\_  
Susan Thompson, City Auditor

**THE LAKE AGASSIZ WATER AUTHORITY**

By: \_\_\_\_\_  
Timothy J. Mahoney, Chair

ATTEST:

\_\_\_\_\_  
Duane Dekrey, Secretary

**SPENCER HALVORSON**

By: \_\_\_\_\_  
Spencer Halvorson

**Exhibit A**  
**EXECUTIVE DIRECTOR SERVICES**



## Executive Director Job Description

### Job Summary:

The Executive Director serves as the chief executive and administrative officer of the Lake Agassiz Water Authority (LAWA) and is accountable to the LAWA Board of Directors (Board) and its subcommittees, Technical Advisory Committee (TAC) and Financial Advisory Committee (FAC). The Executive Director is responsible for providing strategic leadership; managing the LAWA operations, finances, and external relationships; coordinating with project partners and regulatory agencies; and maintaining strong, transparent relationships with member entities.

The Executive Director leads the LAWA's administration in advancing regional water supply goals and objectives, overseeing long-term planning and project development, and ensuring alignment among diverse stakeholders while carrying out the policies and direction established by the Board.

This position requires a collaborative leader capable of navigating complex regional partnerships, public-sector governance, infrastructure development, and intergovernmental coordination.

The LAWA is a political subdivision of the State of North Dakota. The LAWA Executive Director is appointed by the Board.

### Essential Duties and Responsibilities:

#### 1. Organizational Leadership and Governance

- Serve as the primary advisor to the Board, TAC and FAC, providing professional guidance, analysis, and recommendations on policy, strategy, operations, and long-range planning. Implement Board-adopted policies and ensure that LAWA operates in compliance with its bylaws, member agreements, and applicable laws and regulations.
- Lead the development and execution of organizational goals, objectives, and performance measures aligned with LAWA's mission and regional water supply needs.



- Establish and maintain effective internal controls, administrative systems, and management practices to ensure accountability and transparency.
- Recruit, supervise, and evaluate LAWA staff and consultants as applicable, fostering a culture of professionalism, collaboration, and safety.

## 2. Project Partner Coordination and Regional Collaboration

- Serve as LAWA's primary point of coordination with project partners, including member entities, engineering firms, contractors, and state and federal agencies.
- Lead and coordinate planning, development, and implementation of regional water supply projects, ensuring alignment among participating partners and stakeholders.
- Represent LAWA in interactions with state and federal agencies, including legislative committees, regulatory bodies, and funding organizations, to advance project approvals and secure financial support.
- Facilitate communication and cooperation among partners to resolve technical, financial, and governance issues associated with large-scale regional projects.
- Oversee the preparation and delivery of project-related presentations, reports, and briefings to partner boards, agencies, and legislative bodies as required.

## 3. Member Relations and Stakeholder Engagement

- Build and maintain strong, trust-based relationships with LAWA member entities, including elected officials, board representatives, and senior staff.
- Serve as the primary liaison between LAWA and its members, ensuring timely, accurate, and transparent communication regarding projects, finances, schedules, and policy matters.
- Attend and participate in member entity meetings as appropriate to support coordination, address concerns, and strengthen regional collaboration.



- Develop and implement strategies to enhance member engagement, collaboration, and alignment with LAWA objectives.
  - Address member questions, issues, and complaints in a proactive and constructive manner to ensure effective service and long-term confidence in LAWA.
4. Financial Management and Administration
- Direct the development, review, and administration of LAWA's annual operating and capital budgets, and recommend budgets to the Board for approval.
  - Monitor financial performance, cash flow, and expenditures, ensuring alignment with approved budgets and long-term financial plans.
  - Coordinate with auditors, financial advisors, and legal counsel on audits, financing, bonding, and compliance matters.
  - Oversee grant applications, funding agreements, and reporting requirements related to state and federal funding sources.
5. Planning, Compliance, and Public Representation
- Lead long-range planning efforts related to capital improvements, system development, and regional water supply needs.
  - Ensure compliance with applicable local, state, and federal laws, regulations, permits, and contractual obligations.
  - Serve as the public spokesperson for LAWA, representing LAWA through public meetings, media interactions, legislative testimony, and community outreach as appropriate.
  - Promote understanding of LAWA's mission, projects, and regional value among stakeholders and the general public.



Lake Agassiz  
Water Authority

www.lakeagassiz.org | 701-652-3194

PO Box 140 Carrington, ND 58421

### Minimum Qualifications:

1. Bachelor's degree in public administration, engineering, business administration, natural resources, or a related field; advanced degree preferred.
2. Significant senior-level experience in public-sector management, regional authorities, utilities, infrastructure development, or intergovernmental organizations.
3. Demonstrated experience working with governing boards and committees, multiple member entities, and complex stakeholder groups.
4. Strong leadership, communication, negotiation, and consensus-building skills.
5. Knowledge of water systems, infrastructure finance, regulatory environments, and regional collaboration models is highly desirable.
6. A valid driver's license is also required.

### Reporting Relationship:

The Executive Director reports directly to the Lake Agassiz Water Authority Board of Directors.

### Compensation:

Salary range of \$145,226 - \$188,760 depending on relevant education and experience.

### Physical Demands & Working Conditions:

Most work is performed in a normal office environment. Work is generally light with considerable variety. Daily work often involves moving between buildings and rooms. Regular driving is required to attend meetings. There is considerable attention required to detail and deadlines.



Lake Agassiz  
Water Authority

[www.lakeagassiz.org](http://www.lakeagassiz.org) | 701-652-3194

PO Box 140 • Carrington, ND 58421

Activities include fingering, grasping, talking, hearing/listening, seeing/observing, repetitive motions. Work is sedentary: Exerting up to 10 pounds of force occasionally and/or a negligible amount of force frequently or constantly to lift, carry, push, pull or otherwise move objects including the human body. Sedentary work involves sitting most of the time.



### **First 12–24 Month Priorities:**

During the first one to two years, the Executive Director will be expected to focus on establishing strong leadership, advancing regional coordination, and positioning the Lake Agassiz Water Authority (LAWA) for long-term success. Key priorities include:

#### **1. Board Alignment and Organizational Foundation**

- Develop a strong working relationship with the Board, TAC and FAC ensuring clear communication, mutual trust, and a shared understanding of roles, responsibilities, and decision-making processes.
- Review governing documents, bylaws, member agreements, policies, and procedures, and recommend updates or refinements as appropriate to support effective governance and operations.
- Establish clear internal management practices, reporting structures, and performance expectations to support transparency and accountability.

#### **2. Member Relations and Regional Cohesion**

- Meet individually with each member entity to understand their priorities, concerns, and expectations related to LAWA’s mission and projects.
- Establish consistent, predictable communication practices with members, including regular updates on project status, finances, schedules, and emerging issues.
- Strengthen collaboration and trust among diverse member entities by fostering a culture of regional partnership and shared purpose.

#### **3. Project Coordination and Strategic Advancement**

- Gain a comprehensive understanding of all current and planned LAWA projects, including technical, financial, regulatory, and governance considerations.
- Coordinate closely with project partners, engineers, legal counsel, contractors, and funding agencies to maintain alignment, manage risks, and advance project milestones.
- Identify potential challenges or decision points early and provide clear, timely recommendations to the Board and member entities.



#### **4. Financial Oversight and Funding Strategy**

- Review LAWA's financial position, budgets, funding agreements, and long-term financial plans to ensure sustainability and alignment with project needs.
- Work with financial advisors and funding partners to position LAWA for future financing, grants, and legislative support as projects advance.
- Ensure strong financial controls, reporting practices, and audit processes are in place and clearly understood by the Board and members.

#### **5. External Relations and Advocacy**

- Establish and strengthen working relationships with state and federal agencies, legislative bodies, and other regional partners relevant to LAWA's mission.
- Serve as a credible and consistent spokesperson for LAWA, clearly communicating LAWA's goals, progress, and regional value to external stakeholders.
- Support legislative and regulatory engagement necessary to advance projects and protect the LAWA's long-term interests.

#### **6. Long-Range Vision and Organizational Readiness**

- Work with the Board, TAC, FAC and members to refine or affirm a long-range strategic vision for LAWA, including future system development, governance evolution, and regional role.
- Assess organizational capacity and resource needs as projects and responsibilities expand, and recommend appropriate staffing or consultant support when necessary.
- Lay the groundwork for sustained organizational effectiveness beyond the initial development phase.

3

**Administration**  
**Brenda Derrig, PE**  
225 4th Street North  
Fargo, ND 58102  
Phone: 701.241.1549  
Email: [bderrig@FargoND.gov](mailto:bderrig@FargoND.gov)  
[www.FargoND.gov](http://www.FargoND.gov)

June 4, 2026

TO: Board of City Commissioners

FROM: Brenda Derrig, Assistant City Administrator

RE: First Amendment to Memorandum of Understanding between the City of Fargo and Presentation Partners in Housing

Attached is the First Amendment to the Memorandum of Understanding between the City of Fargo and Presentation Partners in Housing. The original agreement approved in 2021 was for the organization to do work in conjunction with Public Health. The only change to the agreement is the address of 2001 1 Avenue North, which the City is leasing. Due to the timing of the needed amendment for submittal to the State for grant funding and the inconsequential nature of the amendment, it was presented to the Mayor in advance of the City Commission full consideration. We are now presenting it for ratification of the Mayor's signature.

**Recommended Motion:**

Ratify the Mayor's signature on the attached amendment between the City of Fargo and Presentation Partners in Housing.

**FIRST AMENDMENT TO MEMORANDUM OF  
UNDERSTANDING BETWEEN THE CITY OF  
FARGO  
AND  
PRESENTATION PARTNERS IN HOUSING**

This First Amendment to the Memorandum of Understanding (hereinafter “Amendment”) is entered into between the **CITY OF FARGO**, a North Dakota municipal corporation, whose address is 225 4<sup>th</sup> Street North, Fargo, North Dakota, 58102 (hereinafter “City”), and **PRESENTATION PARTNERS IN HOUSING, INC.**, a North Dakota non-profit corporation, whose address is 219 7<sup>th</sup> Street South, Fargo, North Dakota, 58103 (hereinafter “PPiH”). The City and PPiH shall be cumulatively referred to herein as the “Parties” or individually as a “Party.”

**WHEREAS**, the City and PPiH previously entered into a Memorandum of Understanding in 2021 (the “MOU”) regarding PPiH’s temporary use of City property to provide services to homeless or vulnerable individuals and families;

**WHEREAS**, the parties desire to continue that temporary cooperative arrangement at a different location; and

**WHEREAS**, the City and PPiH desire to amend the existing Memorandum of Understanding to reflect the relocation of PPiH operations to a different temporary location under substantially similar terms and conditions.

**NOW THEREFORE**, in consideration of the mutual terms, covenants, conditions, and agreements contained herein, it is hereby agreed by and between the parties the MOU be amended as follows:

1. Amendment to Subject Property. The MOU is hereby amended to replace all references to the former “Subject Property” location with the following property location:

2001 1<sup>st</sup> Avenue North  
Fargo, North Dakota 58102  
 (“Subject Property”)

2. Amendment to Section 2.

Section 2 of the MOU is hereby amended and replaced in its entirety as follows:

The City leases the Subject Property. For as long as the City leases the Subject Property, the City agrees to allow PPiH to use said Subject Property to provide its services, more fully-described below, without the payment of rent or utilities, provided the Subject Property is not needed for City operations, in which event City operations shall take priority.

3. Amendment to Notice Provision.

The notice section (Section 11) is amended that notices to the City and PPIH shall be directed as follows:

City of Fargo  
ATTN: Director of Public Health  
1240 25<sup>th</sup> St. S  
Fargo, ND 58103

and

Presentation Partners in Housing, Inc.  
ATTN: Sarah Kennedy  
219 Seventh Street South  
Fargo, ND 58103

4. Continuation of MOU. Except as expressly modified herein all remaining terms and conditions of the MOU shall remain unchanged and in full force and effect.
5. Ratification. This Amendment shall be presented to the Board of City Commissioners of the City of Fargo for ratification at its next regular meeting.

*(Signature Page to Follow)*

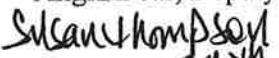
Dated this 28<sup>th</sup> day of May, 2026.

**CITY OF FARGO, NORTH DAKOTA,**  
a North Dakota municipal corporation

By:   
Timothy J. Mahoney, M.D., Mayor

ATTEST:

  
Angie Bear, Deputy City Auditor

  
Dated this 28<sup>th</sup> day of May, 2026.

**PRESENTATION PARTNERS IN  
HOUSING, INC.,**  
a North Dakota non-profit corporation

By:   
Sarah Kennedy

Its: Chief Executive Director

OFFICE OF THE CITY ATTORNEY  
FARGO, NORTH DAKOTA

4

ORDINANCE NO. \_\_\_\_\_

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23

AN ORDINANCE AMENDING SECTION 21.1-0102 OF ARTICLE 21.1-01  
OF CHAPTER 21.1 OF THE FARGO MUNICIPAL CODE  
RELATING TO THE INTERNATIONAL RESIDENTIAL CODE

WHEREAS, the electorate of the City of Fargo has adopted a home rule charter in accordance with Chapter 40-05.1 of the North Dakota Century Code; and

WHEREAS, Section 40-05.1-06 of the North Dakota Century Code provides that the City shall have the right to implement home rule powers by ordinance; and

WHEREAS, Section 40-05.1-05 of the North Dakota Century Code provides that said home rule charter and any ordinances made pursuant thereto shall supersede state laws in conflict therewith and shall be liberally construed for such purpose; and

WHEREAS, the Board of City Commissioners deems it necessary and appropriate to implement such authority by the adoption of this ordinance;

NOW, THEREFORE,

Be it Ordained by the Board of City Commissioners of the City of Fargo:

Section 1. Amendment.

Table R301.2 in Section 21.1-0102 of Article 21.1-01 of Chapter 21.1 of the Fargo Municipal Code is hereby deleted in its entirety and replaced to read as follows:

OFFICE OF THE CITY ATTORNEY  
FARGO, NORTH DAKOTA

ORDINANCE NO. \_\_\_\_\_

TABLE R301.2  
CLIMATIC AND GEOGRAPHIC DESIGN CRITERIA

GROUND SNOW LOAD <sup>o</sup>	WIND DESIGN				SEISMIC DESIGN CATEGORY <sup>f</sup>	SUBJECT TO DAMAGE FROM			ICE BARRIER UNDERLAYMENT REQUIRED <sup>h</sup>	FLOOD HAZARDS <sup>g</sup>	AIR FREEZING INDEX <sup>i</sup>	MEAN ANNUAL TEMP <sup>j</sup>
	Speed <sup>d</sup> (mph)	Topographic effects <sup>k</sup>	Special wind region <sup>l</sup>	Windborne debris zone <sup>m</sup>		Weathering <sup>a</sup>	Frost line depth <sup>b</sup>	Termite <sup>c</sup>				
44	111	No	No	No	Zone A	Severe	4.5'	None	Yes	1978	4000	41.5
MANUAL J DESIGN CRITERIA <sup>n</sup>												
Elevation		Altitude correction factor <sup>e</sup>	Coincident wet bulb	Indoor winter design relative humidity	Indoor winter design dry-bulb temperature		Outdoor winter design dry-bulb temperature		Heating temperature difference			
899		None	70	30%	70		-15		85			
Latitude		Daily range	Summer design gains	Indoor summer design relative humidity	Indoor summer design dry-bulb temperature		Outdoor summer design dry-bulb temperature		Cooling temperature difference			
47		M	20	50%	75		88		13			

For SI: 1 pound per square foot = 0.0479 kPa, 1 mile per hour = 0.447 m/s.

Section 2. Penalty.

A person who willfully violates this ordinance is guilty of an infraction. Every person, firm or corporation violating an ordinance which is punishable as an infraction shall be punished by a fine not to exceed \$1,000.00; the court to have power to suspend said sentence and to revoke the suspension thereof.

Section 3. Effective Date.

This ordinance shall be in full force and effect from and after its passage, approval and publication.

\_\_\_\_\_  
Timothy J. Mahoney, M.D., Mayor

(SEAL)

Attest:

First Reading:  
Second Reading:  
Final Passage:  
Publication:

\_\_\_\_\_  
Angie Bear, Deputy City Auditor,  
on behalf of the City Auditor

5

OFFICE OF THE CITY ATTORNEY  
FARGO, NORTH DAKOTA

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE AMENDING ORDINANCE NO. 5536  
PERTAINING TO ZONING OF EOLA SECOND ADDITION  
AND J & O 45<sup>TH</sup> STREET APARTMENTS ADDITION  
TO THE CITY OF FARGO, CASS COUNTY, NORTH DAKOTA

WHEREAS, at its regular meeting of November 24, 2025, the Board of City Commissioners approved second reading (waived) and final passage of Fargo Municipal Ordinance No. 5536, which memorialized and effected a rezoning of certain property described as EOLA Second Addition and the J & O 45<sup>th</sup> Street Apartments Addition to the City of Fargo, Cass County, North Dakota; and,

WHEREAS, following adoption of Ordinance No. 5536, the City identified a clerical error within the "Residential Density" section of the Ordinance, wherein the word "through" was inadvertently used in reference to Lots One (1) and Eight (8), when the correct term should have been "and"; and,

WHEREAS, the Board of City Commissioners desires, by adoption of this Ordinance, to correct the clerical error so that Ordinance No. 5536 accurately reflects the zoning request and action considered and approved by the Board at the November 10, 2025, hearing.

NOW, THEREFORE,

Be It Ordained by the Board of City Commissioners of the City of Fargo:

Section 1. Amendment.

Residential Density.

On Lot Two (2), Block One (1), EOLA Second Addition and Lots One (1) ~~through~~ and Eight (8), Block One (1), J & O 45<sup>th</sup> Street Apartments Addition, the maximum residential density allowed shall be seventy (70) units per acre.

\* \* \* \*

Section 2. The City Auditor is hereby directed to amend the zoning map now on file in his office so as to conform with and carry out the provisions of this ordinance.

OFFICE OF THE CITY ATTORNEY  
FARGO, NORTH DAKOTA

ORDINANCE NO. \_\_\_\_\_

Section 3. This ordinance shall be in full force and effect from and after its passage and approval.

- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23

\_\_\_\_\_  
Timothy J. Mahoney, M.D., Mayor

(SEAL)

Attest:

\_\_\_\_\_  
Angie Bear, Deputy City Auditor,  
on behalf of the City Auditor

First Reading:  
Second Reading:  
Final Passage:



**CITY ATTORNEY**  
Ian R. McLean

**OFFICE OF THE  
CITY ATTORNEY**



**SERKLAND LAW FIRM**  
10 Roberts Street North  
Fargo, ND 58102  
Phone: 701.232.8957 | Fax: 701.237.4049

**ASSISTANT CITY ATTORNEYS**  
Nancy J. Morris ▪ Alissa R. Farol Czapiewski  
William B. Wischer ▪ Kasey D. McNary ▪ Elijah P. Hartsell

June 4, 2026

Board of City Commissioners  
City Hall  
225 4<sup>th</sup> Street North  
Fargo, ND 58102

**RE: Wildlife Management Program Resolution 2026-2027**

Dear Mayor and Commissioners,

Enclosed for your review and consideration is the proposed Resolution for the Wildlife Management Program, prepared in accordance with Fargo Municipal Code Article 12-04.

The program will be administered in the same manner as last year, including participation by Sandhills Archery Club (“Sandhills”) and the Fargo Park District. Sandhills has provided the attached PowerPoint presentation outlining the highlights and overall results of the 2025–2026 season.

Please feel free to contact Michael Redlinger or me if you have any questions, comments, or concerns.

**Suggested Motion:** I move to approve the Resolution establishing the Wildlife Management Program for 2026-2027, as presented.

Sincerely,

Alissa R. Farol Czapiewski  
Assistant City Attorney

Enclosure

cc: Michael Redlinger  
Chief Travis Stefonowicz

COMMISSIONER \_\_\_\_\_ introduced the following resolution and moved its adoption:

**RESOLUTION**

**WHEREAS**, the electorate of the City of Fargo has adopted a home rule charter in accordance with Chapter 40-05.1 of the North Dakota Century Code; and

**WHEREAS**, Section 40-05.1-06 of the North Dakota Century Code provides that the City shall have the right to implement home rule powers by ordinance; and

**WHEREAS**, Section 40-05.1-05 of the North Dakota Century Code provides that said home rule charter and any ordinances made pursuant thereto shall supersede state laws in conflict therewith and shall be liberally construed for such purpose; and

**WHEREAS**, Article 3(G) of the Home Rule Charter of the City of Fargo, North Dakota grants the City of Fargo power to provide for the adoption, amendment, and repeal of ordinances and resolutions, and regulations to carry out its governmental and proprietary powers and to provide for public health, safety, morals, and welfare, and penalties for a violation thereof; and

**WHEREAS**, the Board of City Commissioners, Fargo, North Dakota, pursuant to authority granted to it under Home Rule, has adopted and approved City of Fargo Ordinance 12-04, Chapter 12 to establish a City Wildlife Management Program, including such rules and regulations as are necessary to carry out the City Wildlife Management Program; and

**WHEREAS**, the Board of City Commissioners desires to designate a season for the City's Wildlife Management Program for 2026-2027, to designate areas for inclusion within the 2026-2027 season, and to decide the number of deer which may be taken by each permit holder for the 2026-2027 season.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of City Commissioners hereby designates the numbered Regions as identified in Exhibit A for the City Wildlife Management Program for 2026-2027. The City Wildlife Management Program deer season shall follow the ND Game & Fish Department deer bow hunting season and shall run from September 4, 2026 (upon receipt of permit(s) from the City Auditor) through ½ hour after sunset January 3, 2027. The season shall be divided into two segments: an "Early Season" from September 4, 2026, through November 3, 2026, during which half of the hunters will be assigned, and a "Late Season" from November 4, 2026, through January 3, 2027, during which the remaining hunters will be assigned. Each participant may only hunt during their assigned season. Legal shooting hours shall run concurrent with ND Game & Fish Department regulations (½ hour before sunrise to ½ hour after sunset).

**BE IT FURTHER RESOLVED** that the Board of City Commissioners hereby authorizes the issuance of no more than one hundred (100) permits to participate in the 2026-2027 City Wildlife Management season, with fifty (50) permits assigned to participate in the "Early Season" and fifty (50) permits assigned to participate in the "Late Season." Each permit holder may secure

the maximum number of ND Game & Fish Department limit of Deer-Bow Herd Reduction licenses available, as determined by the ND Game & Fish Department.

**BE IT FURTHER RESOLVED** that the Board of City Commissioners hereby requires that all participants in the City Wildlife Management Season secure a Proficiency Certificate or other indicia for the completion of proficiency training, including a written exam pertaining to the rules and regulations of participation, to be offered by the Fargo Park District in conjunction with Sandhills Archery Club. The Fargo Park District or Sandhills Archery Club shall provide evidence of completion of the required Proficiency examination to the city of Fargo Auditor’s Office in advance of permit issuance.

**BE IT FURTHER RESOLVED** that the Board of City Commissioners hereby requires that all minors (under 18 years of age) permitted to participate in the City Wildlife Management Season **MUST** be accompanied by an adult who has successfully completed the written portion of the Proficiency program conducted by the Sandhills Archery Club. The adult need not be a permit holder, provided the minor has all necessary licenses and permits required to participate in the City Wildlife Management Program.

**BE IT FURTHER RESOLVED** that the Board of City Commissioners hereby designates the Regions identified on Exhibit A within the city limits of Fargo to be included within the 2026-2027 City Wildlife Management Program and hereby also approves one hundred (100) permits for the designated areas (Fargo Park District Property and City of Fargo property under the control and direction of the Fargo Park District).

The map attached as Exhibit A more specifically identifies the areas where participation in the City Wildlife Management Program may occur. Permits received by the participants are specific to the location designated Region. Hunting is not permitted except in the permit designated locations.

Dated this \_\_\_\_ day of June, 2026.

\_\_\_\_\_  
Timothy J. Mahoney, M.D., Mayor

Attest:

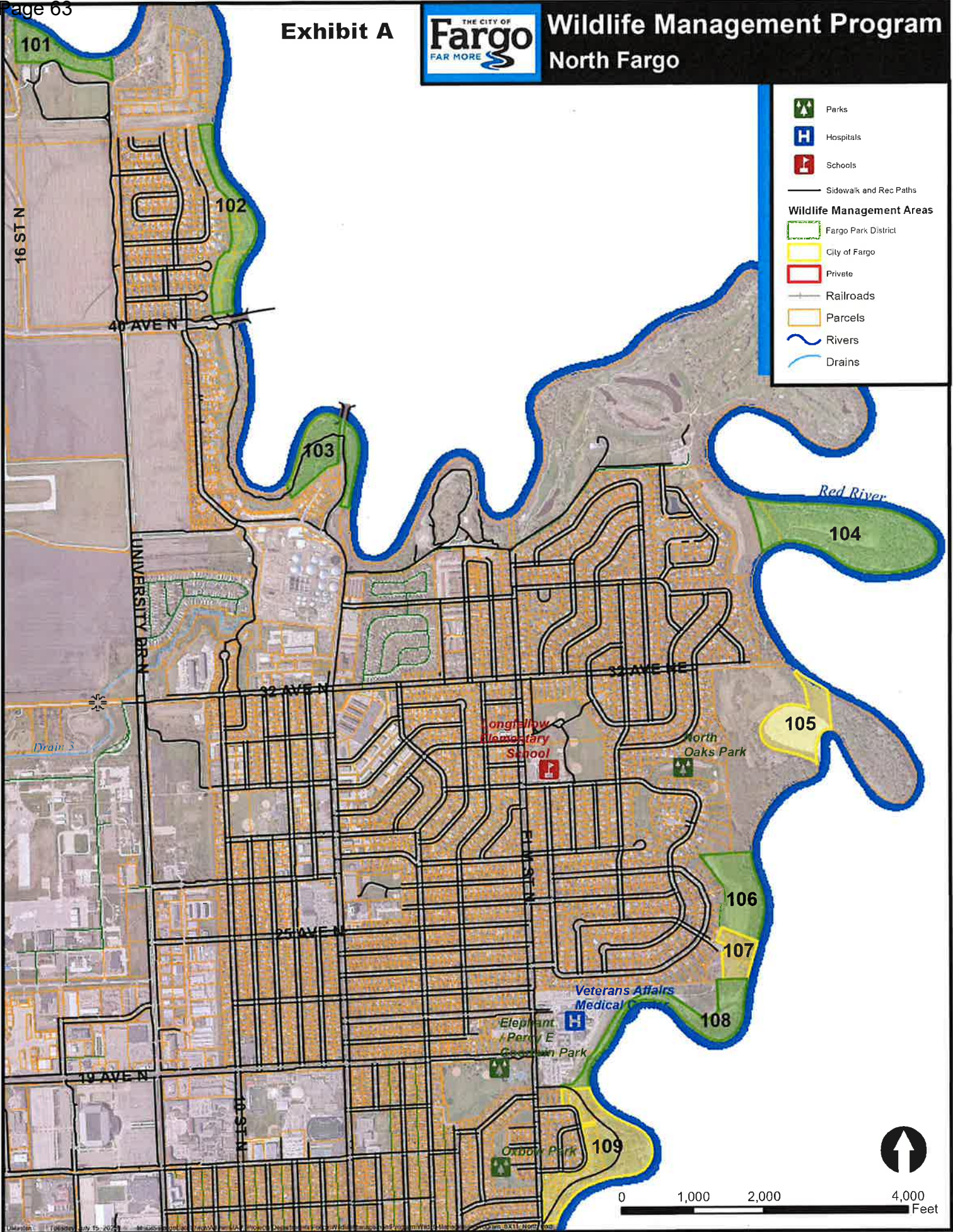
\_\_\_\_\_  
Angie Bear, Deputy City Auditor,  
On behalf of the City Auditor

The motion for the adoption of the foregoing resolution was duly seconded by COMMISSIONER \_\_\_\_\_, and upon roll call vote, the following voted in favor thereof: COMMISSIONERS \_\_\_\_\_. The following were absent and not voting: \_\_\_\_\_, and the following voted against the same: \_\_\_\_\_, whereupon the resolution was declared duly passed and adopted.

# Exhibit A



# Wildlife Management Program North Fargo

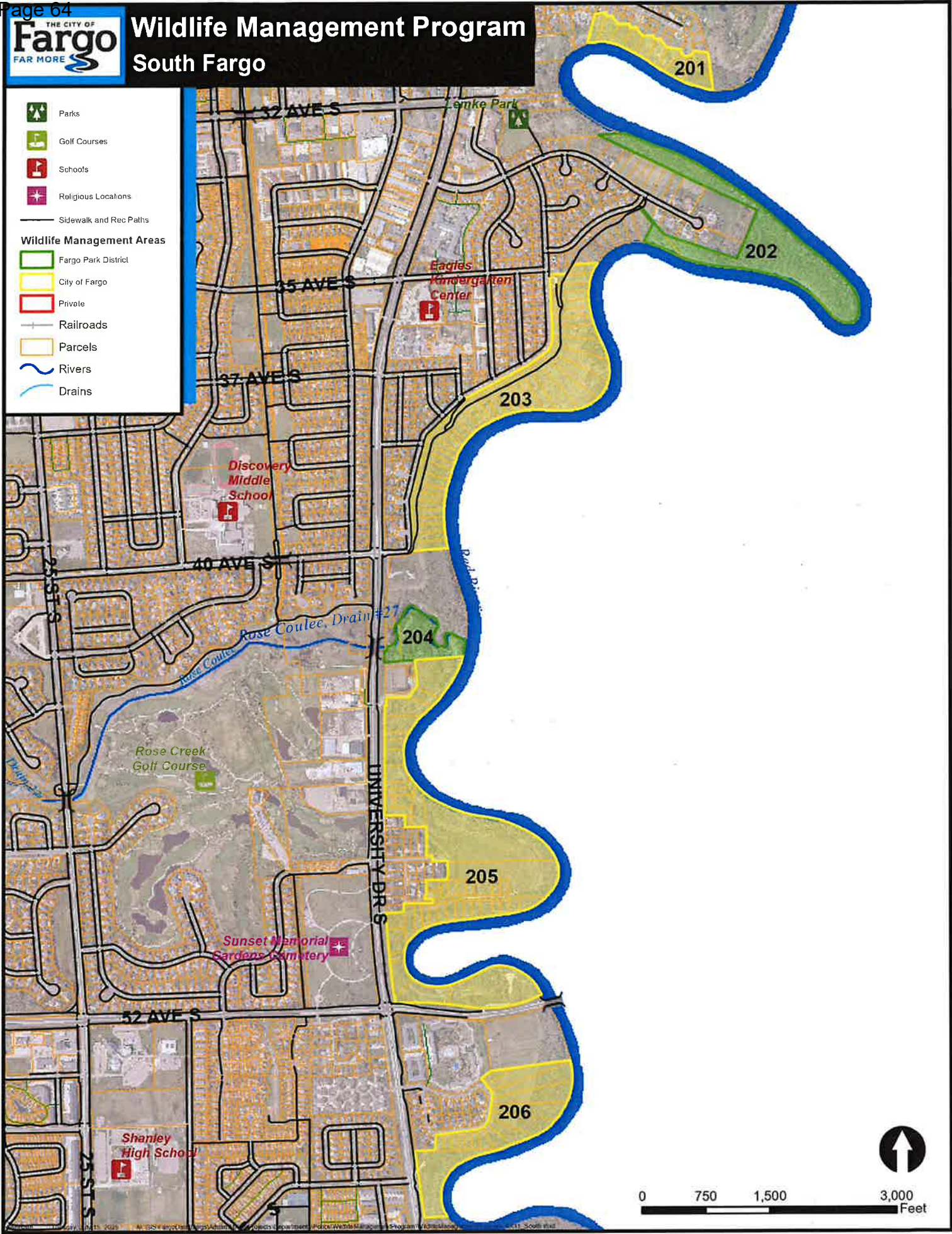


# Wildlife Management Program South Fargo

-  Parks
-  Golf Courses
-  Schools
-  Religious Locations
-  Sidewalk and Rec Paths

**Wildlife Management Areas**

-  Fargo Park District
-  City of Fargo
-  Private
-  Railroads
-  Parcels
-  Rivers
-  Drains





# Fargo Wildlife Management Program

---

2025-2026 RECAP



## Background & Purpose of the Fargo WMP

Established in 2006 to help curtail property damage from deer

- Operated largely unchanged until 2022 when Sandhills took over administration of the program

Goal: To keep the local deer population below a nuisance level through sustained hunting pressure and harvesting

- Safety is paramount
- Not an eradication program

Public Benefit: Archery hunting is the most cost-effective method of managing urban deer

- Fargo is one of five herd reduction areas in North Dakota

## Current Program Administration

---

Sandhills  
board  
member

Five volunteer  
coordinators

State & city  
hunting rules  
apply

Specialized  
training on  
urban hunting

Written test

Shooting test



## Split Seasons

- Early: September – October
- Late: November - January



One zone addition:  
201

Updates for  
the 2025-  
2026 Season



## Season Summary and Statistics

Applicants / Eligible Hunters:	82 / 81
End of season survey responses:	80 / 81 (99%)
Successful hunters:	26 / 81 (32%)
◦ ND state-wide success rate was 29% in 2025	
Arrows released / Arrows recovered:	50 / 49 (98%)
◦ One lost arrow stuck in deer	
◦ Searched for 5 hours with two people, not found	
Deer harvested:	37
Hit, but not recovered:	7
*Misses:	4
Venison Donated:	55 lbs. / 220 meals

# Early Season Statistics



Early Season: September – October  
60 days / 8.5 weeks / 2 months



Average times hunting per hunter:  
8.20



Average sits per hunter per month:  
4.10



Deer Sightings:

	Bucks	98
	Does	206
422	Fawns	118

# Late Season Statistics



Late Season: November - January  
92 days / 13 weeks / 3 months



Average times hunting per hunter:  
6.65



Average sits per hunter per month:  
2.21



Deer Sightings:

	Bucks	82
363	Does	146
	Fawns	135

# Overall Season Statistics



Entire Season: September - January  
152 days / 21 weeks / 5 months



Average times hunting per hunter:  
7.43



Average sits per hunter per month:  
3.16



Deer Sightings:

	Bucks	180
	Does	352
785	Fawns	253

# Interactions with the Public

Public Interactions:	133
Positive/Neutral	133

## Challenges

Unleashed dogs (several areas)

Illegal campsites (Zone 103)

Unattended bonfires & drug  
paraphernalia

Hunter Issue

## What was Learned?

---

Splitting the seasons into two was well received

- More hunters were able to take part in the program (81 vs. 50)
- Would keep that structure in place for 2026-2027 season

We needed to better understand where (or who) to report identified issues

- Zone 103 (Broadway Bridge) had several campsites throughout September & October
- A guy running his dog along the river while riding his ATV near 32<sup>nd</sup> Ave N
- Unleashed dogs throughout the city and park properties

Photographs of harvested deer worked well to confirm and record harvests

## Proposed Changes for 2025-2026 Season

Consider reinstating the 3 Park Properties south of town

- Enforcement of city rules by Fargo PD is no longer an issue
- Hunters, in trees, wearing blaze orange during the firearm season enhances safety of all park users during the MN firearm season
- ND Game and Fish is onboard with these areas being zoned for herd reduction



7

---

**RESOLUTION CONSENTING TO THE REFUNDING OF THE CAPITAL FINANCING PROGRAM, SERIES 2013A BONDS AND THE CAPITAL FINANCING PROGRAM, SERIES 2014B BONDS BY THE METRO FLOOD DIVERSION AUTHORITY**

of the

**CITY OF FARGO**

Approved on June \_\_, 2026

---

This instrument was drafted by:  
Ohnstad Twichell, P.C.  
John T. Shockley  
P.O. Box 458  
West Fargo, North Dakota 58078

Commissioner \_\_\_\_\_ introduced the following resolution and moved its adoption:

**RESOLUTION CONSENTING TO THE REFUNDING OF THE CAPITAL FINANCING PROGRAM, SERIES 2013A BONDS AND THE CAPITAL FINANCING PROGRAM, SERIES 2014B BONDS BY THE METRO FLOOD DIVERSION AUTHORITY**

**WHEREAS**, prior to the formation of the Metro Flood Diversion Authority (the “Authority”), the City of Fargo, North Dakota (the “City of Fargo”) undertook in-town flood protection activities intended to reduce flood risk within the Fargo-Moorhead metropolitan area and to advance a long-term regional flood risk management solution; and

**WHEREAS**, to finance a portion of those activities, the City of Fargo issued its Capital Financing Program Bonds, Series 2013A, in the original principal amount of \$51,375,000 (the “Series 2013A Bonds”), and subsequently issued its Sales Tax Revenue Bonds, Series 2014B, in the original principal amount of \$34,230,000 (the “Series 2014B Bonds”) each series of which was secured and payable from certain City sales tax revenues; and

**WHEREAS**, the proceeds of the Series 2013A Bonds and the Series 2014B Bonds were utilized to finance in-town flood mitigation projects, including flood protection improvements and related infrastructure improvements that supported development of what would become the Fargo-Moorhead Metropolitan Area Flood Risk Management Project (the “Comprehensive Project”); and

**WHEREAS**, in order to coordinate the financing, construction, operation, and maintenance of the Comprehensive Project, the City of Fargo, the Cass County Joint Water Resource District, Cass County, North Dakota, Clay County, Minnesota, and the City of Moorhead, Minnesota entered into the Joint Powers Agreement, dated June 1, 2016, formally creating the Authority; and

**WHEREAS**, following creation of the Authority, financing, construction, and implementation activities relating to the Comprehensive Project became coordinated through the Authority and its member entities, and the Authority became the primary entity responsible for financing the Comprehensive Project; and

**WHEREAS**, the Series 2013A Bonds and Series 2014B Bonds constituted a portion of the financing utilized to advance the Comprehensive Project prior to establishment of the financing structure currently utilized by the Authority; and

**WHEREAS**, on June 10, 2021, the Authority, CCJWRD, the Fiscal Agent, and the Trustee entered into the Master Indenture of Trust, which pursuant to Article VII of the Master Indenture of Trust authorizes, in part, the issuance of Temporary Subordinate Sales Tax Revenue Bonds for the purpose of financing the Comprehensive Project; and

**WHEREAS**, the Master Indenture of Trust sets forth that the Temporary Subordinate Sales Tax Revenue Bonds will be issued pursuant to the terms of a supplemental indenture of trust; and

**WHEREAS**, in accordance with the terms and conditions of the Master Indenture of Trust and the additional terms and conditions set forth in the Temporary Subordinate Sales Tax Revenue Bond Supplemental Indenture of Trust No. 5 (the “Series 2026 Supplemental Indenture”), the Authority has determined to issue its Temporary Subordinate Sales Tax Revenue Bonds, Series 2026 (the “Series 2026 SSB Bonds”) for the purpose of refunding all or a portion of the outstanding

Series 2013A Bonds and Series 2014B Bonds and furthering the financing objectives of the Comprehensive Project; and

**WHEREAS**, because the Series 2026 SSB Bonds will refund all or a portion of the outstanding Series 2013A Bonds and Series 2014B Bonds previously issued by the City of Fargo, the Authority has requested that the City of Fargo consent to the issuance of the Series 2026 SSB Bonds; and

**WHEREAS**, the Board of City Commissioners of the City of Fargo finds that the issuance of the Series 2026 SSB Bonds, for the purposes of refunding the outstanding Series 2013A Bonds and Series 2014B Bonds previously issued by the City of Fargo, will further the purposes of the Comprehensive Project and is consistent with the City of Fargo's prior commitments and participation in the Comprehensive Project, and is consistent with the City of Fargo's prior dedication and pledge of sales tax revenues toward financing of the Comprehensive Project.

**NOW THEREFORE, BE IT RESOLVED** by the governing body of the City of Fargo, North Dakota:

1. Definitions. The terms used herein shall have the meaning as assigned to them in the Master Indenture of Trust and the Series 2026 Supplemental Indenture unless a different meaning clearly appears from the context.
2. Refunding of the Series 2013A Bonds and the Series 2014B Bonds. The City of Fargo hereby consents to the refunding of the Series 2013A Bonds and the Series 2014B Bonds by the Authority.
3. Acknowledgment of Continuation of Existing Pledge of Sales Tax Revenues.
  - a. The City of Fargo acknowledges that, pursuant to the Resolution Pledging and Dedicating One Hundred Percent (100%) of the City 3-21 Sales Tax; One Hundred Percent (100%) of the City 3-22 Sales Tax; and Twenty-Five Percent (25%) of the One-Cent (\$0.01) City 3-20 Sales Tax to the Metro Flood Diversion Authority, adopted May 17, 2021 (the "City Pledge Resolution"), the City of Fargo irrevocably pledged and dedicated certain sales tax revenues to the Authority for the payment of Debt Obligations and other financing obligations issued in connection with the Comprehensive Project. With respect to the City 3-20 Sales Tax, such acknowledgment relates solely to the tax as authorized as of the date of adoption of this Resolution until the sunset date of the current City 3-20 Sales Tax (12-31-2028) and shall not be construed to apply to any extension, renewal, replacement, or successor tax absent further action of the City Commission.
  - b. The City of Fargo further acknowledges that the Series 2026 SSB Bonds constitute Debt Obligations issued in connection with the Comprehensive Project and are consistent with the financing structure established pursuant to the City Pledge Resolution, the Joint Powers Agreement, the Master Indenture of Trust, and related financing documents.
  - c. Nothing in this Resolution, including the refunding of all or a portion of the Series 2013A Bonds and Series 2014B Bonds through the issuance of the Series 2026 Bonds, shall be construed to amend, terminate, impair, release, reduce, or otherwise

modify the City of Fargo’s pledges, dedications, covenants, or obligations established pursuant to the City Pledge Resolution unless expressly authorized pursuant to the terms thereof and the other applicable financing documents.

4. Authorization for Redemption and ACH Transfer. In connection with the refunding of all or a portion of the Series 2013A Bonds and Series 2014B Bonds, the Mayor, City Auditor, Finance Director, City Administrator, and such other City officials as may be appropriate are authorized and directed to coordinate with the North Dakota Public Finance Authority, the Authority, the Trustee, Bond Counsel, and other financing participants to establish a redemption date for the refunded obligations, provide notice of the date on which funds will be available for transfer, review and approve final interest calculations and invoices associated with the redemption of the refunded obligations, and authorize and effectuate ACH transfers or other payments necessary to complete the redemption and refunding of such obligations.
5. North Dakota Law Applies. Except as expressly preempted by federal law, the Resolution shall be governed by and construed in accordance with the substantive and procedural the laws of the State of North Dakota, as they presently exist or may be amended and as a result, any claim, demand, or cause of action arising under and/or relating to the terms of this Resolution shall be brought in an appropriate venue in the State of North Dakota. This provision does not, nor is intended to, apply to claims under federal securities law and/or federal tax law.
6. Electronic Signatures; Counterparts. The electronic signature of a party or individual to the notices, certificates, this Resolution, and all other documents arising out of or relating to the Bond transaction authorized in this Resolution shall be deemed as valid as an original signature of such party or individual and shall be effective to bind such party or individual. For purposes hereof: (i) “electronic signature” means a manually signed original signature that is then transmitted by electronic means; (ii) “transmitted by electronic means” means sent in the form of a facsimile or sent via the internet as a portable document format (“pdf”), or other replicating image attached to an electronic mail or internet message; or (iii) a digital signature of an authorized representative of any party provided by *AdobeSign*® or *DocuSign*® (or such other digital signature provider as specified by such party).
7. Effective Date. This Resolution shall take effect immediately upon adoption.

Dated: June \_\_, 2026.

APPROVED:

---

Dr. Timothy J. Mahoney, Mayor

ATTEST:

---

Susan Thompson, City Auditor

The motion for adoption of the foregoing resolution was duly seconded by Commissioner \_\_\_\_\_ and upon roll call vote, the following Commissioners voted in favor thereof: \_\_\_\_\_ . The following Commissioners were absent and not voting: \_\_\_\_\_ . The following Commissioners voted against the same: none. All of the Commissioners having voted aye, the resolution was declared duly passed and adopted.



**AUDITOR'S  
OFFICE**



**AUDITOR'S OFFICE**  
Fargo City Hall  
225 4th Street North  
PO Box 2471  
Fargo, ND 58108  
Phone: 701.241.8108 | Fax: 701.241.8184  
[FargoND.gov](http://FargoND.gov)

**MEMORANDUM**

**TO: BOARD OF CITY COMMISSIONERS**

**FROM: AUDITOR'S OFFICE**

**DATE: JUNE 8, 2026**

**SUBJECT: GAMING SITE AUTHORIZATIONS**

Please find attached the Gaming Site Authorizations for Games of Chance.

**RECOMMENDED MOTION:** To approve the Gaming Site Authorizations as presented.



**GAMING SITE AUTHORIZATION**  
 ND OFFICE OF ATTORNEY GENERAL  
 SFN 17996 (4-2023)

G - \_\_\_\_\_ (\_\_\_\_\_) \_\_\_\_\_  
 Site License Number  
 (Attorney General Use Only)

Full, Legal Name of Gaming Organization  
**VFW Club of Fargo Post 762**

This organization is authorized to conduct games of chance under the license granted by the North Dakota Attorney General at the following location

Name of Location  
**VFW Club of Fargo Post 762**

Street <b>202 Broadway N</b>	City <b>Fargo</b>	ZIP Code <b>58102</b>	County <b>Cass</b>
---------------------------------	----------------------	--------------------------	-----------------------

Beginning Date(s) Authorized <b>07/01/2026</b>	Ending Date(s) Authorized <b>06/30/2027</b>	Number of Twenty-One tables, if zero, enter "0"
---	--	---

Specific location where games of chance will be conducted and played at the site (required)  
**In the bar at VFW Club along North wall, excluding Bathrooms & entryways**

If conducting Raffle or Poker activity provide date(s) or month(s) of the event(s) if known

**RESTRICTIONS FOR CITY/COUNTY USE ONLY**

The organization **must** provide the City/County a list of game types included in their Internal Control Manual and have the manual available upon request. The manual must thoroughly explain each game type to be conducted. The City/County can only approve these games at the site.

**ACTIVITY TO BE CONDUCTED** Please check all applicable games to be conducted at site (required)

<input checked="" type="checkbox"/> Bingo	<input type="checkbox"/> Club Special	<input type="checkbox"/> Sports Pools
<input type="checkbox"/> ELECTRONIC Quick Shot Bingo	<input type="checkbox"/> Tip Board	<input type="checkbox"/> Twenty-One
<input type="checkbox"/> Raffles	<input type="checkbox"/> Seal Board	<input type="checkbox"/> Poker
<input type="checkbox"/> ELECTRONIC 50/50 Raffle	<input type="checkbox"/> Punchboard	<input type="checkbox"/> Calcuttas
<input type="checkbox"/> Pull Tab Jar	<input type="checkbox"/> Prize Board	<input type="checkbox"/> Paddlewheel with Tickets
<input type="checkbox"/> Pull Tab Dispensing Device	<input type="checkbox"/> Prize Board Dispensing Device	<input type="checkbox"/> Paddlewheel Table
<input checked="" type="checkbox"/> ELECTRONIC Pull Tab Device		

Days of week of gaming operations (if restricted) <b>Mon, Tues, Wed, Thurs, Fri, Sat &amp; Sunday</b>	Hours of gaming (if restricted)
--	---------------------------------

If any information above is false, it is subject to administrative action on behalf of the State of North Dakota Office of Attorney General

**APPROVALS**

Attorney General	Date
Signature of City/County Official	Date <b>6/8/2026</b>

PRINT Name and official position of person signing on behalf of city/county above  
**Michelle Vanyo Deputy City Clerk/Records Admin**

**INSTRUCTIONS:**

1. City/County - Retain a **copy** of the Site Authorization for your files.
2. City/County - Return the **original** Site Authorization form to the Organization.
3. Organizations - Send the **original, signed**, Site Authorization to the Office of Attorney General with any other applicable licensing forms for final approval

**RETURN ALL DOCUMENTS TO:**

Office of Attorney General  
 Licensing Section  
 600 E Boulevard Ave, Dept. 125  
 Bismarck, ND 58505-0040  
 Telephone: 701-328-2329 OR 800-326-9240



**AUDITOR'S  
OFFICE**



**AUDITOR'S OFFICE**  
Fargo City Hall  
225 4th Street North  
PO Box 2471  
Fargo, ND 58108  
Phone: 701.241.8108 | Fax: 701.241.8184  
[FargoND.gov](http://FargoND.gov)

**MEMORANDUM**

**TO: BOARD OF CITY COMMISSIONERS**

**FROM: AUDITOR'S OFFICE**

**DATE: JUNE 8, 2026**

**SUBJECT: GAMES OF CHANCE APPLICATIONS**

Please find attached the Applications for Games of Chance.

**RECOMMENDED MOTION:** To approve the Applications for Games of Chance as presented.



# APPLICATION FOR A LOCAL PERMIT OR RESTRICTED EVENT PERMIT

NORTH DAKOTA OFFICE OF ATTORNEY GENERAL  
 GAMING DIVISION  
 SFN 9338 (8-2025)

Applying for (check one)

Local Permit       Restricted Event Permit\*

Games to be conducted

Bingo     Raffle     Raffle Board     Calendar Raffle     Sports Pool     Poker\*     Twenty-One\*     Paddlewheels\*

\*See Instruction 2 (f) on Page 2. Poker, Twenty-One, and Paddlewheels may be conducted Only with a Restricted Event Permit. Only one permit per year.  
**LOCAL PERMIT RAFFLES MAY NOT BE CONDUCTED ONLINE AND CREDIT CARDS MAY NOT BE USED FOR WAGERS**

**ORGANIZATION INFO**

Name of Organization or Group <b>Veterans Honor Flight of ND/MN</b>		Dates of Activity (Does not include dates for the sales of tickets) <b>July 1, 2026 - June 30, 2027</b>	
Organization or Group Contact Person <b>Jane Matejcek</b>	E-mail <b>ladyjaneMM@yahoo.com</b>	Telephone Number <b>701-238-7749</b>	
Business Address <b>PO Box 294</b>	City <b>Hunter</b>	State <b>ND</b>	ZIP Code <b>58047</b>
Mailing Address (if different)	City	State	ZIP Code

**SITE INFO**

Site Name <b>Speck's Bar</b>		County <b>Cass</b>	
Site Physical Address <b>2611 Main Ave</b>	City <b>Fargo</b>	State <b>ND</b>	ZIP Code <b>58102</b>
Provide the exact date(s) & frequency of each event & type (Ex. Bingo every Friday 10/1-12/31, Raffle - 10/30, 11/30, 12/31, etc.) <b>Meat raffles every Monday July 1, 2026 thru June 30, 2027</b>			

**PRIZE / AWARD INFO (If More Prizes, Attach An Additional Sheet)**

Game Type	Description of Prize	Exact Retail Value of Prize
<b>Raffle</b>	<b>Meat Bundles</b>	<b>\$4,992</b>
Total (limit \$50,000 per year)		\$

**ADDITIONAL REQUIRED INFORMATION**

Intended Uses of Gaming Proceeds  
**Veteran's Honor Flight of ND/MN**

Does the organization presently have a state gaming license? (If yes, the organization is not eligible for a local permit or restricted event permit and should call the Office of Attorney General at 1-800-326-9240)  
 Yes     No

Has the organization or group received a restricted event permit from any city or county for the fiscal year July 1 - June 30 (If yes, the organization or group does not qualify for a local permit or restricted event permit)  
 Yes     No

Has the organization or group received a local permit from an city or county for the fiscal year July 1 - June 30 (If yes, indicate the total retail value of all prizes previously awarded)  
 No     Yes - Total Retail Value:  (This amount is part of the total prize limit for \$50,000 per fiscal year)

Is the organization or group a state political party or legislative district party? (If yes, the organization or group may only conduct a raffle and must complete SFN 52880 "Report on a Restricted Event Permit" within 30 days of the event. Net proceeds may be for political purposes.)  
 Yes     No

Printed Name of Organization Group's Permit Organizer <b>Karen Haugen</b>	Telephone Number <b>701-367-1518</b>	E-mail Address <b>karenhaugen58@gmail.com</b>
Signature of Organization Group's Permit Organizer	Title <b>Volunteer</b>	Date <b>May 20, 2026</b>

June 1, 2026

Honorable Board of City Commissioners  
City of Fargo  
Fargo, North Dakota

RE: 64<sup>th</sup> Avenue South Interchange Project – NDDOT Alternative Selection and Funding Update

Honorable Commissioners,

At the January 20, 2026 City Commission meeting, the Commission concurred with the recommendation of the Public Works Project Evaluation Committee (PWPEC) and selected Alternative B1 as the City of Fargo's preferred option for the 64th Avenue South Interchange project. Following Commission action, the City's recommendation was forwarded to the North Dakota Department of Transportation (NDDOT) for consideration and final selection of the interchange configuration.

The Engineering Department has received a letter from the North Dakota Department of Transportation (attached) indicating that, after reviewing the alternatives evaluated through the environmental and project development process, the NDDOT has selected Alternative B2 as the preferred interchange configuration. Alternative B2 consists of a roundabout at both ramp terminal intersections and differs from the City's preferred Alternative B1, which included a signalized intersection at the west ramp terminal and a roundabout at the east ramp terminal.

In its correspondence, the NDDOT acknowledged that Alternative B2 carries a higher project cost than the City's recommended Alternative B1. To address this increase, the NDDOT has committed to increasing its funding participation by up to \$2.81 million, bringing the total federal funding commitment for the project from \$21.25 million to \$24.06 million. This additional funding is intended to fully offset the estimated cost difference between Alternative B1 and Alternative B2.

The NDDOT also reaffirmed its previous commitment to conduct construction engineering services for the project, eliminating the need for the City to retain a consultant for those services. As previously communicated, all funding remains contingent upon completion and approval of project development requirements, eligibility of project costs, authorization of federal funding, and availability of funds through the State Transportation Improvement Program (STIP). The project currently remains programmed in the draft 2028 STIP.

This item is being provided for informational purposes so the City Commission is aware of the NDDOT's final alternative selection and the corresponding increase in federal funding participation associated with that decision.

**Recommended Motion:**

Receive and file.

Sincerely,



Tom Knakmuhs, City Engineer

June 1, 2026

Tom Knakmuhs  
City Engineer  
City of Fargo  
225 4<sup>th</sup> Street North  
Fargo, ND 58102

64<sup>th</sup> Avenue South & I-29 Interchange – Additional Funding from Alternative Selection  
PCN 24477, IM-8-029(219)058, City Project Number BN-25-A0


Mr. Knakmuhs,

The following letter is to inform you that the NDDOT has selected an alternative to move forward with at the 64<sup>th</sup> Ave South proposed interchange location. The City of Fargo has recommended Alternative B1 as presented in the Documented CATEX which consisted of a signal and a roundabout. The NDDOT has chosen Alternative B2 as presented in the Documented CATEX consisting of two roundabouts.

As stated in the letter dated October 21, 2025, the NDDOT has previously agreed to provide a maximum amount of \$21.25 million of funding for the project that could be used for federally eligible construction and construction engineering costs. The NDDOT Fargo District also agreed to conduct construction engineering for the project in lieu of the city needing to hire a consultant.

As a result of the NDDOT selecting Alternative B2, we are willing to provide an additional maximum amount of \$2.81 million. The additional funding amount matches the difference from the City recommendation Alternative B1 to the NDDOT selected Alternative B2. The funding provided by the NDDOT remains contingent on completion and approval of the project development items along with availability, eligibility, and authorization of federal funding. Currently the funding for the project remains in the draft STIP for year 2028.

Sincerely,



Derek Pfeifer, PE  
Local Government Engineer

38/ddp

C: Aaron Murra, NDDOT Fargo District Engineer

PUBLIC WORKS PROJECTS EVALUATION COMMITTEE

11

Type: Encroachment Agreement

Location: 3001 Main Ave

Date of Hearing: 6/1/2026

<u>Routing</u>	<u>Date</u>
City Commission	<u>6/8/2026</u>
PWPEC File	<u>X</u>
Project File	<u>Matt Jennings</u>

The Committee reviewed a communication from Civil Engineer, Matt Jennings, regarding an Encroachment Agreement at 3001 Main Avenue with Famers Union Oil Company of Moorhead Minnesota to utilize the existing parking lot encroachment.

This is to allow an encroachment for PetroServe to utilize the existing parking lot encroachment within the public right of way until a time in the future when they redevelop and can accommodate this parking use within their parcel. The initial processing fee and annual ROW use fee will be waived.

On a motion by Brenda Derrig, seconded by Susan Thompson, the Committee voted to recommend approval of the Encroachment Agreement with Farmers Union Oil Company of Moorhead Minnesota at 3001 Main Avenue and to waive the initial processing and annual fee.

RECOMMENDED MOTION

Concur with the recommendations of PWPEC and approve the Encroachment Agreement with Farmers Union Oil Company of Moorhead Minnesota at 3001 Main Avenue and to waive the initial processing and annual fee.

PROJECT FINANCING INFORMATION:

Recommended source of funding for project: \_\_\_\_\_ N/A \_\_\_\_\_

Developer meets City policy for payment of delinquent specials Agreement for payment of specials required of developer Letter of Credit required (per policy approved 5-28-13)

Yes	No
_____	_____
_____	_____
_____	_____


COMMITTEE

- Tim Mahoney, Mayor
- Nicole Crutchfield, Director of Planning
- Gary Lorenz, Fire Chief
- Brenda Derrig, Assistant City Administrator
- Ben Dow, Director of Operations
- Tom Knakmuhs, City Engineer
- Susan Thompson, Finance Director

Present	Yes	No	Unanimous
_____	_____	_____	<input checked="" type="checkbox"/>
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____

ATTEST:

C: Kristi Olson

  
Tom Knakmuhs, P.E.  
City Engineer

## Memorandum

**To:** Members of PWPEC  
**From:** Matthew Jennings, ROW Management  
**Date:** May 28, 2026  
**Re:** Encroachment Agreement 3001 Main Ave – Farmers Union Oil Company of Moorhead Minnesota

---

### Background:

Farmers Union Oil Company of Moorhead Minnesota is updating their lot to the east and planning a replat in the near future.

Attached is an Encroachment Agreement with Farmers Union Oil Company of Moorhead Minnesota DBA PetroServe at 3001 Main Ave. This is to allow an encroachment for PetroServe to utilize the existing parking lot encroachment within the public right of way until a time in the future when they redevelop and can accommodate this parking use within their parcel.

The following fees for this encroachment agreement will be waived.

- One time - Initial Processing Fee
- Annual ROW Use Fee

### Recommended Motion:

Recommend approval of the Encroachment Agreement with Farmers Union Oil Company of Moorhead Minnesota.

**ENCROACHMENT AGREEMENT**

(Parking Lot Encroachment)

**THIS AGREEMENT**, made and entered by and between the **CITY OF FARGO**, a North Dakota municipal corporation, hereinafter referred to as “City”, and **FARMERS UNION OIL COMPANY OF MOORHEAD, MINNESOTA**, a foreign cooperative association, hereinafter referred to as “PetroServe” or “Owner”;

**WITNESSETH:**

**WHEREAS**, PetroServe owns property located at 3001 Main Ave in Fargo, which is bordered to the south by Main Avenue;

**WHEREAS**, PetroServe desires to encroach on a portion of City right-of-way (described below) for the purpose of a parking lot encroachment;

**WHEREAS**, the City’s Public Works Projects Evaluation Committee (PWPEC) has reviewed the request for encroachment and recommended approval; and

**WHEREAS**, PetroServe has agreed to execute this agreement required by City for encroachment upon City right-of-way.

**NOW, THEREFORE**, it is hereby agreed by and between the parties hereto as follows:

PetroServe, is hereby granted the right to encroach upon and use a portion of the right-of-way, said encroachment being for the purpose of a parking lot encroachment, bordering along the north side of Main Avenue.

1. The legal description of the Owner's property is as follows:

LENTHE'S FIRST ADDITION BEING A REPLAT OF THE E HALF OF LOT 3 & ALL OF LOTS 4-10, TEIGEN'S SUBDIVISION, AND A PLAT OF PART OF THE SW¼ OF THE SE¼ OF SECTION 2, TOWNSHIP 139 NORTH, RANGE 49 WEST OF THE 5TH PRINCIPAL MERIDIAN, TO THE CITY OF FARGO, CASS COUNTY, NORTH DAKOTA.

Lot 1, Block 1 of said LENTHE'S FIRST ADDITION

The Property has a street address of 3001 Main Ave, Fargo, ND 58103 (the "encroaching property").

The parking lot encroachment at the encroaching property is described as follows:

Tract 1:

Beginning at the southwest corner of Lot 1, Block 1 of LENTHE'S FIRST ADDITION to the City of Fargo, Cass County, North Dakota; thence N87°47'47"E along the south line of said Block 1 a distance of 109.00 feet; thence S02°12'13"E a distance of 11.00 feet; thence S87°47'47"W a distance of 109.00 feet; thence N02°12'13"W a distance of 11.00 feet to the point of beginning.

Said tract containing 1,200 square feet, more or less (Tract 1 Encroachment Area), and being separated from Tract 2 by an existing driveway area not included herein.

Tract 2:

Commencing at the southwest corner of Lot 1, Block 1 of LENTHE'S FIRST ADDITION to the City of Fargo, Cass County, North Dakota; thence N87°47'47"E along the south line of said Block 1 a distance of 175.00 feet to the point of beginning; thence N87°47'47"E along said south line of said Block 1 a distance of 261.00 feet; thence S02°12'13"E a distance of 10.00 feet; thence S87°47'47"W a distance of 261.00 feet; thence N02°12'13"W a distance of 10.00 feet to the point of beginning.

Said tract containing 2,610 square feet, more or less (Tract 2 Encroachment Area).  
The Tract 1 Encroachment Area and Tract 2 Encroachment Area will be referred to herein  
as the "Parking Lot Encroachment Area."

2. It is the intent of this Encroachment Agreement that Owner may utilize the Parking Lot Encroachment Area for the purpose of maintaining and utilizing the existing parking lot.
3. Owner agrees and understands that as a condition of the use of the Parking Lot Encroachment Area, Owner shall be responsible for the installation cost and maintenance of all components of the parking lot.
4. Owner agrees and understands that as a condition of the use of the Parking Lot Encroachment Area, Owner shall be responsible for snow plowing and snow removal within the entire Parking Lot Encroachment Area.
5. Upon discontinuance of use by Owner of the Parking Lot Encroachment Area or termination of this Encroachment Agreement, Owner will restore and replace all public property to a vegetated surface and re-install the sidewalk at the standard location 2' off the property line, or pay to the City all costs incurred by City to restore the public property accordingly.
6. It is understood and agreed by and between the parties that Owner will be responsible for the repair or replacement of any public property which may be damaged or destroyed as a direct or indirect result of the use of the public right-of-way for the parking lot. PetroServe agrees to accept all maintenance responsibility for the Parking Lot Encroachment Area and associated property used by Owner within the City right-of-way.
7. Owner agrees to indemnify and further hold the City harmless against any and all expenses, demands, claims or losses of any kind that may be sustained by City, its officers, agents and employees, its property, streets, sidewalks, or any other municipal improvements by reason of

the Owner's use of the public right-of-way in accordance with this Encroachment Agreement. Owner agrees to pay any and all costs the City incurs to enforce this indemnity provision, including attorney's fees. Owner agrees to provide to the City a certificate of insurance indicating acceptance by its insurer of Owner's obligation to defend and hold the City harmless as herein stated.

8. This Encroachment Agreement is personal to Owner and cannot be sold, transferred or otherwise assigned. This Encroachment Agreement shall immediately terminate upon Owner's sale, transfer or assignment of the encroaching property. Subsequent owners may request permission to encroach, and enter into a separate encroachment agreement with City.

9. It is understood and agreed by and between the parties that this Encroachment Agreement and permission to encroach is given subject to any limitation on the authority of City to grant such permission, which may now or hereafter exist.

10. It is specifically understood and agreed that the City retains authority to operate and maintain existing above ground and underground municipal facilities in and adjacent to the Parking Lot Encroachment Area. In the event the City needs to permanently retake the Parking Lot Encroachment Area, City will provide Owner written notice ninety (90) days in advance of removing the encroaching private facilities, to the extent deemed necessary by City.

11. If City determines, in its sole discretion, that Owner has failed to maintain the Parking Lot Encroachment Area in an acceptable manner, City may terminate this Encroachment Agreement. Further, this Encroachment Agreement shall automatically terminate if the encroaching property is repaired, reconstructed, improved or if additional structures are installed on the encroaching property.

12. It is specifically agreed between the parties that a copy of this Encroachment Agreement may be recorded.

13. City agrees to waive the processing and annual fees for the encroachment.





PUBLIC WORKS PROJECTS EVALUATION COMMITTEE

12

Project No. BR-27-E4

Type: Change Order #1 & Time Extension

Location: 1st Ave N, 3rd St – University Dr

Date of Hearing: 6/1/2026

<u>Routing</u>	<u>Date</u>
City Commission	<u>6/8/2026</u>
PWPEC File	<u>X</u>
Project File	<u>Matthew Jennings</u>

The Committee reviewed the accompanying correspondence from Project Manager, Matthew Jennings, related to Change Order #1 in the amount of \$1,550.98 for additional work, as well as a 2-day time extension.

Staff is recommending approval of Change Order #1 in the amount of \$1,550.98, which increases the total contract amount to \$236,359.70, as well as the 2-day time extension.

On a motion by Brenda Derrig, seconded by Susan Thompson, the Committee voted to recommend approval of Change Order #1 and the time extension to Q3 Contracting.

RECOMMENDED MOTION

Concur with the recommendations of PWPEC and approve Change Order #1 in the amount of \$1,550.98, bringing the total contract amount to \$236,359.70, and the 2-day time extension to Q3 Contracting.

PROJECT FINANCING INFORMATION:

Recommended source of funding for project: \_\_\_\_\_ Sales Tax \_\_\_\_\_

Developer meets City policy for payment of delinquent specials  
 Agreement for payment of specials required of developer  
 Letter of Credit required (per policy approved 5-28-13)

Yes	No
_____	_____
N/A	_____
_____	N/A
_____	_____
N/A	_____

COMMITTEE

Tim Mahoney, Mayor  
 Nicole Crutchfield, Director of Planning  
 Gary Lorenz, Fire Chief  
 Brenda Derrig, Assistant City Administrator  
 Ben Dow, Director of Operations  
 Tom Knakmuhs, City Engineer  
 Susan Thompson, Finance Director

Present	Yes	No	Unanimous
_____	_____	_____	<u>12</u>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____

ATTEST:

C: Kristi Olson

  
 Tom Knakmuhs, P.E.  
 City Engineer

## Memorandum

**To:** Members of PWPEC  
**From:** Matthew Jennings, ROW Management  
**Date:** May 28, 2026  
**Re:** Project No. BR-27-E4 – Change Order #1 & Time Extension

---

### **Background:**

Project No. BR-27-E4 is for the exploration and verification of private underground utilities on 1<sup>st</sup> Avenue North between 3<sup>rd</sup> Street North to University Drive North. This project will be used to create utility conflict plans and assist with the design of 1<sup>st</sup> Avenue North reconstruction proposed in the near future.

Q3 Contracting is the prime contractor on this project.

This change order is for the removal, relocation, and reinstallation of the traffic control for the closure. Due to the Marathon requiring 1<sup>st</sup> Avenue North as a route for various races, we are requiring the contractor to move their traffic control to keep the roadway clear Friday afternoon, and to reinstall Monday morning. Because of the loss of 2 days of work without their closure, they have also asked for a 2-day extension to the contract.

The attached Change Order in the amount of **\$1,550.98** (0.66% of the original contract), which increases the total contract amount to \$236,359.70 for additional work as shown on Change Order #1.

### **Recommended Motion:**

Approve Change Order #1 in the amount of \$1,550.98 and time extension for Project No. BR-27-E4.

**CHANGE ORDER REPORT**  
**UTILITY LOCATION VERIFICATION**  
**PROJECT NO. BR-27-E4**

**ON 1ST AVENUE N BETWEEN 3RD STREET N AND UNIVERSITY DRIVE**

**Change Order No** 1 **Change Order Date** 5/28/2026  
**Contractor** Q3 Contracting, Inc.

This change is made under the terms of or is supplemental to your present contract, if and when approved, you are ordered to perform the work in accordance with the additions, changes, or alterations hereinafter described.

**EXPLANATION OF CHANGE** Change Order # 1

This change order is for the removal, relocation and reinstallation of the traffic control for the closure. Due to the Marathon requiring 1st Ave N as a route for various races, we are requiring the contractor to move their traffic control to keep the roadway clear Friday afternoon, and to reinstall Monday morning. Because of the loss of 2 days of work without their closure, they have also asked for a 2-day extension to the contract.

Section	Line No	Item Description	Unit	Orig Cont Qty	Prev C/O Qty	Prev Cont Qty	Curr C/O Qty	Tot Cont Qty	Unit Price (\$)	C/O Ext Price (\$)
Change Order 1	5	Traffic Control - Minor	LS	0	0	0	1	1	\$1,550.98	\$1,550.98
<b>Change Order 1 Sub Total</b>										<b>\$1,550.98</b>

Summary.

Source Of Funding	Sales Tax Funds - Infrastructure - 420
Net Amount Change Order # 1 (\$)	\$1,550.98
Previous Change Orders (\$)	\$0.00
Original Contract Amount (\$)	\$234,808.72
Total Contract Amount (\$)	\$236,359.70

I hereby accept this order both as to work to be performed and prices on which payment shall be based.

CONTRACT DATES

Current Substantial Completion Date	7/1/2026	Current Final Completion Date	7/15/2026
Additional Days Substantial Completion	2	Additional Days Final Completion	2
New Substantial Completion Date	7/3/2026	New Final Completion Date	7/17/2026

**Interim Completion Dates**

APPROVED  
For Contractor  
Title

*Jon Moulton*  
SR&P

APPROVED DATE  
Department Head  
Mayor  
Attest

*T-Hell*



**Q3 Contracting, Inc.**  
 3066 Spruce Street  
 Little Canada, MN 55117  
 Telephone: 651-365-7390  
 Fax: 651-224-2220  
 Quote By: Taylor Schieck

<b>Proposal Submitted To:</b>	Matt Jennings City of Fargo	<b>Proposal Date:</b> 5/22/26
-------------------------------	--------------------------------	-------------------------------

<b>Project Location:</b>	Fargo, ND	Any changes will be accompanied by a signed & approved Change Order. All payments are on a net 30 basis.
<b>Project Description:</b>	Utility Verification - Marathon Event - Change Order #1	

Item #	Item Description	Unit/Measure	Est. Quantity	Unit Price	Total
	Traffic Control - Removal & Reset	LS	1	\$1,550.98	

**Schedule Impact** - Q3C would like an extension of (2) days to the Substantial and Final Completion dates due to the impact of Marathon event. Having to clean up the project site prior to the event and then waiting for the Traffic/Detour to be setup again will adversely impact both Friday (5/29) and Monday (6/1) assumed production.

**This Proposal Includes:**

\*Labor and equipment to remove the traffic control and reset due to the Marathon event.

**This Proposal Does Not Include:**

\*Any bonding, licensing, or permits for project.

All work to be completed under the provisions of this proposal shall be done in a workmanlike manner according to standard practices. Any alterations or deviations from the above specifications resulting in extra costs, will be executed only upon written orders, and shall result in an extra charge over and above the estimated cost contained herein. All agreements are contingent upon strikes, accidents, and delays beyond the control of Q3 Contracting. The above prices, specifications, and terms and conditions on the front and back of this agreement are hereby accepted. Payment will be made as outlined above.

Proposal may be withdrawn by Q3 if not accepted within 15 days.

Signature: \_\_\_\_\_ Name/Title: \_\_\_\_\_ Date of Acceptance: \_\_\_\_\_

PUBLIC WORKS PROJECTS EVALUATION COMMITTEE

13

Improvement District No. BR-25-A1 Type: Negative Final Balancing Change Order #2

Location: 9th St N, 7th - 10th Ave; 8th Ave N, 10th - 9th St; 9th Ave N, 10th - 8th St; 10th Ave N; 10th - 9th St Date of Hearing: 6/1/2026

<u>Routing</u>	<u>Date</u>
City Commission	<u>6/8/2026</u>
PWPEC File	<u>X</u>
Project File	<u>Aaron Edgar</u>

The Committee reviewed a communication from Project Manager, Aaron Edgar, regarding Negative Final Balancing Change Order #2 in the amount of -\$23,432.87, which reconciles the final quantities as measured in the field.

Staff is seeking approval of Negative Final Balancing Change Order #2 in the amount of -\$23,432.87, which brings the total contract amount to \$3,528,986.00.

On a motion by Brenda Derrig, seconded by Susan Thompson, the Committee voted to recommend approval of Negative Final Balancing Change Order #2 to Dakota Underground.

RECOMMENDED MOTION

Concur with the recommendations of PWPEC and approve Negative Final Balancing Change Order #2 in the amount of -\$23,432.87, bringing the total contract amount to \$3,528,986.00 to Dakota Underground.

PROJECT FINANCING INFORMATION:

Recommended source of funding for project: Waste Water, Water, Sales Tax & Special Assessments

	<u>Yes</u>	<u>No</u>
Developer meets City policy for payment of delinquent specials	<u>N/A</u>	<u>N/A</u>
Agreement for payment of specials required of developer	<u>N/A</u>	<u>N/A</u>
Letter of Credit required (per policy approved 5-28-13)	<u>N/A</u>	<u>N/A</u>

COMMITTEE

	<u>Present</u>	<u>Yes</u>	<u>No</u>	<u>Unanimous</u>
				<u>✓</u>
Tim Mahoney, Mayor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Nicole Crutchfield, Director of Planning	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Gary Lorenz, Fire Chief	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Brenda Derrig, Assistant City Administrator	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Ben Dow, Director of Operations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Tom Knakmuhs, City Engineer	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Susan Thompson, Finance Director	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	

ATTEST:

C: Kristi Olson

*Tom Knakmuhs*  
Tom Knakmuhs, P.E.  
City Engineer

# Memorandum

**To:** Members of PWPEC  
**From:** Aaron Edgar, Project Manager  
**Date:** May 26, 2026  
**Re:** Improvement District No. BR-25-A1 – Negative Final Balancing Change Order #2

---

**Background:**

Improvement District BR-25-A1 is for the Paving and Utility Rehab/Reconstruction of 9<sup>th</sup> Street North from 7<sup>th</sup> Avenue to 10<sup>th</sup> Avenue, on 8<sup>th</sup> Avenue North from 10<sup>th</sup> Street to 9<sup>th</sup> Street, on 9<sup>th</sup> Avenue North from 10<sup>th</sup> Street to 8<sup>th</sup> Street, and on 10<sup>th</sup> Avenue North from 10<sup>th</sup> Street to 9<sup>th</sup> Street.

Dakota Underground is the Prime Contractor for this project.

**Negative Final Balancing Change Order #2**

Attached is Negative Final Balancing Change Order #2 in the amount of -\$23,432.87. The Contractor met the requirements of the contract and it has been accepted by the City. This FBCO reconciles the estimated quantities used in the contract with the final quantities as measured in the field.

Original Contract:	\$ 3,550,272.03
Change Order #1	\$ 2,146.84
FBCO #2	\$ -23,432.87
<b>Total Contract:</b>	<b>\$ 3,528,986.00</b>

**Recommended Motion:**

Approve Negative Final Balancing Change Order #2 in the amount of -\$23,432.87 for Improvement District No. BR-25-A1.

ADE/klb  
Attachment



**CHANGE ORDER REPORT**  
**PAVING AND UTILITY REHAB/RECONSTRUCTION**  
**IMPROVEMENT DISTRICT NO. BR-25-A1**

ON 9TH STREET NORTH FROM 7TH AVENUE TO 10TH AVENUE, ON 8TH AVENUE  
 NORTH FROM 10TH STREET TO 9TH STREET, ON 9TH AVENUE NORTH FROM 10TH  
 STREET TO 8TH STREET, AND ON 10TH AVENUE NORTH FROM 10TH STREET TO  
 9TH STREET.

**Change Order No** 2      **Change Order Date** 5/22/2026  
**Contractor** Dakota Underground Co Inc

This change is made under the terms of or is supplemental to your present contract, if and when approved, you are ordered to perform the work in accordance with the additions, changes, or alterations hereinafter described.

**EXPLANATION OF CHANGE**      Change Order # 2  
 Final Balancing Change Order.

Section	Line No	Item Description	Unit	Orig Cont Qty	Prev		Curr		Tot Cont Qty	Unit Price (\$)	C/O Ext Price (\$)
					C/O	Qty	C/O	Qty			
Sanitary Sewer	1	Remove Pipe All Sizes All Types	LF	750			750	22	772	\$25.00	\$550.00
	2	Remove Manhole	EA	7			7	2	9	\$2,000.00	\$4,000.00
	3	Bore Pipe SDR 26 - 6" Dia PVC	LF	40			40	-40	0	\$108.00	-\$4,320.00
	4	F&I Pipe w/GB SDR 26 - 6" Dia PVC	LF	1200			1200	-34.6	1165.4	\$108.00	-\$3,736.80
	6	F&I Pipe w/GB SDR 35 - 10" Dia PVC	LF	480			480	-2	478	\$208.00	-\$416.00
	7	F&I Pipe w/GB SDR 35 - 12" Dia PVC	LF	95			95	17	112	\$283.00	\$4,811.00

Section	Line No	Item Description	Unit	Orig Cont Qty	Prev C/O Qty	Prev Cont Qty	Curr C/O Qty	Tot Cont Qty	Unit Price (\$)	C/O Ext Price (\$)
	9	Connect Sewer Service	EA	52		52	-1	51	\$3,500.00	-\$3,500.00
	13	Clean Pipe All Sizes All Types	LF	1098		1098	-701	397	\$5.00	-\$3,505.00
								<b>Sanitary Sewer Sub Total</b>		<b>-\$6,116.80</b>
Water Main	14	Remove Pipe All Sizes All Types	LF	920		920	37	957	\$25.00	\$925.00
	17	F&I Fittings C153 Ductile Iron	LB	1739		1739	-332	1407	\$11.00	-\$3,652.00
	18	Connect Pipe to Exist Pipe	EA	11		11	-1	10	\$3,000.00	-\$3,000.00
	19	F&I Pipe w/GB C900 DR 18 - 4" Dia PVC	LF	100		100	-20	80	\$118.00	-\$2,360.00
	20	F&I Pipe w/GB C900 DR 18 - 6" Dia PVC	LF	37		37	-1.5	35.5	\$123.00	-\$184.50
	21	F&I Pipe w/GB C900 DR 18 - 8" Dia PVC	LF	2240		2240	-28	2212	\$128.00	-\$3,584.00
	25	Furnish Temp Water Svc	EA	53		53	1	54	\$600.00	\$600.00
	26	Connect Water Service	EA	59		59	-3	56	\$1,000.00	-\$3,000.00
	27	F&I Pipe w/GB 1" Dia Water Service	LF	1660		1660	-117.5	1542.5	\$88.00	-\$10,340.00

Section	Line No	Item Description	Unit	Orig Cont Qty	Prev C/O Qty	Prev Cont Qty	Curr C/O Qty	Tot Cont Qty	Unit Price (\$)	C/O Ext Price (\$)
	28	Bore Pipe 1" Dia Water Service	LF	60	60	60	-60	0	\$88.00	-\$5,280.00
	29	F&I Pipe w/GB 1.5" Dia Water Service	LF	60	60	60	53.5	113.5	\$98.00	\$5,243.00
	30	Rem & Repl CS & Box 1" Dia	EA	55	55	55	-3	52	\$900.00	-\$2,700.00
	31	Rem & Repl CS & Box 1.5" Dia	EA	2	2	2	2	4	\$1,100.00	\$2,200.00
	32	F&I Casting Water Service	EA	2	2	2	5	7	\$450.00	\$2,250.00
	33	F&I 1-1/4" Trench Found Rock 4" thru 12" Dia	LF	200	200	200	-200	0	\$0.01	-\$2.00
								<b>Water Main Sub Total</b>		<b>-\$22,884.50</b>
Storm Sewer	34	Remove Pipe All Sizes All Types	LF	858	858	858	-61	797	\$35.00	-\$2,135.00
	35	Remove Manhole	EA	8	8	8	2	10	\$1,800.00	\$3,600.00
	40	F&I Manhole 4' Dia Reinf Conc	EA	6	6	6	-3	3	\$3,000.00	-\$9,000.00
	42	F&I Inlet - Manhole (MHI) 4' Dia Reinf Conc	EA	3	3	3	3	6	\$14,200.00	\$42,600.00

Section	Line No	Item Description	Unit	Orig Cont Qty	Prev C/O Qty	Prev Cont Qty	Curr C/O Qty	Tot Cont Qty	Unit Price (\$)	C/O Ext Price (\$)
	44	F&I Pipe w/GB SDR 35 - 10" Dia PVC	LF	88		88	-4	84	\$128.00	-\$512.00
	45	F&I Pipe w/GB SDR 35 - 12" Dia PVC	LF	22		22	0.5	22.5	\$138.00	\$69.00
	46	F&I Pipe w/GB 12" Dia	LF	349		349	-1.5	347.5	\$140.00	-\$210.00
	47	F&I Pipe w/GB 15" Dia	LF	246		246	-2	244	\$150.00	-\$300.00
	49	F&I Pipe w/GB 12" Dia Reinf Conc	LF	6		6	-6	0	\$140.00	-\$840.00
	50	F&I Pipe w/GB 15" Dia Reinf Conc	LF	81		81	-11	70	\$150.00	-\$1,650.00
	51	F&I Pipe w/GB 18" Dia Reinf Conc	LF	12		12	-12	0	\$160.00	-\$1,920.00
	53	F&I Pipe w/GB 36" Dia Reinf Conc	LF	199		199	-43	156	\$375.00	-\$16,125.00
	54	Repair Manhole Floor & Invert	EA	1		1	-1	0	\$4,000.00	-\$4,000.00
	55	Repair Pipe 30" Dia	EA	1		1	1	2	\$2,500.00	\$2,500.00
								<b>Storm Sewer Sub Total</b>		<b>\$12,077.00</b>
Paving	56	Construction Signing	SF	36		36	-24	12	\$15.75	-\$378.00
	57	Irrigation Repair	EA	8		8	-5	3	\$1,125.00	-\$5,625.00

Section	Line No	Item Description	Unit	Orig Cont Qty	Prev C/O Qty	Prev Cont Qty	Curr C/O Qty	Tot Cont Qty	Unit Price (\$)	C/O Ext Price (\$)
	59	Remove Pavement All Thicknesses All Types	SY	7970	7970	7970	-142	7828	\$15.00	-\$2,130.00
	60	Remove Curb & Gutter	LF	5100	5100	5100	-11	5089	\$8.00	-\$88.00
	61	Remove Sidewalk All Thicknesses All Types	SY	2200	2200	2200	555.2	2755.2	\$14.00	\$7,772.80
	62	Remove Driveway All Thicknesses All Types	SY	1975	1975	1975	-214.5	1760.5	\$14.00	-\$3,003.00
	68	Subgrade Preparation	SY	9980	9980	9980	-210	9770	\$5.00	-\$1,050.00
	69	F&I Woven Geotextile	SY	9980	9980	9980	-210	9770	\$2.50	-\$525.00
	70	F&I Class 5 Agg - 8" Thick	SY	9980	9980	9980	-210	9770	\$16.00	-\$3,360.00
	71	F&I Edge Drain 4" Dia PVC	LF	5100	5100	5100	-41	5059	\$11.00	-\$451.00
	72	F&I Curb & Gutter Standard (Type II)	LF	5100	5100	5100	-11	5089	\$32.00	-\$352.00
	73	F&I Asphalt Pavement FAA 43 w/ PG58H-	Ton	3900	3900	3900	-136.99	3763.01	\$98.00	-\$13,425.02

34

Section	Line No	Item Description	Unit	Orig Cont Qty	Prev C/O Qty	Prev Cont Qty	Curr C/O Qty	Tot Cont Qty	Unit Price (\$)	C/O Ext Price (\$)
	74	F&I Sidewalk 4" Thick Reinf Conc	SY	2100	2100	2100	155.4	2255.4	\$81.00	\$12,587.40
	75	F&I Sidewalk 6" Thick Reinf Conc	SY	105	105	105	-45	60	\$97.00	-\$4,365.00
	76	F&I Driveway 6" Thick Reinf Conc	SY	2000	2000	2000	112.5	2112.5	\$92.00	\$10,350.00
	77	F&I Det Warn Panels Cast Iron	SF	216	216	216	-16	200	\$65.00	-\$1,040.00
	78	F&I Flat MH Cover 8" Thick Reinf Conc	EA	1	1	1	-1	0	\$1,900.00	-\$1,900.00
	81	Boulevard Grading	SY	7750	7750	7750	185	7935	\$5.00	\$925.00
	82	Seeding Type C	SY	7750	7750	7750	185	7935	\$1.20	\$222.00
	83	Mulching Type 1 Hydro	SY	7750	7750	7750	185	7935	\$0.65	\$120.25
	84	Weed Control Type B	SY	7750	7750	7750	-7750	0	\$0.10	-\$775.00
								<b>Paving Sub Total</b>		<b>-\$6,489.57</b>
Signing	90	F&I Sign Assembly	EA	15	15	15	1	16	\$53.00	\$53.00
	92	F&I Diamond Grade Cubed	SF	93.3000000000000001	93.3000000000000001	93.3000000000000001	-8.4	84.9	\$25.00	-\$210.00

Section	Line No	Item Description	Unit	Orig Cont Qty	Prev C/O Qty	Prev Cont Qty	Curr C/O Qty	Tot Cont Qty	Unit Price (\$)	C/O Ext Price (\$)
	93	F&I High Intensity Prismatic	SF	80		80	6	86	\$23.00	\$138.00
									<b>Signing Sub Total</b>	<b>-\$19.00</b>

**Summary.**

**Source Of Funding**

**Net Amount Change Order # 2 (\$)**

**Previous Change Orders (\$)**

**Original Contract Amount (\$)**

**Total Contract Amount (\$)**

Wastewater Utility, Water utility, Infrastructure Sales Tax, and Special Assessments

-\$23,432.87

\$2,146.84

\$3,550,272.03

\$3,528,986.00

I hereby accept this order both as to work to be performed and prices on which payment shall be based.

*Jared Heller*  
Dakota Underground Company  
Project Manager

APPROVED DATE  
Department Head  
Mayor  
Attest  
*THC*

APPROVED

For Contractor

Title



May 21, 2026

Board of City Commissioners  
City of Fargo  
200 North Third Street  
Fargo, ND 58102

Re: Access Easement – Southeast Cass Water Resource District  
Improvement District #BN-25-F1

Dear Commissioners:

Accompanying for City Commission review and approval is an original Access Easement from the Southeast Cass Water Resource District in association with Improvement District #BN-25-F1.

Drain 10 & 48<sup>th</sup> Avenue North

RECOMMENDED MOTION:

Approve an Access Easement from the Southeast Cass Water Resource District.

Please return the signed original.

Respectfully submitted,

Shawn G. Bullinger  
Land Acquisition Specialist

C: Matt Jennings

**ACCESS EASEMENT**  
(Storm Sewer Easement)

THIS EASEMENT is made this \_\_\_\_ day of \_\_\_\_\_, 2026, by the Southeast Cass Water Resource District, a North Dakota political subdivision, with a post office address of 1201 Main Avenue West, West Fargo, North Dakota 58078-1301 (the “District”); and the City of Fargo, a North Dakota municipal corporation, with a post office address of 225 - 4th Street North, Fargo, North Dakota 58102 (the “City”).

**RECITALS**

A. The District owns, operates, and maintains Cass County Drain No. 10 (“Drain 10”), a legal assessment drain; portions of Drain 10 are located within the City’s municipal boundaries.

B. The City plans to install storm sewer infrastructure with an outfall that will discharge into Drain 10; the storm sewer infrastructure and the outfall into Drain 10 are, collectively, the “Storm Sewer Infrastructure.”

C. The District has agreed to convey an easement to the City for purposes of the construction, operation, and maintenance of the Storm Sewer Infrastructure on the District’s Drain 10 right of way, subject to the terms and conditions contained in this Easement.

In consideration of the mutual covenants contained in this Easement, and other good and valuable consideration, the receipt and sufficiency of which the parties acknowledge, the parties agree as follows:

**AGREEMENT**

1. **The Storm Sewer Property.** The District grants and conveys to the City a non-exclusive, permanent easement, including the easement rights described in this Easement, upon, over, across, and through the following real property in Cass County, North Dakota:

See survey and legal description attached as **Exhibit A.**

The property described above is the “Storm Sewer Property.” The District does not warrant fee simple ownership of the Storm Sewer Property and only conveys those rights to the City permitted under North Dakota law that are consistent with the District’s rights in the Storm Sewer Property.

*Southeast Cass Water Resource District  
City of Fargo  
Storm Sewer Easement – Drain No. 10*

2. **Easement Rights.** Under this Easement, the District grants to the City, and the City's officers, employees, agents, representatives, consultants, and contractors, a permanent and perpetual easement upon, over, in, under, across, and through the Storm Sewer Property for the following purposes: installing, constructing, inspecting, maintaining, reconstructing, altering, repairing, replacing, operating, improving, modifying, and removing the Storm Sewer Infrastructure and all associated appurtenances; excavating, piling, storing, depositing, spoiling, spreading, and removing excavated dirt, soil, clay, silt, or other materials; moving, storing, and removing equipment, materials, and supplies; removing trees, underbrush, vegetation, and obstructions that interfere with the installation or construction of the Storm Sewer Property; and the right to perform any other work necessary and incident to the installation, construction, inspection, maintenance, reconstruction, alteration, repair, replacement, operation, improvement, modification, and removal of the Storm Sewer Infrastructure and all associated appurtenances, together with all necessary and reasonable rights of ingress and egress to and from the Storm Sewer Property. The City is solely responsible for the installation, construction, inspection, maintenance, reconstruction, alteration, repair, replacement, operation, improvement, modification, and removal of the Storm Sewer Infrastructure and all associated appurtenances at the City's sole cost. The City's use of the Storm Sewer Property will not interfere with Drain 10. The City is responsible and liable for all acts and omissions of all of the City's officers, employees, agents, representatives, contractors, consultants, subcontractors, licensees, and invitees.

3. **Drainage Priority and Use.** The parties understand and agree that Drain 10 is a public facility that provides drainage benefits and other important public benefits to Cass County and its residents, including the City and residents of the City, and further agree the District's use of Drain 10, including the Storm Sewer Property, as a drainage facility takes priority over any other use of the Storm Sewer Property, including the City's use of the Storm Sewer Property for the Storm Sewer Infrastructure.

4. **No Unreasonable Interference.** The District will not unreasonably interfere with the City's easement rights under this Easement. However, the District's priority use of Drain 10 for drainage, flood protection, or other emergency purposes may require and include temporary disruptions or interference with the City's interest in the Storm Sewer Property. The District will use reasonable care to avoid any damages to the Storm Sewer Infrastructure, associated appurtenances, and other storm sewer infrastructure; however, the District will not be liable or responsible for any damages resulting from any construction, cleaning, inspection, reconstruction, modification, operation, maintenance, repair, or improvement of Drain 10 by the District, its officers, agents, representatives, employees, consultants, or contractors. In the event any reconstruction, modification, or improvement of Drain 10 requires any modifications to the Storm Sewer Infrastructure, associated appurtenances, or other storm sewer infrastructure, the City will modify the Storm Sewer Infrastructure at the City's expense and, if necessary, the parties will amend this Easement for purposes of redefining the "Storm Sewer Property."

5. **Improvements and Repairs to the Storm Sewer Property.** Any improvements or repairs to the Storm Sewer Property are subject to the following:

a. Prior to the City's construction, reconstruction, or other improvements of the City's Storm Sewer Infrastructure, the City must provide plans and specifications to the District, and the District must first give prior written consent to the design of any construction or improvements; the District will not unreasonably withhold consent.

b. The City will install, construct, inspect, maintain, reconstruct, alter, repair, replace, operate, improve, modify, and remove the Storm Sewer Infrastructure in a manner that does not interfere with Drain 10.

c. The City will obtain the District's prior written consent prior to commencing any structural repairs, modifications, or improvements to the Storm Sewer Infrastructure on or adjacent to the Storm Sewer Property that require excavation; the District will not unreasonably withhold consent.

d. The City will design and construct any and all improvements and required maintenance on the Storm Sewer Infrastructure in a manner that ensures adequate drainage of the Storm Sewer Property, with a finished grade that drains the Storm Sewer Property, and that does not result in ponding in or on Drain 10.

e. With the exception of the Storm Sewer Infrastructure and related appurtenances, the City will not construct any improvements in, upon, under, over, or across any portion of the Storm Sewer Property; the City will not place any fixtures, equipment, or other personal property on any portion of the Storm Sewer Property; the City will not construct or install, or allow construction or installation of, any utility facilities, lines, structures, or associated appurtenances on, over, in, under, through, or across the Storm Sewer Property; the City will not encumber any portion of the Storm Sewer Property; and the City will not otherwise alter any portion of the Storm Sewer Property without prior consent from the District; the District will not unreasonably withhold consent.

f. The City will repair any portion of the Storm Sewer Property or Drain 10 damaged as a result of any construction, operation, inspection, maintenance, alteration, repair, replacement, reconstruction, and removal of the Storm Sewer Infrastructure or otherwise damaged as a result of any use, access, ingress, and egress granted under this Easement by the City or any of the City's officers, employees, agents, representatives, contractors, consultants, subcontractors, licensees, or other invitees. The City will otherwise repair and return the Storm Sewer Property and Drain 10 as nearly as practicable to its original condition following any disturbance or damages, at the City's sole cost.

g. The City will promptly cease any activity and remove any structure or obstruction that interferes with Drain 10 or the District's use of the Storm Sewer Property, at the City's sole cost.

*Southeast Cass Water Resource District  
City of Fargo  
Storm Sewer Easement – Drain No. 10*

6. **Term.** The rights granted under this Easement are permanent and the District may only terminate this Easement if necessary to protect the integrity of Drain 10; as necessary to comply with any laws, rules, regulations, requirements, or directives of any applicable federal or state agency with regulatory jurisdiction over Drain 10; or in the event of any default by the City not remedied within a reasonable time. In the event of any termination, the District will record an Affidavit of Termination with the Cass County Recorder's Office, and the City will remove any improvements from Drain 10, at the City's sole cost.

7. **Liability.** The City will be solely responsible for all claims, actions, administrative proceedings, judgments, damages, penalties, fines, costs, liabilities, interests, or losses, including costs, expenses, and attorneys' fees, arising out of or as a result of the construction, inspection, maintenance, operation, alteration, repair, replacement, reconstruction, removal, or use of the Storm Sewer Infrastructure by the City or the City's officers, consultants, contractors, agents, representatives, employees, or other invitees; any entry upon, use of, or access, ingress, and egress upon, over, or across the Storm Sewer Property by the City or the City's officers, consultants, contractors, agents, representatives, employees, or other invitees; or any act, error, or omission of the City or the City's officers, consultants, contractors, agents, representatives, employees, or other invitees, including any failure to perform under this Easement.

8. **Compliance with Laws.** The City, at its own cost, is solely responsible for promptly complying with all present and future laws, ordinances, rules, and regulations, and obtaining all necessary licenses, permits, registrations, and approvals, from all applicable federal, state, county, and municipal governments and any other applicable governmental entities or political subdivisions, and their appropriate departments, commissions, boards, and officers, regarding the Storm Sewer Infrastructure or the City's other permissible use, access, ingress, and egress rights upon, over, or across any of the Storm Sewer Property.

9. **Forbearance.** The failure or delay of either party to insist on the timely performance of any of the terms of this Easement, or the waiver of any particular breach of any of the terms of this Easement, at any time, will not be construed as a continuing waiver of those terms or any subsequent breach, and all terms will continue and remain in full force and effect as if no forbearance or waiver had occurred.

10. **Governing Law.** This Easement will be construed and enforced in accordance with North Dakota law.

11. **Interpretation.** This Easement will be construed as if prepared by both parties.

12. **Severability.** If any court of competent jurisdiction finds any provision or part of this Easement is invalid, illegal, or unenforceable, that portion will be deemed severed from this Easement, and all remaining terms and provisions of this Easement will remain binding and enforceable; the parties will reconvene negotiations to arrive, in good faith, at an agreement as to matters remaining undetermined as a result of any finding by a court of competent jurisdiction that any provision or part of this Easement is invalid, illegal, or unenforceable.

13. **Entire Agreement.** This Easement, together with any amendments, constitutes the entire agreement between the parties regarding the matters described in this Easement, and this Easement supersedes all other previous oral or written agreements between the parties.

14. **Assignment.** Neither party may transfer or assign this Easement or any rights or obligations under this Easement without the express written consent of the other party.

15. **Binding Effect.** The covenants, terms, conditions, provisions, and undertakings in this Easement, or in any amendment, will be binding upon the parties' heirs, successors, and assigns.

16. **Modifications.** Any modifications or amendments of this Easement must be in writing and signed by the District and the City and must be recorded in the Cass County Recorder's Office.

17. **Headings.** Headings in this Easement are for convenience only and will not be used to interpret or construe its provisions.

*[Signatures appear on the following pages.]*





*Southeast Cass Water Resource District  
City of Fargo  
Storm Sewer Easement – Drain No. 10*

The legal descriptions contained in this document were drafted by:

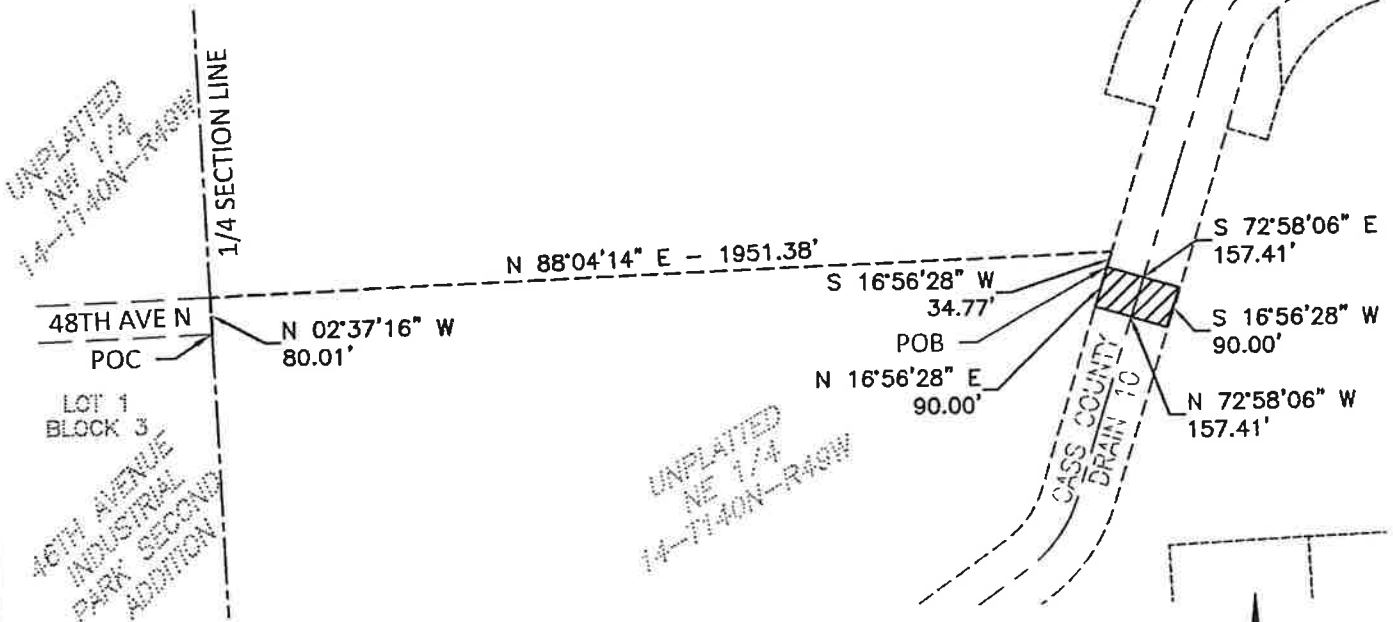
Brent W. Wacha, LS-5068  
City of Fargo -- Engineering  
225 - 4th Street North  
Fargo, North Dakota 58102

*Southeast Cass Water Resource District  
City of Fargo  
Storm Sewer Easement – Drain No. 10*

**EXHIBIT A**

Legal Description and Survey of the Storm Sewer Property

# EXHIBIT A

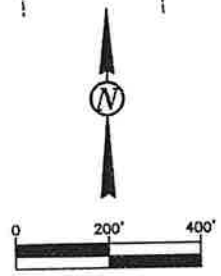


**Description:**

A tract of land in the Northeast Quarter of Section 14, Township 140 North, Range 49 West of the Fifth Principal Meridian, Cass County, North Dakota described as follows:

Commencing at the northeast corner of Lot 1, Block 3, 46TH AVENUE INDUSTRIAL PARK SECOND ADDITION to the City of Fargo, Cass County, North Dakota; thence North 02°37'16" West, on the west line of the Northeast Quarter of said Section 14, a distance of 80.01 feet; thence North 88°04'14" East a distance of 1951.38 feet, to a point on the west line of Cass County Drain 10; thence South 16°56'28" West, on said west line of Cass County Drain 10, a distance of 34.77 feet to the point of beginning; thence South 72°58'06" East a distance of 157.41 feet; thence South 16°56'28" West a distance of 90.00 feet; thence North 72°58'06" West, a distance of 157.41 feet, to a point on said west line of Cass County Drain 10; thence North 16°56'28" East, on said west line of Cass County Drain 10, a distance of 90.00 feet to the point of beginning.

Said tract contains 14,166 square feet, more or less.



BEARINGS BASED ON:  
City of Fargo Ground Coordinate System,  
December 1992

**LEGEND**

NEW EASEMENT AREA



## PERMANENT EASEMENT

NORTHEAST QUARTER OF SECTION 14, T. 140 N., R. 49 W., FIFTH P.M.,  
CASS COUNTY, NORTH DAKOTA



ENGINEERING DEPT.

DRAWN BY: BWW

APPROVED BY: BWW

DATE: APRIL 27, 2026

SHEET 1 OF 1

COVER SHEET  
CITY OF FARGO PROJECTS

15

This sheet must be completed and turned in with all City of Fargo projects. NO items will be accepted by either the City Commission Office or the City Auditor's Office without this cover sheet attached and properly filled out.

Exact, full name of improvement district as it will appear in the contract:

New Paving and Utility Construction

Improvement  
District No.

BN-26-B

Call For Bids	<u>June 8</u>	, <u>2026</u>
Advertise Dates	<u>June 17 &amp; 24</u>	, <u>2026</u>
Bid Opening Date	<u>July 15</u>	, <u>2026</u>
Substantial Completion Date	<u>October 13</u>	, <u>2026</u>
Final Completion Date	<u>November 12</u>	, <u>2026</u>

- N/A PWPEC Report (Part of 2026 CIP)
- X Engineer's Report (Attach Copy)
- X Direct City Auditor to Advertise for Bids
- X Bid Quantities (Attach Copy for Auditor's Office Only)
- X Notice to Property Owners (Special Assessments)
- N/A Supplemental Funding Language Included

Project Engineer Matthew Jennings

Phone No. (701) 241-1545

The items listed above are for use on all City projects. The additional items listed below are to be checked only when all or part of a project is to be special assessed:

- X Create District (Attach Copy of Legal Description)
- X Order & Approve Plans & Specifications
- X Adopt Resolution of Necessity
- N/A Approve Escrow Agreement (Attach Copy for Commission Office Only)
- X Assessment Map (Attach Copy for Auditor's Office Only)
- X Review Special Assessment Letter of Credit





**ENGINEER'S REPORT  
NEW PAVING AND UTILITY CONSTRUCTION  
IMPROVEMENT DISTRICT NO. BN-26-B  
J&O 45TH STREET APARTMENTS**

**Nature & Scope**

This project is for new construction of underground utilities, concrete pavement, streetlights and incidentals on 24th Avenue South from 300' east of 45th Street South to 850' east of 45th Street South and on 26th Avenue South from 300' east of 45th Street South to 550' east of 45th Street South.

**Purpose**

This project is to provide infrastructure for new commercial and residential development in J&O 45th Street Apartments Addition as requested by the Developer.

**Special Assessment District**

All properties within the Special Assessment District will benefit from the infrastructure improvements and were determined through consideration of the longevity, consistency, and uniformity of benefiting properties within the City of Fargo. Special Assessments will be levied to each property in accordance with the City's Infrastructure Funding Policy and are subject to the approval of the Special Assessment Commission and the City Commission.

**Feasibility**

The estimated cost of construction is \$522,424.80. The cost breakdown is as follows:

**All Special Assessment**

**Construction Cost** \$522,424.80  
**Fees**

Admin	4%	\$20,896.99
Contingency	5%	\$26,121.24
Engineering	10%	\$52,242.48
Interest	4%	\$20,896.99
Legal	3%	\$15,672.74

---

**Total Estimated Cost** **\$658,255.24**

**Funding**

Special Assessments	100.00%	\$658,255.24
---------------------	---------	--------------

**Project Funding Summary**

Special Assessments	100.00%	\$658,255.24
---------------------	---------	--------------

---

**Total Estimated Project Cost** **\$658,255.24**

We believe this project to be cost effective.



A handwritten signature in black ink, appearing to read "T. Knakmuhs".

Thomas Knakmuhs, P.E.  
 City Engineer

**LOCATION AND COMPRISING  
NEW PAVING AND UTILITY CONSTRUCTION  
IMPROVEMENT DISTRICT NO. BN-26-B  
J&O 45TH STREET APARTMENTS**

**LOCATION:**

On 24th Avenue South from 300' east of 45th Street South to 850' east of 45th Street South.

On 26th Avenue South from 300' east of 45th Street South to 550' east of 45th Street South.

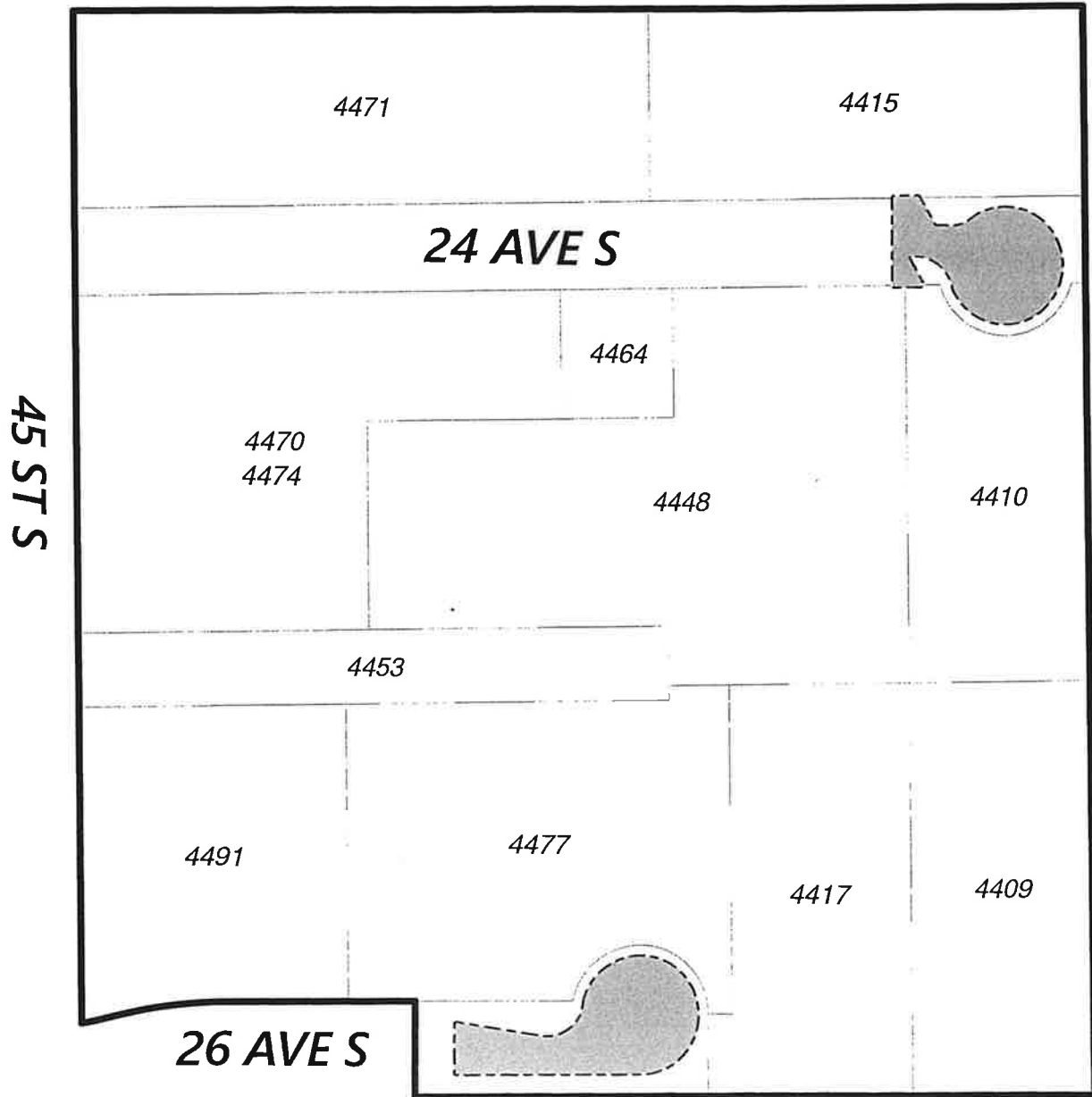
**COMPRISING:**

The area bounded on the north by the parcels north of 24th Avenue South, on the east by the eastern edge of the outlined project area, on the south by 26th Avenue South, and on the west by 45th Street South.

Refer to Special Assessment Map for exact parcels in the assessment area.

All of the foregoing is located in the City of Fargo, Cass County, North Dakota.





-  PROJECT AREA
-  SPECIAL ASSESSMENT DISTRICT BOUNDARY

CITY OF FARGO  
ENGINEERING DEPARTMENT  
LOCATION & ASSESSMENT AREA  
NEW PAVING AND UTILITY CONSTRUCTION  
IMPROVEMENT DISTRICT NO. BN-26-B



17

**FINANCE OFFICE**  
225 4<sup>th</sup> Street North  
Fargo, ND 58102  
Phone: (701) 241-1333  
[www.FargoND.gov](http://www.FargoND.gov)

**TO:** Board of Commissioners  
**FROM:** Susan Thompson, Director of Finance   
**RE:** FAHR Staff meeting – Items for Commission Review/Approval  
**DATE:** 6/1/2026

---

**Receive & File:** Sales Tax Update – Accrual Basis

**Action Needed:** Various Financial Approvals  
*FAHR endorsed the respective departments' requests for City Commissions approval. Reports of Action, along with supporting schedules, are included.*

**Award & Budget Adjustments**

- Public Health – Interim Health Officer Agreement
- Public Health – Kindred Public School Service Agreement
- Public Health – Approve GovTech software contract for Health Inspection & Licensing
- Public Works – Approve sale of surplus water meter inventory to Cass Rural Water Users District
- Information Services – Budget Adjustment related to multi-entity GIS project

City of Fargo

Comparative Sales Tax Analysis of All Sales Tax Revenue - ACCRUAL BASIS

Data as of 5/29/2026

Payment Date	Collection Month	County Amount	County Collections	County Growth %	2% Sales Tax			City Total Amount	City Growth %
					PSST Amount	Infra & FC Amount	Infra & FC Collections Total Amount		
			5,654,824.47	16.12%			16,354,463.67	18,398,771.62	9.14%
	Dec-26	-			-	-			
	Nov-26	-			-	-			
	Oct-26	-			-	-			
	Sep-26	-			-	-			
	Aug-26	-			-	-			
	Jul-26	-			-	-			
	Jun-26	-			-	-			
	May-26	-			-	-			
	Apr-26	-			-	-			
5/21/2026	Mar-26	2,106,649.76			753,481.55	6,027,852.45			
4/22/2026	Feb-26	1,991,327.23			736,819.60	5,894,556.81			
3/21/2026	Jan-26	1,556,847.48			554,006.80	4,432,054.41			
			23,236,103.87	-0.29%			68,274,579.41	74,935,830.45	-2.22%
2/23/2026	Dec-25	2,153,670.99			814,634.22	6,517,073.77			
1/23/2026	Nov-25	2,416,687.95			869,473.49	6,955,787.93			
12/19/2025	Oct-25	1,397,583.64			528,563.25	4,228,506.01			
11/24/2025	Sep-25	2,379,895.75			836,408.75	6,691,270.01			
10/21/2025	Aug-25	2,281,923.54			835,497.50	6,683,979.99			
9/22/2025	Jul-25	1,796,292.91			622,825.54	4,982,604.32			
8/21/2025	Jun-25	2,270,466.69			803,789.60	6,430,316.85			
7/22/2025	May-25	2,053,576.19			749,363.21	5,994,905.70			
6/20/2025	Apr-25	1,616,213.54			600,695.48	4,805,564.00			
5/21/2025	Mar-25	1,698,986.33				5,424,656.49			
4/23/2025	Feb-25	1,477,568.31				4,523,059.23			
3/21/2025	Jan-25	1,693,238.03				5,036,855.11			
2/21/2025	Dec-24	2,207,030.88	23,304,345.12	0.86%		6,626,714.99	69,824,744.71		0.83%
1/21/2025	Nov-24	2,281,112.22				6,540,733.39			
12/20/2024	Oct-24	1,764,529.62				5,342,358.63			
11/22/2024	Sept-24	2,257,740.11				6,622,406.84			
10/21/2024	Aug-24	2,088,361.27				6,284,633.45			
9/21/2024	July-24	1,746,626.42				5,168,111.30			
8/21/2024	June-24	2,659,707.17				7,859,913.01			
7/22/2024	May-24	1,348,902.41				4,252,926.43			
6/24/2024	Apr-24	1,759,660.73				5,404,517.72			
5/21/2024	Mar-24	2,276,388.27				6,980,911.25			
4/22/2024	Feb-24	1,023,591.77				3,163,097.74			
3/21/2024	Jan-24	1,890,694.25				5,578,419.96			
2023 Collections			23,106,462.71	8.18%			69,250,461.96		4.02%
2022 Collections			21,358,922.89	-2.56%			66,571,120.26		4.28%
2021 Collections			21,920,710.74	31.11%			63,840,810.53		29.90%
2020 Collections			16,719,327.13	0.30%			49,146,842.57		-5.00%
2019 Collections			16,670,136.34	6.04%			51,732,824.69		7.36%
2018 Collections			15,720,221.20				48,185,965.90		
2017 Collections			2,796,024.89						
Totals Since 2019			\$ 170,487,079				\$ 512,223,870		



**Report of Action:  
FAHR Meeting of June 1, 2026**

- Purchase Policy
- Budget Adjustment/Reallocation
- Personnel Request
- Other Financial

**Department:** Health  
**Description:** See attached memo. Health requests approval of the Interim Health Officer Agreement with Dr. Jessie Lindemann, as presented.

**Net Financial Impact:** \$0. Included w/ budget

At their meeting, FAHR endorsed this request.

**Suggested Motion:**  
Approve the agreement with Dr. Jessie Lindemann as the interim Health Officer.



FARGO CASS PUBLIC HEALTH  
ADMINISTRATION  
1240 25th Street South  
Fargo, ND 58103-2367  
Phone 701.241.1360  
[www.fargocasspublichealth.com](http://www.fargocasspublichealth.com)

MEMORANDUM

TO: FAHR/BOARD OF CITY COMMISSIONERS  
FROM: JENN FAUL *JF*  
DIRECTOR OF PUBLIC HEALTH  
DATE: JUNE 1, 2026  
RE: SIGNED INTERIM HEALTH OFFICER AGREEMENT

The attached agreement has been signed by Dr. Jessie Lindemann to serve as Fargo Cass Public Health's interim health officer until after the Request for Proposal process has been completed.

If you have any questions, please contact me at 241.1380.

**Suggested Motion:**

Move to approve the agreement with Dr. Jessie Lindemann as the interim Health Officer.

JF/lis  
Attachment



**AGREEMENT FOR INTERIM HEALTH OFFICER SERVICES BETWEEN THE CITY OF FARGO AND JESSIE LINDEMANN, MD**

ADMINISTRATION

TERM: 05/01/2026 TO 07/31/2026 - Page 1 of 3

**THIS AGREEMENT**, effective the first of May 1, 2026, by and between the CITY OF FARGO, a North Dakota municipal corporation ("City"); and Dr. Jessie Lindemann ("Physician"). It is hereby agreed by and between the parties hereto as follows:

**A. Term of Agreement:** The parties agree that Dr. Lindemann shall provide the Health Officer services for a period of one month with the agreement commencing May 1, 2026. This agreement may then be extended monthly during FCPH's RFP process for hiring a Health Officer. The total term of the contract will not exceed five (5) months and will cease when the Board of Health appoints the Health Officer who wins the bid for the RFP.

**B. Health Officer Services to be provided:** The Physician serves as the Health Officer for Fargo Cass Public Health by enforcing the public health laws, regulations, and ordinances within Fargo and Cass County relating to preservation of life and health of individuals. The health officer may recommend, advise and provide guidance to the Board of Health and Fargo Cass Public Health Department for the provision of essential public health services and functions. In doing so, the health officer shall maintain an office within the jurisdiction of the public health department and may select and discharge any assistant health officer in the public health department, consistent with any terms of appointment. The services to be provided will consist of consultation to professional staff and available on call consultation when needed by the health department management staff including, but not necessarily limited to:

1. All duties and responsibilities as stated in North Dakota Century Code § 23-35-12(2), "Within the jurisdiction of the board of health, a local health officer:
  - a. Shall keep a record of the official acts of the local health officer.
  - b. Shall enforce every law and rule relating to preservation of life and health of individuals.
  - c. May exercise the powers and duties of the board of health under the supervision of the board of health.
  - d. May make sanitary inspections of any place within the jurisdiction in which the local health officer finds a probability of a health-threatening condition exists.
  - e. May investigate public water and ice supplies suspected of contamination and initiate necessary condemnation proceedings.
  - f. May enforce school cleanliness; inspect any school that may be overcrowded, poorly ventilated, or unsanitary; and, when necessary, report cases of any unsanitary or unsafe school building to the board of health for investigation.
  - g. May take any action necessary for the protection of public health and safety.
  - h. May determine when confinement and decontamination is necessary for the safety of the public. The local health officer may establish confinements consistent with procedures provided under chapter 23-07.6 and perform any acts required for decontamination when necessary.
  - i. Shall maintain an office within the jurisdiction of the public health unit consistent with any terms of appointment.



**AGREEMENT FOR INTERIM HEALTH OFFICER SERVICES BETWEEN THE CITY OF FARGO AND JESSIE LINDEMANN, MD**  
ADMINISTRATION  
TERM: 05/01/2026 TO 07/31/2026 - Page 2 of 3

- j. May select and discharge any assistant health officer in the public health unit, consistent with any terms of appointment."

**North Dakota Century Code§ 23-35-12(2)**

- 2. Reviewing and supporting necessary standing orders for FCPH.
  - a) Standing orders are written by the Directors/Managers of the departments for the Physician to review and sign annually.
- 3. Monitoring disease outbreaks in the community and working with other agencies to control the spread of disease. Serving as a liaison with NDHHS Disease Control.
- 4. Work collaboratively with the management team at FCPH, including attending regular meetings and potential division meetings as requested.
- 5. Attend all Board of Health meetings as scheduled.
- 6. Signing necessary prescriptions.
- 7. Review and approve medical policies for Fargo Cass Public Health.
- 8. Clinical consultant for laboratory services.
- 9. Provide public education, reporting, and community advocacy for Fargo Cass Public Health.

**C. Reimbursement:** Physician shall be paid for services rendered under this Agreement at the rate of \$3,200 per month (requiring approximately four (4) hours a week) in office or remote. If the Physician is requested to conduct a media interview (defined as a discussion between a journalist or media representative and the Physician representing Fargo Cass Public Health, for the purpose of publicizing information, creating interest, or building awareness, whether pre-recorded or live) with the request coming from an external source, relating to public health or disease, the Physician will submit an invoice for reimbursement being compensated at a rate of \$173.00 per media event. In order to be eligible for reimbursement, the Physician shall obtain approval from FCPH before conducting any media interview. Any change in monthly compensation shall be by written agreement of both of the parties hereto.

**D. Termination:** This Agreement may be terminated by either party upon the giving of thirty - (30) day written notice.

**E. Confidentiality:** Physician agrees to not, directly or indirectly, disclose, make known, divulge, publish or communicate any individually identifiable health information or other confidential information to any person, firm or corporation without consent unless that disclosure is authorized under North Dakota law.

**F. Title X Compliance:** It is understood and agreed that Physician shall comply and adhere to all the Title X. C.F.R. regulations and guidelines.

**G. Vaccines for Children (VFC) and Vaccines for Adults (VFA) Program Compliance:** It is understood and agreed that Physician shall comply and adhere to all the VFC and VFA program requirements.



**AGREEMENT FOR INTERIM HEALTH OFFICER SERVICES BETWEEN THE CITY OF FARGO AND JESSIE LINDEMANN, MD**  
ADMINISTRATION  
TERM: 05/01/2026 TO 07/31/2026 - Page 3 of 3

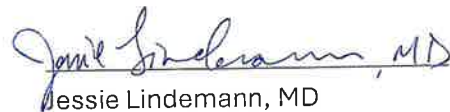
- H. Independent Contractor:** It is understood and agreed that the relationship created by this Agreement shall be that of Independent Contractor. Physician shall not be deemed to be an employee of the City of Fargo for any other purpose. In this regard, Physician shall provide her own malpractice insurance.
- I. Malpractice Insurance:** City will reimburse Physician malpractice insurance in the amount of \$125.00 per month of service.
- J. Licensure fees:** City will reimburse Physician for reasonable and necessary costs associated with maintaining their medical license in the amount of \$1,000.00 per year.
- K. Local Public Health Unit Compliance:** It is understood and agreed that Physician shall adhere to North Dakota Century Code, Chapter 23-35, as it relates to local public health units.
- L. License to Practice Effective:** Physician shall advise City of any claims made or license admonishments, suspensions or revocation proceedings. If at any time Physician's medical license is not effective, Physician agrees to reimburse City for any monies paid for the period Physician was unable to provide the necessary services as identified in this Agreement.
- M. Written Amendments:** Any modification, amendment, or addendum to this Agreement must be in writing and signed by both parties.
- N. Choice of Law:** North Dakota law shall apply to the terms of this Agreement, and any disputes shall be venued in Cass County, North Dakota. The parties waive any objection to personal jurisdiction.
- O. Severability:** If any term of this Agreement is determined by a court of law to be ineffective or void, the remaining terms shall remain in full force and effect.
- P. Assignment:** This Agreement shall not be assigned by either party without the express written consent of the other party.

**CITY OF FARGO**

**PHYSICIAN**

  
\_\_\_\_\_  
Jenn Faul, Director of Public Health

05/01/2026  
Date

  
\_\_\_\_\_  
Jessie Lindemann, MD

05/01/2026  
Date

\_\_\_\_\_  
Timothy J. Mahoney, Mayor, City of Fargo      Date

**ATTEST:**

\_\_\_\_\_  
Angie Bear, Deputy City Auditor



**Report of Action:  
FAHR Meeting of June 1, 2026**

- Purchase Policy
- Budget Adjustment/Reallocation
- Personnel Request
- Other Financial

**Department:** Health  
**Description:** See attached memo. Health requests approval for the purchase of service agreement with Kindred School District.

**Net Financial Impact:** \$0. Included w/ budget

At their meeting, FAHR endorsed this request.

**Suggested Motion:**  
Approve the purchase of service agreement with Kindred School District for \$49,791.35 for nursing services for the 2026-2027 school year.



FARGO CASS PUBLIC HEALTH  
ADMINISTRATION  
1240 25th Street South  
Fargo, ND 58103-2367  
Phone 701.241.1360

**MEMORANDUM**

**TO:** FAHR/BOARD OF CITY COMMISSIONERS

**FROM:** JENN FAUL *JF*  
DIRECTOR OF PUBLIC HEALTH

**DATE:** JUNE 1, 2026

**RE:** PURCHASE OF SERVICE AGREEMENT WITH KINDRED  
PUBLIC SCHOOL DISTRICT  
FUNDS: \$49,791.35  
EXPIRES: 06/30/2027

The attached purchase of service agreement is with Kindred Public School for \$49,791.35 for nursing services for the 2026-2027 school year.

**BUDGET ADJUSTMENT**

No budget adjustments.

If you have any questions, please contact me at 241.1380.

**Suggested Motion:**

Move to approve the purchase of service agreement with Kindred Public School District.

JF/lis  
Attachment



**PURCHASE OF SERVICE AGREEMENT WITH KINDRED PUBLIC SCHOOL DISTRICT AND FARGO CASS PUBLIC HEALTH**

NURSING- SCHOOL

TERM: 07/01/2026 TO 06/30/2027 · Page 1 of 8

**Whereas**, the Kindred Public School District hereinafter referred to as District, has agreed to purchase the services described in the "Scope of Service" (Attachment A); and

**Whereas**, Fargo Cass Public Health, 1240 25<sup>th</sup> Street South, Fargo, North Dakota 58103-2367 hereinafter referred to as Provider desires to provide the services described in the "Scope of Services" (Attachment A):

**Now**, therefore the District and the Provider enter into the following:

**I. TERMS OF CONTRACT**

The term of this contract shall be for the school year 2026-2027, beginning on July 1, 2026, and ending on June 30, 2027. This contract may be renewed for subsequent school years by written agreement of the parties. Provided that either party may terminate this contract at any time upon thirty (30) days written notice to other party.

**II. TERMINATION**

In the event the agreement is terminated, the termination shall be without prejudice to any obligations or liabilities of either party for services provided prior to such termination.

**III. SCOPE OF SERVICE**

The Provider agrees to provide services in accordance with documentation in this contract.

**IV. COMPENSATION**

1. The District agrees to reimbursement for service in accordance with the agreed upon charges in this contract (Attachment B). The billing will occur monthly, at the previously determined rate of 70 percent for the district and 30 percent for the provider. The hours to be billed will include the scheduled nursing time, any annual or sick leave taken by the nursing personnel and holiday pay as determined by the City of Fargo.
2. The provider will attempt to get substitute nursing coverage, when the regularly scheduled nurse is on extended leave.
3. Kindred Public School District has requested an increase in school nursing hours over the original 30 hours per week agreement. Therefore, Kindred Public School District agrees to pay 100 percent (salary and benefits) of the school nursing hours in excess of 30 hours per week, including any overtime accrued in lieu of this request. The school nurse rate with salary and benefits will be billed at \$49.89. If additional hours are requested outside of the terms of this agreement by the District it will be subject to staffing availability and operational approval by Provider. Provider shall have no obligation to provide additional hours where doing so would result in overtime, staffing shortages, or disruption of other public health services.
4. Fargo Cass Public Health will be reimbursed at a rate of 70 percent for nurses and aides who take time off during non-scheduled school days, up to two weeks, between August 26, 2026, and May 26, 2027.
5. Mileage expense for nursing staff and aides to travel between Fargo Cass Public Health and Kindred Public School shall be reimbursed at the IRS rate, which is currently at .725 cents per mile, up to a maximum of 500 miles per school year.



**V. CHANGES**

No change or amendment to this agreement may be made unless made in writing signed by the parties.

**VI. NO GRANT OF AUTHORITY TO CONTRACT ON BEHALF OF THE DISTRICT**

No part of this agreement shall be construed to grant to the Provider any authority to contract for on behalf of or incur obligations on behalf of the District.

**VII. AUTHORITY TO SUBCONTRACT**

The Provider may subcontract with qualified providers of services, provided that any subcontract must acknowledge the binding nature of this agreement and incorporate this agreement, together with its attachments. The Provider agrees to be solely responsible for the performance of any subcontractor.

**VIII. INDEPENDENT CONTRACTOR**

The Provider is performing the duties under this agreement as an independent contractor. No part of this agreement, or the arrangements made by the parties to perform this agreement, shall be construed as creating an employer/employee relationship.

**IX. COPYRIGHT**

The District reserves the right to copy or reproduce any materials created or produced, by the Provider, in the performance of this agreement except with confidential information.

**X. AGREEMENT CONSTITUTES CONTRACT**

This agreement shall constitute the entire contract, between the parties, for the performance of the Scope of Service. There are no other agreements, either verbal or written, that alter or affect this agreement.

**XI. PROVIDER ASSURANCES**

The Provider agrees to comply with the applicable provider Assurances hereto attached, on Attachment C.

**XII. INTEGRATION AND MODIFICATION**

This contract constitutes the entire agreement between the Provider and the District. No alteration, amendment or modification in the provisions of this agreement shall be effective unless it is reduced to writing signed by the parties and attached hereto.

**XIII. COLLATERAL CONTRACTS**

Where there exists any inconsistency between this agreement and other provisions of collateral contractual agreements which are made a part of this agreement by reference or otherwise, the provisions of this agreement shall control.

**XIV. ACCESS TO RECORDS**

Fargo Cass Public Health and the North Dakota State Health Department, and their duly authorized representatives, shall have access to the books, documents, paper and records of the District which are pertinent, as determined by Fargo Cass Public Health, to this contract for the purpose of audits, examinations, excerpts, billings, and transcripts.



**XV. RETENTION OF RECORDS**

The Provider agrees to retain financial and program records. The District is responsible for student records including all electronic health information, if applicable, and will follow their own retention policy.

**XVI. CONFIDENTIALITY**

The Provider will not, except upon the written consent of the recipient's or their responsible parent, guardian, or custodian, use or cause to be used any information concerning such individual for any purpose not directly connected with the District or the Provider's responsibilities with respect to services purchased hereunder. The District acknowledges their role in abiding by the adherence to FERPA regulations relative to educational records confidentiality in order to protect student privacy. The consequences of failing to comply with FERPA must be borne by the School District and not Fargo Cass Public Health.

**XVII. APPLICABLE LAW**

This agreement shall be governed by and construed in accordance with the laws of the State of North Dakota.

**XVIII. CAPTIONS**

The captions or heading in this agreement are for convenience only and in no way define, limit, or describe the scope of intent of any provisions of this agreement.

**XIX. EXECUTION AND COUNTERPARTS**

This agreement may be executed in several counterparts, each of which shall be an original, all of which shall constitute but one of the same instrument.

**XX. AMENDMENTS**

The terms of this agreement shall not be waived, altered, modified, supplemented, or amended, in any manner whatsoever, except by written instrument signed by the parties.

**XXI. NOTICES**

All notices, certificates or other communications shall be sufficiently given when delivered or mailed, postage prepaid, to the parties at their respective places of business as set forth in the preamble to this agreement or at a place designated hereafter in writing by the parties.

**XXII. SUCCESSORS IN INTEREST**

The provisions of this agreement shall be binding upon and shall ensure to the benefit of the parties hereto, and their respective successors and assigns.

**XXIII. SEVERABILITY**

The parties agree that any term or provision of this contract is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and provisions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if the contract did not contain the particular term or provision held to be invalid.

**XXIV. WAIVER**

The failure of the District to enforce any provisions of this contract shall not constitute a waiver by the District of that or any other provision.



**PURCHASE OF SERVICE AGREEMENT WITH KINDRED PUBLIC SCHOOL DISTRICT AND FARGO CASS PUBLIC HEALTH**

NURSING- SCHOOL

TERM: 07/01/2026 TO 06/30/2027 - Page 4 of 8

**XXV. MERGER CLAUSE**

This agreement constitutes the entire agreement between the parties. No waiver, consent, modification or change of terms of this agreement shall bind either party unless in writing and signed by both parties. Such waiver, consent, modification or change, if made, shall be effective only in modification or change, if made, shall be effective only the specific instance and for the specific purpose given. There are no understandings, agreements, or representatives, oral or written, not specified herein regarding this agreement. Provider, by the signature below of its authorized representative, hereby acknowledges that the Provider has read this agreement, understands it and agrees to be bound by its terms and conditions.

**XXVI. INDEMNIFICATION AND HOLD HARMLESS**

The District hereby agrees to indemnify and hold the Provider, its officers, agents, employees, and members, harmless from any and all claims, demands and causes of action which may be asserted against the Provider as a result of the rendering of any of the services by the Provider which are described in this Agreement. The obligation of the District under the terms of this provision shall include the duty to provide a legal defense of such claims; provided that this provision shall not be construed to require reimbursement of any legal expenses incurred by the District, without prior written approval of the District.

**XXVII. COMPLIANCE WITH LAWS**

The Provider shall comply with all federal, state, and local laws and ordinances applicable to the work to be done under this agreement.

**XXVIII. NON- DISCRIMINATION**

The Provider makes available all services and assistance without regard to race, color, national origin, religion, age, sex, or handicap, and is subject to Title VI of the Civil Rights Act of 1964. Section 504 of the Rehabilitation Act of 1975 as amended. Persons who contract with or receive funds to provide services for Provider are obligated to abide by the provisions of their federal laws. Questions concerning the contractor's or provider' s obligations under these acts may be directed to the Provider' s representative as set forth in the signature block of this agreement, at the address established in the agreement, or the Branch Chief, Officer for Civil Rights, Region VIII, Federal Office Building, 1961 Stout Street, Denver, Colorado 82094.

**XXIX. FORCE MAJEURE**

Neither party shall be liable for delay or failure in performance caused by events beyond its reasonable control, including natural disasters, severe weather, fire, flood, war, terrorism, labor disputes, governmental action, or public health emergencies. The affected party shall give prompt notice and shall resume performance as soon as reasonably practicable.



**PURCHASE OF SERVICE AGREEMENT WITH KINDRED PUBLIC SCHOOL DISTRICT AND FARGO CASS PUBLIC HEALTH**  
NURSING- SCHOOL  
TERM: 07/01/2026 TO 06/30/2027 · Page 5 of 8

**SERVICES PROVIDED:** See Attachment A (Goals and Objectives)  
**REIMBURSEMENT:** See Attachment B (Budget)  
**PROVIDER ASSURANCES:** See Attachment C (Provider Assurances)

**PROVIDER- FARGO CASS PUBLIC HEALTH**

**KINDRED PUBLIC SCHOOL DISTRICT**

Jenn Faul 05/07/2026  
Jenn Faul, Director of Public Health Date

Mike Kolness 5/14/26  
Mike Kolness, Superintendent Date

\_\_\_\_\_  
Timothy J. Mahoney, Mayor, City of Fargo Date

**ATTEST:**

\_\_\_\_\_  
Angie Bear, Deputy City Auditor



**ATTACHMENT A  
SCHOOL HEALTH PROGRAM  
A COLLABORATIVE PROGRAM BETWEEN  
KINDRED PUBLIC SCHOOL DISTRICT AND FARGO CASS PUBLIC HEALTH**

**PURPOSE:** The purpose of this partnership is to share expertise, time, energy, and economic resources to coordinate and provide a comprehensive health program in our school community.

**GOALS:** The goal of this program is to provide Public Health School Nurse services and/or Nurse Aide services to all components of the Kindred Public School District health program: education, environment and services.

- A. Improve the student and family access to community health services.
- B. Improve the early identification, referral, and follow-up of students experiencing unresolved health problems.
- C. Determine the current compliance rate for follow-up on health screening results and on immunization requirements.
- D. Improve the students' access to basic health services at school for first aid symptom management and medications.

**OBJECTIVES:**

The Public Health School Nurse is a liaison between education and health care and will provide a link between the school, home and community. The nurse will:

- A. Manage health care in the school health program**  
The nurse will participate in planning, implementation, and evaluation of the program.
- B. Deliver health services**  
The nurse will deliver health services to the client system using systematic processes to assess needs, plan interventions, and evaluate outcomes so that high-level wellness can be achieved. The nurse will also monitor follow-through related to health referrals. The nurse aide will deliver health services primarily focused on first aid, medication administration or emergencies. The nurse aide will work in conjunction with the nurse assigned to that building and will be supervised by that nurse.
- C. Advocate for the health rights of children**  
The nurse will act as an advocate for the health rights of children and their families both within the school and between the school and community.
- D. Provide health consult for individuals and groups**  
The nurse will provide health counseling and guidance for the client system on an individual basis or within a group setting.
- E. Provide health education**  
The nurse will participate in health education program activities for children, youth, school personnel, and the community.



**PURCHASE OF SERVICE AGREEMENT WITH KINDRED PUBLIC SCHOOL DISTRICT AND FARGO CASS PUBLIC HEALTH**  
 NURSING- SCHOOL  
 TERM: 07/01/2026 TO 06/30/2027 · Page 7 of 8

**ATTACHMENT B  
 2026-2027  
 SCHOOL HEALTH SERVICES BUDGET**

**SCHOOL NURSING BUDGET PROPOSAL FOR 7-1-2026 to 6-30-2027**

**NURSING COVERAGE- Kindred at 70% and FCPH at 30%**

<u>Staff</u>	<u>Hours/week</u>	<u>Weeks</u>	<u>Hourly compensation</u>	<u>Total</u>
Nurse	30	35	\$ 49.89	\$ 52,384.50
	30	2	\$ 49.89	\$ 2,993.40
<b>RN ADMINISTRATION COST</b>	36 hours per budget year		\$ 66.83	\$ 2,405.88
			Sub-total	\$ 57,783.78
			<b>Kindred @ 70%</b>	<b>\$ 40,448.65</b>
			<b>FCPH @ 30%</b>	<b>\$ 17,335.13</b>
<b>Additional Hours at 100%</b>	4	35	\$ 49.89	\$ 6,984.60
<b>RN ADD'L HOURS</b>				
<b>COVERAGE HOURS</b>				
(as per contract)	40 hours/year		\$ 49.89	\$ 1,995.60
<b>Mileage</b>	Up to 500 miles/year		\$ 0.725	\$ 362.50
			<b>Kindred at 100%</b>	<b>\$ 9,342.70</b>
<b>KINDRED TOTAL</b>				<b>\$ 49,791.35</b>
<b>FCPH TOTAL</b>				<b>\$ 17,335.13</b>

NOTE: TOTAL COST FOR FCPH 7-1-2026 TO 6-30-2027 = \$17,335.13



**ATTACHMENT C  
PROVIDER ASSURANCES**

- A.** All licensing or other standards required by Federal and State Law and regulations and by ordinance of the City and county in which the services purchased hereunder are provided will be complied with in full for the duration of this contract.
  
- B.** No qualified person(s) shall be denied services purchased hereunder, or be subjected to discrimination, because of face, religion, color, national origin, sex, age, or handicap.
  
- C.** The Provider will abide by the provisions of Title VII of the Civil Rights Act of 1964 (42 USC 2000C) which prohibits discrimination against any employee or applicant for employment because of race, religion, color, national origin, sex, age, or handicap. In addition, the Provider agrees to abide by Executive Order 11246, as amended by Executive Order No. 11375, which prohibit discrimination because of sex.
  
- D.** The Provider will comply with Section 504 of the Rehabilitation Act of 1973, as amended, and all requirements imposed by and pursuant to regulations promulgated thereunder to the end that no otherwise qualified handicapped individual shall, solely by reason of their handicap, be excluded from participation in, be denied benefits of or be subjected to discrimination under any program in the provision of services under this agreement.
  
- E.** The Provider will not, except upon the written consent of the affected individual or their responsible parent, guardian or custodian, use or cause to be used, any information concerning such individual for any purpose not directly connected with Board or the Provider's responsibilities with respect to services purchased hereunder.
  
- F.** Unless otherwise authorized by federal law, the charges to be made by the Provider do not include costs financed by federal monies other than those generated by this agreement.
  
- G.** The Provider shall not assign this agreement.
  
- H.** Provider assures that the sources from which it purchases goods and services used for the provision of the services described in the agreement will conform to applicable provisions of Executive Order 11346, Equal Opportunity.



**Report of Action:  
FAHR Meeting of June 1, 2026**

- Purchase Policy
- Budget Adjustment/Reallocation
- Personnel Request
- Other Financial

**Department:** Health  
**Description:** See attached memo. Health requests approval of the contract with HS GovTech for Environmental Health, which was awarded at the May 22, 2026 meeting. The city attorney has reviewed the contract.  
**Net Financial Impact:** NA – addressed w/ prior report

Due to time sensitivity, this request was routed to FAHR following their meeting. FAHR endorsed this request.

**Suggested Motion:**  
Approve the contract with GovTech in the amount of \$95,460 for Environmental Health Licensing.

## Memorandum

**Date:** June 4, 2026  
**To:** Board of City Commissioners  
**From:** Grant Larson, Environmental Health Director, FCPH  
**Re:** HS GovTech USA Inspection & Licensing Software Contract

Dear Commissioners:

The Environmental Health Division of Fargo Cass Public Health is seeking approval of the attached contract for Inspection and Licensing Software.

On May 26, 2026, the City Commission approved the award of Item 15d to HS GovTech for the provision of inspection and licensing software services. Attached is the finalized contract agreement for review and approval.

This software will support the Environmental Health Division's licensing, inspection, compliance, and public-facing service functions, replacing the current system and improving operational efficiency for staff and customers.

### **SUGGESTED MOTION:**

Approve the contract agreement with HS GovTech for Inspection and Licensing Software as previously awarded by the City Commission on May 26, 2026.



# HS GovTech

## Contract for HSCloud Suite

**Between:**  
**"Customer"**

Fargo Cass Public Health  
1240 25th Street South  
Fargo, ND 58103

**And**

**"HS GovTech"**  
HS GovTech USA  
PO Box 90044  
Charlotte, NC 28209-0044  
[www.HSGovtech.com](http://www.HSGovtech.com)  
Eric Thomas, CEO



## TABLE OF CONTENTS

Item	Description	Page
1.	Definitions	3
2.	Scope of Services	4
3.	Right to Use HSCloud Suite	4
4.	Ownership of Software and Data	5
5.	Obligations of Customer	6
6.	Software System Upgrades and Changes	6
7.	Intellectual Property	7
8.	Term	7
9.	Termination	7
10.	Decommissioning	8
11.	Confidentiality	8
12.	Protected Health Information	9
13.	Indemnification	10
14.	Limitations of Liability	11
15.	Notice	12
16.	General	13
Appendix A	HSCloud Suite Functionality	15
Appendix A-1	Go Live Criteria	21
Appendix A-2	Included Support	22
Appendix A-3	Service Level Agreement (SLA)	23
Appendix B	Contract Fees and Payment Schedule:	25
Appendix C	UAT	27
Appendix D	Change Order Form	29
Appendix E	Training	31



This **HS GOVTECH CONTRACT FOR HSCLOUD** (the “**Agreement**”) is made and entered into as of **June 3, 2026** (the “**Effective Date**”) by and between HS GovTech and the Customer identified on the cover page to which this Agreement is attached. Each of Customer and HS GovTech shall be referred to herein individually as a “**Party**” and together as the “**Parties.**”

**WHEREAS**, HS GovTech is the provider of a web-based permit, financial, and inspection software application (as further defined herein, “**HSCloud**”);

**WHEREAS**, Customer desires to purchase access to all or a portion of the functionality of HSCloud for data management services, including performing inspections in the field using HSCloud, in accordance with the terms and conditions set forth herein.

**NOW THEREFORE**, the Parties hereto, each in consideration of the mutual promises and obligations assumed herein by the other, agree as follows:

## 1. Definitions

- a. “**Confidential Information**” means any and all data or information in any form or medium (whether oral, written, electronic, or other) that the disclosing Party considers confidential or proprietary or that is otherwise not generally available to the public, or that, by its nature or the circumstances of its disclosure, the receiving Party should reasonably understand to be confidential or proprietary information of the disclosing Party, and includes, but is not limited to, business information, specifications, research, software, trade secrets, know-how, designs, drawings, data, computer programs, customer names and other technical, financial and business information concerning a Party, or any such information of clients or customers of a Party, which is disclosed by or on behalf of such Party to the other Party.
- b. “**Custom Configuration**” means alterations to the Standard Application, requested by Customer, to meet specific needs of Customer.
- c. “**Customer Data**” means all information, processes, documentation, and data provided or produced by Customer in connection with HSCloud that is not Public Data.
- d. “**Decommissioning**” means the process of transitioning Customer away from using HSCloud following termination or expiration of this Agreement, as more particularly set out in Section 9.
- e. “**HSCloud**” means HS GovTech’s web-based application for permitting, inspections, complaints, and reporting and the associated mobile applications that interface with the web-based application, as more specifically described in Appendix A hereto.
- f. “**HSCloud Services Agreement**” means a professional services agreement entered into by and between the Parties pursuant to which HS GovTech provides Customer with implementation, training, consulting, and other professional services in connection with HSCloud.
- g. “**HS GovTech Servers**” means servers operated and maintained by HS GovTech or co-located on which Customer Data and Public Data may be stored and accessible by Customer.
- h. “**MyHD**” means the citizen portal that allows Customer to interact online with its constituents. This includes the ability to post inspection results online, as well as to apply for permits, renew permits, and pay invoices and fees due to Customer securely online.
- i. “**Public Data**” means any and all information entered into or stored in the cloud by Customer, or by HS GovTech on behalf of Customer, that is published and made available to the general public via



MyHD at the request of Customer, or which is otherwise subject to freedom of information disclosure under any law or regulation applicable to Customer.

- j. **“Service Add-Ons”** refers to features or functionality of HSCLoud that are part of the Standard Application but that must be purchased as additional features.
- k. **“SOW”** means a Statement of Work entered into by the Parties pursuant to an HSCLoud Services Agreement.
- l. **“Standard Application”** means application functionality for the HSCLoud that is available out-of-the-box including the standard configurability options in the system.
- m. **“Super User”** means a Customer user that has been delegated – by Customer – authority to perform all administrative functions in HSCLoud, including but not limited to; adding Users and managing their permissions, the ability to manage documentation and interact with, and speak for Customer, with support, and to have access to the configuration and system editing tools of HSCLoud.
- n. **“UAT”** means user acceptance testing.
- o. **“User”** is defined as anyone who Customer authorizes to access HSCLoud on its behalf, whether or not employed by Customer.

## 2. Scope of Services

- a. HS GovTech will provide the customer with the features and functionality of HSCLoud as set out in Appendix A.
- b. HS GovTech will provide Customer with training, implementation, and other professional services relating to HSCLoud that are not specifically provided hereunder pursuant to an HSCLoud Services Agreement which shall set forth the terms and conditions that will apply to such services. In addition, if the customer desires HS GovTech to develop any custom configurations for the customer, such development services will be subject to the HSCLoud Services Agreement.

## 3. Right to Use HSCLoud

- a. Subject to the terms and conditions specified in this Agreement, HS GovTech grants Customer a limited, non-exclusive, non-sublicensable, revocable right during the Term to use HSCLoud as specified in Appendix A, subject to Customer paying the Fee according to the terms set out in Appendix B. The foregoing rights specifically exclude any right of reproduction, sale, lease, sub-license or any other transfer or disposition of HSCLoud, or any portion thereof, by Customer; provided, that Customer’s Users shall be entitled to access HSCLoud on Customer’s behalf.
- b. The Fee is calculated based on the specifications set forth in Appendix A as of the Effective Date. Upon mutual agreement of the Parties with respect to the addition of any new modules, functionality, or expansion of use of HSCLoud by Customer following the Effective Date, Appendix A will be amended to reflect the changes, and Appendix B will be amended to reflect any adjustments to the Fee to reflect the changes.
- c. HS GovTech will provide sufficient software access rights and upgrades of the supporting software required for the number of Users and scope as defined in Appendix A, subject to Customer’s payment of the associated Fee.
- d. Customer is responsible for and agrees to abide by all the provisions of this Agreement, and will ensure that all Customer personnel with access to HSCLoud comply with the terms of this Agreement.



- e. Customer acknowledges and agrees that its access to, and accordingly its use of, HSCLoud is at all times subject to the following limitations:
- I. No Modification or Reverse Engineering—Customer will not directly or indirectly modify, or in any way alter (excluding configuration expressly permitted by the documentation) the whole or any part of HSCLoud, nor will Customer translate, decompile, disassemble, reconstruct, decrypt, or reverse engineer the whole or any part of HSCLoud.
  - II. No Demonstration with Intent to Replicate—Customer shall not demonstrate HSCLoud to a competitor in whole or in part, or any other company or person with the intent to create a similar or like product.
  - III. No Rental or Timeshare Use—Except as permitted herein, Customer will not directly or indirectly license, sublicense, sell, resell, transfer, assign, distribute, rent, lease, or otherwise commercially exploit HSCLoud in any way, nor will Customer use HSCLoud in a computer service business, service bureau, hosting or time-sharing arrangement.
  - IV. Unauthorized Equipment—Customer will only use HSCLoud on computing devices which are supported by HS GovTech and meeting the minimum system requirements specified by HS GovTech.
  - V. Proprietary Notices—Customer will not directly or indirectly remove any proprietary notices, labels, or marks from HSCLoud or other materials, including those indicating any intellectual property rights of HS GovTech or any third party, unless otherwise agreed between the Parties in writing.
  - VI. Customer agrees that each individual accessing HSCLoud must have a unique, individual email address. The use of shared or group email addresses is not permitted under this Agreement. A “User” is defined as any individual authorized by the Customer to access HSCLoud on its behalf, regardless of employment status. User accounts and login credentials may not be shared and must be used solely by the assigned individual.
  - VII. The Customer may add additional Users to accommodate organizational growth, up to a maximum of 20% above the originally licensed user count, without incurring additional fees. Any increase beyond this 20% threshold will result in a charge of \$1,250.00 per additional User.

## 4. Ownership of Software and Data

- a. HS GovTech warrants to Customer that HS GovTech has all necessary rights and licenses with respect to the HSCLoud as required for HS GovTech to provide HSCLoud to Customer in accordance with the terms set forth herein.
- b. All Customer Data and Public Data, whether entered into or stored in the system by Customer or by HS GovTech on behalf of Customer, is and will remain the sole property of the Customer. Customer represents warrants and covenants that Customer owns or otherwise has and will have the necessary rights and consents in and relating to the Customer Data so that, as provided in accordance with this Agreement, the Customer Data does not and will not infringe, misappropriate, or otherwise violate any intellectual property rights, or any privacy or other rights of any third party or violate any applicable law.
- c. Customer hereby grants HS GovTech the irrevocable, royalty-free license during the Term of this Agreement to use, copy, and otherwise exploit the Customer Data and the Public Data for the



express purpose of exercising its rights and performing its obligations pursuant to this Agreement or the HSCloud Services Agreement, including to extract, derive, compile, and publish the Public Data, and for any other purpose permitted hereunder or pursuant to the HSCloud Services Agreement. Customer acknowledges that whether HSCloud uses HS GovTech Servers or third-party servers, the supporting software will transmit data to HS GovTech Servers for the purpose of performing functions on the data required by this Agreement and to collect the Public Data.

- d. Except for the express warranties set forth herein, HSCloud is provided “as is” and “as available.” HS GovTech specifically disclaims all implied warranties of merchantability, fitness for a particular purpose, title, and non-infringement, and all warranties arising from course of dealing, usage, or trade practice. Without limiting the foregoing, HS GovTech makes no warranty of any kind that HSCloud, or any products or results of the use thereof, will meet customer’s or any users’ other person’s requirements, operate without interruption, achieve any intended result, be compatible or work with any software, system, or other services, or be secure, accurate, complete, free of harmful code, or error free. All third party materials are provided “as is” and any representation or warranty of or concerning any third party materials is strictly between customer and the third party owner or distributor of the third party materials.

## 5. Obligations of the Customer

- a. Customer Administrator: This individual is responsible for Administrator functions within the system for Customer.
- b. Customer agrees to designate a replacement Administrator within thirty (30) days if the primary cannot serve in that capacity or leaves Customer’s organization.
- c. Customer will provide access to HS GovTech’s online learning material for all Users using HSCloud.
- d. If Customer supplies the computing devices to operate the supporting software, Customer is responsible, with support from HS GovTech, to install HSCloud on Customer’s computing devices. If HS GovTech supplies the necessary computing devices, HS GovTech will pre-install and configure the supporting software on such devices.
- e. Customer will pay the Fees set out in Appendix B on the terms and conditions provided therein.

## 6. Software System Upgrades and Changes

- a. The Fee includes all subsequent core system configurations and changes instituted by HS GovTech after deployment in conjunction with Customer’s specific needs and requirements. It does not include any custom development, such as design changes to modules deployed for Customer that are outside the normal configuration options of HSCloud. Phone number, office address, Customer logo changes, print forms (i.e., permits, inspections, etc.) are modifiable for no additional fee (if mandated by state or local ordinance changes). Changes that are discretion-designed in nature but not regulatory are only covered once per year. Non-regulatory changes greater than once per year will be billed as a change fee. A year is defined by a rolling twelve-month basis.
- b. HS GovTech will use commercially reasonable efforts to minimize any changes to minimum system requirements for the HSCloud resulting from system upgrades and changes.



## 7. Intellectual Property

- a. HS Cloud and all intellectual property and other rights therein will, at all times, remain the property of HS GovTech. Subject only to the use rights granted herein, nothing in this Agreement grants any right, title, or interest in or to (including any license under) any intellectual property rights in or relating to HS Cloud, whether expressly, by implication, estoppel, or otherwise. All rights, title, and interest in and to HS Cloud are and will remain with HS GovTech and its licensors.
- b. If Customer provides any input, feedback, suggestions, ideas or proposals regarding HS Cloud ("**Feedback**"), and such Feedback is not provided in connection with the development of a Custom Configuration or otherwise specifically on a confidential basis, Customer grants HS GovTech a non-exclusive, perpetual, and royalty-free license to use all such Feedback without restriction, provided, that such Feedback is given to HS GovTech on an "as is" basis and Customer does not provide any warranty regarding the Feedback.

## 8. Term

- a. The term of this Agreement will be five (5) years from the Effective Date (the "**Initial Term**").
- b. This Agreement shall expire at the end of the Initial Term unless the Parties mutually agree in writing to renew the Agreement.

## 9. Termination

- a. Should either Party materially breach any provision contained in this Agreement and not correct or substantially cure such breach within sixty (60) days after receipt of written notice by the other Party of such breach, then in addition to any other remedies set forth herein, or available in law or in equity, this Agreement may be terminated by the non-breaching Party. Notwithstanding the foregoing, with respect to Customer's payment obligations hereunder, if Customer fails to make a payment within thirty (30) days of the applicable due date, such failure shall constitute a material breach, and Customer shall only have an additional thirty (30) days to cure such breach following notice from HS GovTech.
- b. In the event either Party ceases its business operations, makes a general assignment for the benefit of creditors, is adjudged bankrupt, or becomes insolvent, then the other Party may, at its sole discretion, terminate the Agreement upon thirty (30) days notice to the other Party and the provisions set out in Section 9 for Decommissioning will not apply.
- c. In addition, HS GovTech may, directly or indirectly, and by use of a disabling device or any other lawful means, suspend, terminate, or otherwise deny Customer's, or any User's, access to or use of all or any part of HS Cloud, without incurring any resulting obligation or liability, if: (i) HS GovTech receives a judicial or other governmental demand or order, subpoena, or law enforcement request that expressly or by reasonable implication requires Provider to do so; or (ii) HS GovTech believes, in its good faith discretion, that: (A) Customer or any User has failed to comply with any material term of this Agreement, or accessed or used HS Cloud beyond the scope of the rights granted or for a purpose not authorized under this Agreement or in any manner that does not comply with any instruction or requirement provided by HS GovTech; (B) Customer or any User is, has been, or is likely to be involved in any fraudulent, misleading, or unlawful activities relating to or in connection with HS Cloud; or (C) this Agreement expires or is terminated. This Section 8(c) does not limit any of HS GovTech's other rights or remedies, whether at law, in equity, or under this Agreement.



## 10. Decommissioning

- a. Upon termination of this Agreement, or its expiration without replacement, (i) Customer will immediately cease using HS Cloud, and (ii) HS GovTech will transmit all Customer Data stored on HS Cloud to Customer and securely erase such Customer Data from HS Cloud within thirty (30) business days of the effective date of termination or expiration, as the case may be. Customer Data will be provided in a SQL backup file (.bak file), or comma delimited if requested by Customer. For Decommissioning to occur, all outstanding monies owed to HS GovTech by Customer must be paid in full at the time of Decommissioning. If Customer is in arrears at the time of termination or expiration of the Agreement, Customer will begin its thirty (30) day Decommission cycle upon full payment of all outstanding amounts owed to HS GovTech. HS GovTech will permanently delete all Customer Data after Decommissioning within ninety (90) days of the date of termination or expiration of this Agreement.

## 11. Confidentiality

- a. Notwithstanding anything in this Agreement to the contrary, Customer is a public entity subject to North Dakota open records laws, including N.D.C.C. ch. 44-04. Nothing in this Agreement shall require the Customer to withhold records or information from disclosure when disclosure is required by applicable law. The Parties acknowledge that information designated as confidential by HS GovTech may not qualify as confidential under North Dakota law.
- b. Each Party agrees to protect the Confidential Information of the other Party in the same manner that it protects the confidentiality of its own proprietary and confidential information of a like kind, but in no case less than reasonable care, and will not use the Confidential Information of the other Party, except in connection with the performance of its obligations under this Agreement or as permitted by this Agreement. The confidentiality provisions set forth in this Agreement will remain in full force and effect in perpetuity.
- c. Upon termination or expiration of this Agreement or upon the written instruction of the Party owning Confidential Information, the other Party will return or destroy the requesting Party's Confidential Information. For purposes of the foregoing, a Party will be deemed to have destroyed electronic Confidential Information when it executes an application - or operating system-level, commercially reasonable delete function on it, provided that thereafter, it does not conduct or permit any recovery or restoration of the same.
- d. Each Party will be responsible to the other for any disclosure of Confidential Information that is not permitted by this Agreement to the extent caused by such Party and for any failure by such Party to comply with the terms hereof. Each Party will indemnify and hold harmless the other from and against any and all claims arising out of any breach by it of this Section 11(c).
- e. The obligations of confidentiality set out in this Section 11 will not apply in respect of uses or disclosures of Confidential Information where:
  - I. The Party disclosing such Confidential Information consents in advance in writing,
  - II. Disclosure is required to comply with any applicable law, judicial order or stock exchange rules, provided that the Party proposing to disclose the Confidential Information gives the other Party reasonable, sufficient notice as may be practicable in the circumstances to contest or protect the required disclosure, or
  - III. The Party proposing to use or disclose the Confidential Information can establish with documentary evidence that other than because of a breach of this Agreement, The



Confidential Information:

- a. is available in the public domain or is Public Data,
- b. was disclosed to it by a third party without violating confidentiality obligations or
- c. was already known by it or was subsequently developed by it without any use of Confidential Information of the other Party.

## 12. Protected Health Information

- a. HS GovTech will implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of any electronically protected health information (PHI) included in the Customer Data in accordance with the NIST 800-53 Security Guide should Customer require that HS GovTech, subcontractor(s) or agent(s) create, receive, maintain, or transmit PHI data on behalf of Customer. PHI data shall be protected against unauthorized access, disclosure or modification, theft, or destruction.
- b. HS GovTech will use encryption that is in accordance with NIST Special Publication 800-111 Guide to Storage Encryption, including the use of standards-based encryption format using triple-DES (3DES), or the Advanced Encryption Standard (AES), or their successors.
- c. Backups of PHI will be encrypted in accordance with secure methods as listed in NIST Special Publication 800-111 Guide to Storage Encryption, including off-site storage in a physically secure location with secure access controls to authorized personnel. Backup schedules shall be maintained to ensure timely availability and integrity of data.
- d. HS GovTech will implement technical security measures, including mechanisms to encrypt and decrypt electronic PHI "at rest" and "during transmission" over an electronic communications network, including the internet, consistent with NIST Special Publications 800-52, 800-77 and Guidelines as appropriate to comply with Federal Information Processing Standards in the protection of PHI.
- e. HS GovTech will perform an independent audit of its data centers at least annually at its expense and provide a redacted version of the audit report to Customer upon request. HS GovTech may remove its proprietary information from the redacted version. A Service Organization Control (SOC) 2 audit report or approved equivalent sets the minimum level of a third-party audit.
- f. HS GovTech will provide reports or additional information upon request of Customer and access by Customer or designated staff to HS GovTech's facilities and/or any location involved with providing services to Customer or involved with processing or storing Customer Data, and HS GovTech shall reasonably cooperate with Customer staff and audit requests submitted under this Section. Any Confidential Information of either Party accessed or disclosed during the course of the security audit shall be treated as set forth under this Agreement or applicable laws or regulations. Each Party shall bear its own expenses incurred in the course of conducting this security audit. HS GovTech shall, at its own expense, promptly rectify any non-compliance identified by the security audit and provide proof to Customer thereof.
- g. HS GovTech will immediately report any security incident to the appropriate Customer identified contact. If HS GovTech has actual knowledge of a confirmed data breach that affects the security of any Customer Data that is subject to applicable data breach notification law, HS GovTech shall:
  1. Promptly notify the appropriate Customer identified contact within 24 hours or sooner unless a shorter time is required by applicable law,
  2. Take commercially reasonable measures to report perceived security incidents to address the data breach in a timely manner,



3. Cooperate with Customer as reasonably requested by Customer to investigate and resolve the data breach,
  4. Promptly implement necessary remedial measures, if necessary, and
  5. Document responsive actions taken related to the data breach, including any post-incident review of events and actions taken to make changes in business practices in providing the services, if necessary.
- h. Access to Customer Data will be restricted to authorized personnel. Security measures will be enforced to ensure the integrity, security, and availability of the system and data resources. HS GovTech will be subject to HIPAA/HITECH Breach Notification requirements of unsecured Protected Health Information. All HS GovTech personnel assigned to this task order will be subject to appropriate security clearances granted in accordance with their assigned duties and responsibilities. All HS GovTech personnel will be informed of their security responsibilities and be subject to security monitoring and audits to ensure compliance to security clearances.
- i. HS GovTech will deliver to Customer its annual SOC2 Type 2 audit within thirty (30) days of request if formally requested.

## 13. Indemnification

- a. HS GovTech shall defend, indemnify, and hold harmless Customer and its officers, directors, employees, agents, successors, and assigns from and against any and all liabilities, claims, or demands arising out of any third-party claim that HS Cloud infringes or misappropriates such third-party's United States patents, copyrights, or trade secrets. The foregoing obligation does not apply to the extent the alleged infringement arises from (i) third party materials or Customer Data, (ii) access to or use of HS Cloud by Customer in combination with any hardware, system, software, network, or other materials or service not specified by HS GovTech for use with HS Cloud, (iii) Customer's failure to comply with its obligations pursuant to Section 4(d), or (iv) any acts or omissions of Customer or its personnel. Customer will immediately provide notice to HS GovTech in the event of any such claim, and HS GovTech will have the right to defend and settle any such claims.
- b. To the extent permitted by law, Customer shall defend, indemnify, and hold harmless HS GovTech and its officers, directors, employees, agents, successors, and assigns from and against any and all liabilities, claims, or demands arising out of any third-party claim based on Customer Data, including any processing of Customer Data in accordance with this Agreement, and any other materials or information (including any documents, data, specifications, software, content, or technology) provided by or on behalf of Customer or any User, including HS GovTech's compliance with any specifications or directions provided by or on behalf of Customer or any User to the extent prepared without any contribution by HS GovTech.
- c. Each Party shall promptly notify the other Party in writing of any claim for which such Party believes it is entitled to be indemnified pursuant to Section 13(a) or Section 13(b), as the case may be. The Party seeking indemnification (the "**Indemnitee**") shall cooperate with the other Party (the "**Indemnitor**") at the Indemnitor's sole cost and expense. The Indemnitor shall promptly assume control of the defense at the Indemnitor's sole cost and expense. The Indemnitee may participate in and observe the proceedings at its own cost and expense with counsel of its own choosing. The Indemnitor shall not settle any claim without the Indemnitee's prior written consent, which shall not be unreasonably withheld or delayed. If the Indemnitor fails or refuses to assume control of the defense of such claim, the Indemnitee shall have the right, but no obligation, to defend against such claim, including settling such claim after giving notice to the Indemnitor, in each case in such



manner and on such terms as the Indemnitee may deem appropriate. The Indemnitee's failure to perform any obligations under this Section 13(c) will not relieve the Indemnitor of its obligations under this Section 13, except to the extent that the Indemnitor can demonstrate that it has been materially prejudiced as a result of such failure.

- d. Customer acknowledges that HS Cloud provided by HS GovTech constitutes part of an information system to be used by Customer, its staff, employees, and authorized agents in the performance of their professional responsibilities and is in no way intended to replace their professional skill and judgment.
- e. Section 13 sets forth the customer's sole remedies and HS GovTech's sole liability and obligation for any actual, threatened, or alleged claims that HS Cloud or any subject matter of this agreement infringes, misappropriates, or otherwise violates any intellectual property rights of any third party.

## 14. Limitations of Liability

- a. In no event will HS GovTech or any of its licensors, service providers, or suppliers be liable under or in connection with this agreement or its subject matter under any legal or equitable theory, including breach of contract, tort (including negligence), strict liability, and otherwise, for any: (i) loss of production, use, business, revenue, or profit or diminution in value; (ii) impairment, inability to use or loss, interruption, or delay of the services, other than for the issuance of any applicable service credits pursuant to the service level agreement; (iii) loss, damage, corruption, or recovery of data, or breach of data or system security; (iv) cost of replacement goods or services; (v) loss of goodwill or reputation; or (vi) consequential, incidental, indirect, exemplary, special, enhanced, or punitive damages, regardless of whether such persons were advised of the possibility of such losses or damages or such losses or damages were otherwise foreseeable, and notwithstanding the failure of any agreed or other remedy of its essential purpose.
- b. In no event will the aggregate liability of HS GovTech arising out of or related to this Agreement, whether arising under or related to breach of contract, tort (including negligence), strict liability, or any other legal or equitable theory, exceed the total amounts paid or payable under this Agreement. The foregoing limitations apply even if any remedy fails for its essential purpose.



## 15. Notice

- a. All notices provided under this Agreement will be in writing and will be sent by certified mail, return receipt requested, or by email to the people and addresses set out below or to such other addresses as either Party may specify by notice to the other Party. All notices sent by certified mail will be effective upon the date of receipt. Notices sent by email will be immediately effective on the date of transmission if sent during regular business hours or on the next business day if sent outside of regular business hours.

**To HS GovTech:**

HS GovTech Solutions Inc.  
PO Box 90044, Charlotte NC 28290-0044  
Eric Thomas, CEO  
Telephone: 866-860-4224 ext 1004  
Website: [www.hsgovtech.com](http://www.hsgovtech.com)

**To Customer:**

**Contract Contact**

Name: Grant Larson  
Address: 1240 25<sup>th</sup> Street South; Fargo, ND 58103  
Phone: (701) 241-1388  
Email: [Glarson@FargoND.gov](mailto:Glarson@FargoND.gov)

**Accounts Payable Contact:**

Name: Lindsey Tester  
Address: 225 4<sup>th</sup> Street North; Fargo, ND 58102  
Phone: (701) 241-1333  
Email: [FinanceAPAR@FargoND.gov](mailto:FinanceAPAR@FargoND.gov)

- b. If normal mail service or email is interrupted by a Force Majeure (as defined below) or other cause, then a notice sent by the impaired means of communication will not be deemed to be received until received, and the Party sending the notice will use any other such services which have not been so interrupted or will deliver such notice in order to ensure prompt receipt thereof.



## 16. General

- a. Neither Party is liable for any delay, interruption, or failure in the performance of its obligations hereunder if caused by acts of God, war, declared or undeclared, fire, flood, storm, landslide, earthquake, such Party's failure or inability to obtain equipment, supplies or other facilities not caused by a failure to pay, labor disputes, or other similar events beyond the reasonable control of the Party affected (each, a "**Force Majeure**") that may prevent or delay such performance. If any such act or event occurs or is likely to occur, the Party affected will promptly notify the other Party, giving reasonable particulars of the event. The Party so affected will use reasonable efforts to eliminate or remedy the event.
- b. This Agreement and the schedules and all attachments attached hereto and referenced herein will constitute the entire Agreement of the Parties and will supersede all prior negotiations, proposals, and representations, whether written or oral with respect to the subject matter hereof.
- c. This Agreement may not be modified except by subsequent agreement in writing executed by authorized representatives of both Customer and HS GovTech.
- d. It is mutually agreed by and between the Parties that the relationship between Customer and HS GovTech will be that of independent contractors, and this Agreement creates no principal-agent or employer-employee relationship.
- e. It is mutually agreed by and between the Parties that if any section, subsection, sentence, clause, phrase, or portion of this Agreement will be for any reason held invalid, unenforceable, or unconstitutional by a court of competent jurisdiction, such portion will be deemed a separate, distinct and independent provision and such holding will not affect the validity of the remaining portions thereof.
- f. It is mutually agreed and acknowledged by and between the Parties that any breach by it of this Agreement with respect to the intellectual property rights or Confidential Information of the other Party may cause the other Party immediate and irreparable harm for which monetary damages would not be adequate to compensate such other Party, and so upon such a breach the other Party may seek injunctive or other equitable relief against the breaching Party from any court of competent jurisdiction without establishing the inadequacy of monetary damages, proof of actual harm or posting any bond or security.
- g. This Agreement will be governed by and construed in accordance with the laws enforced from time to time in the State of North Dakota and the federal laws of the United States applicable therein, without reference to their conflicts of laws principles.
- h. The captions and headings appearing in this Agreement are inserted for convenience only and do not form a part of this Agreement, and are not intended to interpret, define, or limit the scope, extent, or intent of this Agreement or any provision hereof.
- i. This Agreement will ensure to the benefit of and be binding upon the Parties hereto and their respective heirs, executors, administrators, personal representatives, successors, and assigns. Customer may not assign or transfer any interest in this Agreement without the prior written consent of HS GovTech.
- j. Whenever the singular or masculine is used herein, the same will be deemed to include the plural or the feminine of the body politic or corporate where the context of the party so requires.
- k. This Agreement may be executed in counterparts, each of which is deemed an original, but all of which together are deemed to be one and the same agreement.



**IN WITNESS WHEREOF**, the Parties hereto have entered into this Agreement as of the Effective Date.

**For HS GOVTECH SOLUTIONS INC.:**

**For CUSTOMER:**

\_\_\_\_\_  
**Eric Thomas, CEO**

\_\_\_\_\_  
**Dr. Tim Mahoney, Mayor, City of Fargo**

**Date:**

**Date:**

**ATTEST:**

\_\_\_\_\_  
**Ashley Franco, Chief Customer Officer**

\_\_\_\_\_  
**Angie Bear, Deputy City Auditor**

**Date:**

**Date:**



## Appendix A – HS Cloud Suite Functionality

### Enablement Project Services

#### Scope of Services

This section describes the scope of the Project that the Customer and HS GovTech agree is needed to meet the Project objectives. The scope of this Project is based upon information gathered by HS GovTech, as well as information provided by the Customer during demonstrations. Listed below is the scope of work that will be performed and is predicated on the assumptions listed in Section **Operating Assumptions** of this SOW.

Should the Project scope be required to change at any time during this Project's lifecycle, those changes will be managed as described in the section **Change Order Process** of this SOW.

#### In Scope

##### Programs:

**Program** - A standard Program in the HS GovTech system includes the following utilities, workflow and features.

- Animal Boarding Operations
- Aquatic Facilities
- Body Art
- Food (Mobile Food)
- Lodging
- Massage Therapy
- Mobile Home Parks
- Nuisance Complaints
- Pet Stores
- Tanning Facilities
- Onsite Sewage Treatment Systems

#### Standard Workflow Utilities

Address Manager	Establishment Manager	Permit Manager
Contact Manager	Invoice and Fee Manager	Inspection Manager
Plan Review Manager	Temporary Event Manager	Temporary Vendor Managers
Complaint Manager		

#### Features within the Standard Workflow

- Bulk Invoicing for Annual Permit Renewals/Fees
- Unique Fee Schedule Management
- Ability to Bulk Import Check Payment Data
- HSMobile Inspection App
- Inspection Scheduler for Routine and Follow-up Inspections
- Violation Library Data Management Tool
- Public Facing Citizen Portal Inspection Results Posting Page (standard format)
- Standard Time Log Time Tracking Utility
- Standard Attachments Utility on all Utilities
- Standard "Record Summary" print-friendly view for all utilities/records
- Conversation Manager Interactive Emails Feature
- Ability to Mass Email System Contacts through Primary Workflows



- The ability to accept credit, debit, and ACH payments, including online payments by operators, through HS Pay using our native processor, CORE.
- Single Sign-On (SSO) integration supports the SAML protocol. Integration with OIDC protocol is available exclusively for AzureAD, Okta, and Google Workspace, provided SAML is not feasible for the client.
- Standard Print Engine and Expected Configurable Forms\*
- Standard HSAalytics Platform with Standard Reports\*\*

**\*Standard Print Engine Per Program**

Ability to Print the following forms Per Program:

- Permit Form (1)
- Inspection Form (1)
- Complaint Form (1)
- Invoice Form (1)
- Receipt Form (1)

\*Applications are renewal applications and not exposed on the online public portal.

**HSAnalytics Standard Reports**

Accounting Reports

- Payment Method
- Excess Funds
- Renewals Not Paid
- Renewal Notices by Date
- Program Report

Administrative Reports

- Area Completeness Report
- Time Tracking Report
- User Activity Report
- User Permissions Report
- Group Permissions Report
- Duplicate Contact Help Report

Inspection Reports

- Upcoming Inspections Map
- Inspection Time Report
- Completed Inspections
- Current Overdue Inspections by Permit
- Completed Overdue Inspections by Permit
- Section Violation & Risk Factor Report

Permit Reports

- Permit Count Report
- Permit Contact Report
- Permit Flat File Report
- Incomplete Contacts Report

Establishment Reports

- Establishment Summary Report
- Establishment Flag File Report

Complaint Reports

- Complaints Summary Report
- Complaints Flat File Report
- Complaints Heat Map Analysis

**Data Conversion Services**

Data Conversion is the process of receiving data from another source, and processing it and importing it into the HS GovTech Software.

**Data Conversion requested from existing database:** DHD

**Data Provision Requirement**

Client shall provide the complete data set no later than prior to project kick-off. Delays in providing data may result in project schedule impacts.

**Secure File Transfer Setup**



Client shall establish and maintain an SFTP site in accordance with HS GovTech's technical requirements.

### **Data Load Schedule**

HS GovTech shall perform a total of three (3) HDIS data loads, consisting of:

One (1) initial data load

One (1) data re-load approximately one (1) week prior to go-live

One (1) final data load at go-live

### **Out-of-Scope**

The In Scope section above describes the Services that HS GovTech will perform. Other services are not included. The process described in section **Change Order Process** can be used to add items to the scope.

### **Specialized Customization Requiring Development Resources (Non-Standard):**

- There is no data conversion from existing databases to HS Cloud Suite for the program areas listed above in this agreement.
- No complex Mathematical Calculations on Fields
- No complex logic for changing values of fields, based on the value of another field, or filtering drop down values
- No specialized logic for triggering the creation of invoices/fees
- No specialized logic for the triggering of record creation or the automation of steps within a workflow process

### **Approach Methodology**

HS GovTech utilizes a structured implementation methodology to ensure consistent, successful project delivery. The methodology is executed in five key phases:

1. **Engage**
2. **Configure**
3. **Confirm**
4. **Execute**
5. **Evolve**

This methodology, along with the assumptions in Section *Operating Assumptions*, has been used to estimate all activities in this SOW.

### **HS GovTech Management Roles**

- **HS GovTech's Management**  
HS GovTech will assign the following levels of management to support the professional services associated with this SOW / contract's referenced in section implementation phased activities:

•



**HS GovTech's Project Enablement Manager** – is responsible for the successful management and completion of the Project scope (Activities, Tasks, and Deliverables) in this SOW and for monitoring the HS GovTech team assigned to the effort to assure their performance is in accordance with this SOW and the Project Schedule. In addition, the HS GovTech's Project Enablement Manager will manage the "Change Order Process" defined in Section **Change Order Process**.

- **HS GovTech's Executive** – is responsible for any matters brought for escalation and participates in the Project Steering Committee when HS GovTech's Program Manager or Customers' Project Manager requests such presence.

### Operating Assumptions

- All changes to this SOW will be managed through the Change Order Process.
- Any activities, tasks, or deliverables not explicitly stated are excluded unless mutually agreed via Change Order.
- Hours and days are based on standard business hours and business days.
- HS GovTech services will be performed remotely or at HS GovTech sites unless otherwise agreed.
- One (1) HSCloud Suite Environment will be hosted by HS GovTech; additional environments may incur costs.
- Third-party products not outlined in this SOW require a Change Order.
- Requests for revised schedules (e.g., additional hours) must be reviewed and approved by the Customer's leadership within three (3) business days and may incur additional fees.
- Project initiation will include an overview of the HSCloud Suite Platform to introduce Customer stakeholders to the current release.
- Customer is responsible for:
  - Executing the User Acceptance Testing (UAT) plan.
  - Assigning appropriate testing resources per the agreed timeline.
  - Developing end-user training curriculum and go-live transition guides.

### Project Phases

#### 1. Engage Phase

Tasks Associated with this Activity:

- Initial Demonstration with Sales Team
- Confirm the standard enablement project requirements with Enablement Team
- Final Demonstration
- Contracting Process

Deliverables:

- Signed Contract



## 2. Configure Phase

Tasks Associated with this activity:

- Sales handoff to Professional Services
- PM Kickoff
- Cadence with customer established
- Confirmation of requirements for programs selected
- Configure
  - Check-ins with customer per cadence
  - Timeline Burndown Review
  - Documentation creation for UAT(testing)

Deliverables:

- Project Status Updates
- Testing Documentation

## 3. Confirm Phase

Tasks Associated with this activity:

- HSGT testing on all programs end to end
- Tweak or fix any internal issues found
- PM - Confirm phase check in with customer
  - Turn over all documentation
  - Walk through use cases
- Customer UAT (1-2 weeks)
  - PM Triage any critical issues
  - Remediate or Reject
  - PM - Change orders created for new functionality
- Close out Confirm Phase
  - PM - Alert client of movement to execute phase
- Customer train the trainer
  - Prepare customer train-the-trainer materials if needed

Customer Responsibility:

- Execute UAT within the designated timeframe
- Prepare end user training curriculum
- Prepare go-live transition guides for customer's end user staff

Deliverables:

- Review Customer UAT summary report
- Customer training curriculum, transition guides, training materials, as appropriate
- For details on UAT, please refer to **Appendix C: User Acceptance Test**



#### 4. Execute Phase

Tasks Associated with this activity:

- PM sets date immediately following UAT
- Confirm environment ready for go live execution
- PM to allocate resources needed to execute go-live
- PM to Introduce support staff and process according to SOW

HS GovTech Responsibility:

- Obtain Sign-Off on all Named Project Deliverables
- Conduct a Lessons Learned session and distribute documented results to participants
- Conduct End Meeting to review, discuss and finalize all the above

Customer Responsibility:

- Participate in the Definition, Development, and Review of Deliverables
- Participate in the Lessons Learned session
- Participate in End Review meeting

Deliverables:

- Standard Platform Components Defined in the SOW

#### 5. Evolve Phase

Tasks Associated with this activity:

- Transition project ownership from Implementation PM to Support Services.
- Conduct post-go-live audit (lessons learned).
- Establish support cadence (monthly check-ins).
- Recommend additional training (billable if outside standard scope).
- Introduce Account Manager for first Quarterly Business Review (QBR).

#### Schedule

HS GovTech's estimated Project schedule to perform the tasks outlined in this SOW is approximately **five (5)** months from project kickoff.

#### Set Up Fee Estimate

HS GovTech's estimated total charges to perform its HS Cloud Suite responsibilities as described in this document on a time and materials basis is \$ 75,000.00. This estimate provides the Customer with a high-level estimation based on the information provided at the time this SOW was prepared.



## Appendix A-1 Go Live Criteria

Go-live is determined as the milestone where Customer provides HS GovTech formal approval that the HSCloud Suite implementation has reached the point where the programs listed in “**Appendix A - HSCloud Suite Functionality**” have met the In Scope criteria approved during the engagement phase.

The following Go Live Criteria checklist represents at a high level the criteria HS GovTech will measure to ensure that the project has reached the Go Live Milestone.

- **Configuration**
  - The configurations, including print forms, have been completed for programs listed in “Appendix A - HSCloud Suite Functionality”
  - Standard Reports have been deployed for HS Analytic
- **User Acceptance Testing (UAT)**
  - Approved customer UAT closure based on the HSGT provided testing plans.
  - Issues identified during UAT have been identified and resolved.
- **Training**
  - Train the trainer has been completed for customer identified staff in accordance with the terms of the HSCloud Suite Services Agreement.



## Appendix A-2 Included Support

### Hosting:

1. Service includes web hosting, data storage, data backup and publishing public data, which includes inspection information configured to meet the requirements of Customer.
2. HS GovTech will make reasonable efforts to ensure that the system servers are available at 99.99% availability per calendar month on all its services subject to any Force Majeure. HS GovTech provides a Service Level Agreement (SLA) for its clients. Please see the SLA attached as Appendix A3.
3. HS GovTech will allow access, via the internet, to the system servers.

### Support and Maintenance:

Any issue or needs with ongoing use of the system can be handled by using the HSCloud Support feature. Full instructions on usage will be provided by product support staff. During usage, any bugs encountered will be fixed within three (3) business days. Any change or additional functionality requests - outside the scope of this Agreement - will be reviewed and assessed, and if approved, a quote for the work will be provided.



## Appendix A3 - Service Level Agreement (SLA)

HS GovTech offers the following levels of service to ensure maximum availability and performance of HS Cloud. The HS GovTech 99.99% uptime guarantee sets standards for service in these critical areas:

### Network Availability

Network uptime occurs when the functionality of all HS GovTech network infrastructure, including cabling, switches, and routers, is operating as designed. Network downtime occurs if the HS GovTech Servers cannot transmit and/or receive data, and if the Customer opens a service ticket for the incident in the Customer system ticket tracking module. The HS GovTech network will be available 99.99% of the time, excluding scheduled maintenance or upgrades approved by both Customer and HS GovTech. Should a network outage occur that results in Customer system unavailability, HS GovTech will credit Customer 5% of the (Annual) Fee for every additional one (1) hour of downtime, up to but not exceeding 100% of one (Monthly Payment) These credits will be applied toward future Fee payments.

### Infrastructure Guarantee

Critical systems include all power and HVAC infrastructure, UPS equipment, and cabling. Power supplies of individual servers are not included (see below for Hardware Guarantee). Critical systems downtime occurs when a HS GovTech server assigned to a Customer system is shut down because of power or heat problems, and if the Customer opens a service ticket for the incident in the Customer system ticket-tracking module. Critical system downtime is measured when the Customer ticket is opened to when the issue is resolved and the HS GovTech server returns online. HS GovTech critical systems, including power and HVAC, are available 100% of the time, excluding scheduled maintenance periods. Should an outage due to critical system failure occur, HS GovTech will credit Customer 5% of the annual fee for every additional one (1) hour of downtime, up to but not exceeding 100% of one annual payment. These will be applied toward future Fee payments.

### Hardware Guarantee

Hardware is defined as the processor(s), RAM, hard disk(s), motherboard, NIC card, and other related components included in the HS GovTech server assigned to the Customer system. All hardware components directly related to the customer system will function properly, and any failed component will be replaced immediately at no additional customer cost. The replacement process will begin when the cause of the problem has been determined. Hardware replacement is guaranteed to take no more than two (2) hours. In the event that the replacement takes more than two (2) hours, HS GovTech will credit Customer 5% of the annual Fee for every additional one (1) hour of downtime, up to but not exceeding 100% of one annual payment. These credits will be applied toward future Fee payments.

### Maintenance and Escalation (scheduled and unscheduled)

HS GovTech will notify Customer at least forty-eight (48) hours in advance of any scheduled network downtime for maintenance and service. In the event of an unscheduled outage, HS GovTech will immediately notify the Customer System Administrator of the outage and its estimated length.

For outages lasting one (1) hour or longer, the HS GovTech Operations Manager and Director of Programming and Development will treat the outage as top priority for immediate resolution. If the outage lasts more than two (2) hours the issue is assigned to the Chief Technology Officer. Any outage lasting four (4) or more hours is escalated to the HS GovTech Chief Executive Officer.

Should the outage last more than four (4) hours, HS GovTech will provide updates to the Customer System Administrator every four (4) hours on the system status. All updates and notifications will be sent via email to the Client System Administrator.

**Customer Support and Warranty**

Customer Support is available Monday through Friday during the hours of 8:00 AM – 6:00 PM EST, except for federal holidays. An after-hours emergency support number is made available for Client division director-level personnel.

**Additional Services**

Hosting of Customer Data technical support to staff in accordance with HS GovTech's established maintenance policy. Changes or additions to the Customer system in the event the state or other regulatory Customer modifies the format in which Customer Data is collected or output on a standard form.

Critical errors or bugs in system code will be addressed and repaired immediately for the Term of the Agreement. System change requests from Customer will be evaluated on a case-by-case basis and scheduled for completion based on priority.

**Exceptions**

Customers with delinquent accounts may not take advantage of the uptime guarantee set forth in Appendix A3. Customer must request all credits within three (3) days of the reported downtime, and the downtime must be from a single occurrence. All credits will be applied to future Fee payments.



## Appendix B - Contract Fees and Payment Schedule

**1. Fees**

a. The fees payable under this Agreement are as follows:

<b>Set-up: Configuration, data conversion, and implementation to HSCloud Suite for the programs listed in the SOW</b>	<b>\$75,000.00</b>
License Fee: Annual cost for warranty, hosting, maintenance, and technical support	\$ 20,460.00

b. Payment schedule and terms:

<b>100% of set-up fee, and of first-year license, warranty, hosting, maintenance, and technical support is due upon execution of contract.</b>
Fees for second-year licensing, hosting, maintenance, and technical support are due on the one-year anniversary of the contract's execution. These services will continue annually for the duration of the contract term, with a 6% annual escalation applied beginning in the third year
Payment 1: \$ 95,460.00
Payment 2: \$ 20,460.00
Payment 3: \$ 21,687.60
Payment 4: \$ 22,988.85
Payment 5: \$ 24,368.18

**2. Term:**

This Agreement begins on the date it is executed and continues for a period of five (5) years as outlined in Section 8 titled 'Term'.



This Agreement shall expire at the end of the Initial Term unless the Parties mutually agree in writing to renew the Agreement.

If a deliverable has been completed and properly noticed to the agency, and should the agency withhold approval for no disclosed technical defect after 30 days, the deliverable will be deemed accepted for payment purposes.

**\*User** is defined as anyone who Customer authorizes to access HS Cloud on its behalf, whether or not employed by Customer and access cannot be shared by anyone other than the named user. The agency may add users due to growth up to 20% of per user base. If the additional user base exceeds 20%, the agency will be charged \$1250.00 per user over the 20% threshold.



## Appendix C: User Acceptance Test (UAT)

1. A **2 week** timeframe is set aside for UAT support by HS GovTech and has been recommended as the maximum time required for Customer to test the HS GovTech-produced components. Customer understands that this timeframe includes:
    - a. Customer's components to be tested in the UAT environment.
    - b. All Customer UAT testing, regardless of the number of Customer organizations involved in the testing.
    - c. HS GovTech's remedy to any verified Severity Level 1 issues (see severity definitions table below) found while executing the User Acceptance Test Plan.
    - d. HS GovTech's remedy to any verified Severity Level 1 configuration related problems (see severity definitions table below), issues, and Customer's re-testing of HS GovTech' corrections.
  2. UAT will be conducted by Customer in accordance with the HS GovTech User Acceptance Test Plan.
  3. If a verified issue arises during the UAT period that prevents the continuation of UAT and no reasonable work-around exists, then UAT will be "suspended" until a fix is provided by HS GovTech to which then UAT will restart.
  4. The UAT period shall commence immediately upon the completion of standard system configuration and testing of components by HS GovTech to Customer as outlined in the HS GovTech Enablement Project Plan. If Customer is not able to begin UAT in accordance with the HS GovTech Enablement Project Plan, Customer has the following options:
    - a. Shorten the UAT period, so as not to delay its scheduled Go-Live Date
    - b. Delay the start of UAT, which may extend the originally scheduled end Go-Live Date for UAT and customer will incur additional expenses to be billed as time and materials
    - c. Any combination of the above alternatives
- Any such changes to the Enablement Project Plan involved with UAT will be managed under HS GovTech's Change Order Process as defined in Section **Change Order Process** of this SOW.

### ***Problem Reporting Process***

1. All problems reported by Customer must be specifically documented and provided to HS GovTech at the time of problem reporting. Documentation includes, but is not limited to, screen shots, context in which the error happened (steps taken prior to encountering the error) and any other information such as an error code or message. Documentation will vary based on the type of error encountered.
2. The severities assigned by Customer will be reviewed and agreed upon by HS GovTech and Customer prior to the issue being entered into the issue reporting log maintained by HS GovTech.
3. Adjudication of issue severities, i.e., the delineation between technical component code issues, Design or Test Specification issues is the responsibility of HS GovTech.
4. If HS GovTech is unable to reproduce a Customer-reported issue, then the issue will be closed, unless the time to resolve the issue is extended by Customer via the Change Order Process defined in Section **Change Order Process** of this SOW.



### Severity Definitions Table

Priority Level	Severity Level 1 - High	Severity Level 2 – Medium	Severity Level 3 - Low
Definition	An issue that prevents operation of the entire System or operationally critical System processes, or which destroys important non-recoverable data with no available workaround.	An issue that has more than a cosmetic or insignificant effect on the continued use of the System, but which does not meet the criteria for a High level issue. An issue that prevents use of part of the System. A workaround may or may not be available.	An issue that has only cosmetic or other insignificant effects on the continued use of the System, such as formatting or spelling error.
Impact	A majority of Permitted Users are unable to process transactions or access data critical for conducting daily business.	Multiple Permitted Users are affected. Prolonged outage may affect ability to complete business functions critical to Customer.	Permitted User impacted but business not stopped. A workaround or alternate capability exists. Business can continue with minor capability impact.



### Appendix D: Change Order Form (COF)

<b>Created By:</b>	<b>Change Order Number:</b>
	To Statement of Work:

This Change Order <Change Order Description and Numbering Information> to SOW between HS GovTech and <Insert Customer Name Here ("Customer")> is effective on <MM/DD/YYYY> ("Effective Date"). This Change Request describes the changes to the Services for SOW <#> to the Professional Services Agreement entered into as of <MM/DD/YYYY>, as amended, by and between HS GovTech and Customer (the "Agreement").

**Project Summary**

<b>Project Name:</b>
Expected Start Date for the change:
Fee Structure for the change:
Estimated Duration of the change:
Estimated Total Hours for the change:
Estimated Total Charges for the change:
Estimated Expenses of the change:

**Description of Change:**

**Impact of Change:**

**Cost of Change:**



Description	Quantity	Unit of Measure	Price (per Unit) \$	Estimated Total \$



## Appendix E: TRAINING SERVICES

Customer will be offered seventy-five (75) hours for on-site training, this includes hours for staff travel.

Training for Customer users for go-live included in this Agreement:

Administrator (EH Management), Field Inspector Staff, and Business Support / Front Office Staff

Training will consist of:

- Login procedures:
  - Basic navigation of the HS Cloud System
  - Data Structure overview for all users
- General System Usage:
  - Address Manager
  - Establishment Manager
  - Permit Manager
  - Contact Manager
  - OWTS Program Process Flow
  - List Screen features and setup
  - Time Tracking (If implemented)
  - Inspection Manager (All staff knowledge)
  - Complaint Submission
  - Additional added utilities (Will be based on finalized program list)
- Inspection Staff Training
  - Conducting Inspections for all purchased programs
    - HS Cloud
    - HS Mobile
- Business Staff
  - Application processing
  - Accounting procedures
    - Invoice Creation
    - Payments
    - Bulk Invoice
    - Payment Reporting
    - Online Payments (If applicable)
- Administrative Tools
  - HS Analytics

For all training elements, if additional utilities are added as part of the contract process, a training plan will be developed to ensure that staff are trained for these utilities.

Optional Admin/Super User Training will consist of:

- Form Builder
- Permissions Controls
- Troubleshooting list screen configuration issues

Additional Hourly Rate for Training Services-

\$140.00 (Minimum of 2 hour virtual training per person per hour)

\$425.00 (in person training) per person per hour for each trainer. Travel expenses are additional.



**Report of Action:  
FAHR Meeting of June 1, 2026**

- Purchase Policy
- Budget Adjustment/Reallocation
- Personnel Request
- Other Financial

**Department:** Public Works

**Description:** See attached Memo. In conjunction with the transition to automated water meters, Public Works requests to sell surplus old style water meters to Cass Rural Water Users District for the negotiated price of \$40,000.

**Net Financial Impact: +\$40,000**

At their meeting, FAHR endorsed this request.

**Suggested Motion:**

Approve the sale of the City's remaining inventory of new, stock water meters to Cass Rural Water Users District for the negotiated purchase price of \$40,000 as presented, along with the related budget adjustment.



**PUBLIC  
WORKS**

**FLEET MANAGEMENT, FORESTRY  
STREETS & SEWERS  
WATERMANS & HYDRANTS**  
402 23rd Street North  
Fargo, ND 58102  
Phone: 701.241.1453 | Fax: 701.241.8100  
[FargoND.gov](http://FargoND.gov)

May 27, 2026

TO: Board of City Commissioners

FROM: Ben Dow

RE: Request for Authorization to Sell Surplus Water Meter Inventory to Cass Rural Water Users District

As part of the City’s ongoing Citywide AMI (Advanced Metering Infrastructure) meter replacement project, staff is requesting authorization to sell the City’s remaining inventory of new, stock water meters to Cass Rural Water Users District.

Over the course of the AMI replacement project, the city has transitioned away from the previous meter models and standardized operations around the new AMI meter system. As a result, the city has accumulated a remaining inventory of unused water meters that are no longer anticipated to be utilized within our water distribution system. Rather than continuing to store and maintain this excess inventory, staff believes it is in the best interest of the city to liquidate these materials while they still retain value and can be utilized by another utility provider.

Cass Rural Water Users District has expressed interest in purchasing the remaining inventory and has submitted an offer in the amount of \$40,000.00 for the meters. The estimated retail value of the inventory is approximately \$80,000.00. Although the proposed sale price is below retail value, staff feels the offer is fair and reasonable considering the quantity of inventory involved, the age of stock, marketability limitations associated with older meter technology, and the City’s desire to eliminate surplus inventory associated with the former metering system.

Approval of this request would allow the City to recover a substantial portion of the inventory value while also reducing storage requirements and eliminating the need to continue carrying obsolete inventory tied to the previous meter platform.

Therefore, staff respectfully requests authorization to proceed with the sale of the remaining new, stock water meters to Cass Rural Water Users District for the negotiated purchase price of \$40,000.00.

**Recommended Motion:**

Move to authorize the sale of the City’s remaining inventory of new, stock water meters to Cass Rural Water Users District for the negotiated purchase price of \$40,000.00 as presented.

## BUDGET ADJUSTMENT REQUEST

*This form must be completed for all budget adjustments. Please include this form with any requests submitted to FAHR and Commission. If the requested adjustment is a reallocation of budgeted funds within the same department, the request form can be sent directly to Finance. Please email to: Finance@fargond.gov.*

*Finance should review this adjustment request form for validity before it is presented to ensure accuracy. Any budget adjustments that increase expenditures **MUST** be approved by City Commission to be entered.*

DEPARTMENT: Public Works  
 REQUESTED BY: Finance/Public Works PROJECT NUMBER : \_\_\_\_\_  
 DATE PREPARED: 6/1/2026

DESCRIPTION OF REQUEST: Increase budget for approved sale of surplus water meters.  
NOTE: if relevant, please identify the appropriate fiscal year in the description

REVENUE ACCOUNT NUMBER:	CURRENT BUDGET	REQUESTED ADJUSTMENT	NEW BUDGET
501-3053-361.99-00 Water Meter Misc Rev		\$ 40,000	= \$ 40,000
			= \$ -
		+	= \$ -
		+	= \$ -
TOTAL REVENUE ADJUSTMENTS:		\$ 40,000	

EXPENSE ACCOUNT NUMBER:	CURRENT BUDGET	REQUESTED ADJUSTMENT	NEW BUDGET
	\$ -		= \$ -
			= \$ -
		+	= \$ -
		+	= \$ -
		+	= \$ -
		+	= \$ -
		+	= \$ -
		+	= \$ -
TOTAL EXPENSE ADJUSTMENTS:		\$ -	

MONTHLY ALLOCATION (if not evenly over the remaining months of the year)					
Jan	Feb	Mar	Apr	May	June
Jul	Aug	Sep	Oct	Nov	Dec

FINANCE DEPT USE ONLY:

FAHR REVIEWED ON: \_\_\_\_\_

COMMISSION APPROVED ON: \_\_\_\_\_

ENTERED BY FINANCE:     Date: \_\_\_\_\_

By: \_\_\_\_\_

BA#     \_\_\_\_\_



**Report of Action:  
FAHR Meeting of June 1, 2026**

- Purchase Policy
- Budget Adjustment/Reallocation
- Personnel Request
- Other Financial

**Department:** Information Services  
**Description:** Information Services requests a budget adjustment to accurately reflect the activity associated with an approved GIS project. Earlier this year, in accordance with procurement policy, Commission approved a contract with Fugro Services for \$348,629.05 for mapping services for various government agencies, including Fargo. IS included an estimate of \$30,000 for Fargo's share in the approved 2026 capital budget. We request a budget adjustment to accurately reflect the gross expense of the project, along with the related revenue bill-backs to partner agencies. Fargo's final cost will be \$36,970.66. The nominal additional City of Fargo cost will be absorbed within the 2026 IS budget.

**Net Financial Impact:** \$0 impact after agency bill-backs

This is a formality only, as the net expense has already been approved through the 2026 Budget.

**Suggested Motion:**  
Approve attached budget adjustment to reflect gross expense and agency bill-backs associated with GIS mapping project approved for Fugro Services, as presented.





(18)

---

## Memorandum

DATE: June 8, 2026  
TO: Mayor Mahoney and Board of City Commissioners  
FROM: Shawn Ouradnik, Inspections Director  
SUBJECT: Dangerous Building Notice and Order at 111-113 32 Ave N Fargo ND

---

The property owner of 111-113 32 Ave N Fargo ND, Bobbi Stephenson has failed to comply with the order to either obtain a permit to repair or remove the heavily damaged structure at that location within the time allowed for that removal. In accordance with Fargo Municipal Code Article 21-04, it will now be necessary for you to set a date for a hearing of this order at which time the property owner will be able to appear and show cause why the building should not be removed and the costs of that removal assessed against this property.

The recommendation is **to make a motion, in accordance with FMC Article 21-04, to set 5:05 pm Monday, June 22, 2026 as the time and date for the hearing regarding the dangerous building order for the structure at 111-113 32 Ave N Fargo ND.**

(19)

<b>City of Fargo Staff Report</b>			
<b>Title:</b>	Jerstad-Thompson Second Subdivision	<b>Date:</b>	4/1/2026 6/4/2026
<b>Location:</b>	2722 and 2748 44 <sup>th</sup> Avenue North	<b>Staff Contact:</b>	Alayna Espeseth, Assistant Planner
<b>Legal Description:</b>	Lots 5 & 6, Block 3 of Jerstad-Thompson Subdivision		
<b>Owner(s)/Applicant:</b>	Dean R. Slotten Trust and Prime Investments, LLC	<b>Engineer:</b>	Lowry Engineering
<b>Entitlements Requested:</b>	Minor Subdivision (Replat of Lots 5 & 6, Block 3 of Jerstad-Thompson Subdivision)		
<b>Status:</b>	City Commission Consent Agenda: June 8, 2026		

<b>Existing</b>	<b>Proposed</b>
<b>Land Use:</b> Industrial uses	<b>Land Use:</b> No Change
<b>Zoning:</b> LI, Limited Industrial	<b>Zoning:</b> No Change
<b>Uses Allowed:</b> Allows colleges, community service, daycare centers of unlimited size, detention facilities, health care facilities, parks and open areas, religious institutions, safety services, basic utilities, adult establishment, offices, off-premise advertising signs, commercial parking, outdoor recreation and entertainment, retail sales and service, self-service storage, vehicle repair, limited vehicle service, industrial service, manufacturing and production, warehouse and freight movement, wholesale sales, aviation, surface transportation, and certain telecommunications facilities.	<b>Uses Allowed:</b> No Change
<b>Maximum Lot Coverage Allowed:</b> 85%	<b>Maximum Lot Coverage Allowed:</b> No Change

<b>Proposal:</b>
<p>The applicant requests one entitlement:</p> <ol style="list-style-type: none"> <li>1. <b>Minor Subdivision</b>, entitled <i>Jerstad-Thompson Second Subdivision</i>, a replat of lots 5 &amp; 6, Block 3 Jerstad-Thompson Subdivision.</li> </ol> <p><b>Surrounding Land Uses and Zoning Districts:</b></p> <ul style="list-style-type: none"> <li>• North: Limited Industrial with industrial uses;</li> <li>• East: Limited Industrial with industrial uses;</li> <li>• South: Limited Industrial with industrial uses;</li> <li>• West: Limited Industrial with industrial uses.</li> </ul>

<p><b>Area Plans:</b></p> <p>The 2024 Fargo Growth Plan depicts the place type designation as “General Industrial and Flex Warehouse.” Primary uses within this place type are light and general industrial and flex warehouse. Secondary uses are commercial uses specifically related to the primary use. The current zoning is consistent with this place type.</p>
<p><b>Context:</b></p> <p><b>Schools:</b> The subject property is located within the Fargo School District and is served by Washington Elementary, Benjamin Franklin Middle and Fargo North High schools.</p> <p><b>Neighborhood:</b> The subject property is not located within a designated neighborhood.</p> <p><b>Parks:</b> The North Softball Complex is approximately 3 miles northwest of the subject property.</p> <p><b>Pedestrian / Bicycle:</b> There are no on-road or off-road bike facilities adjacent to this property.</p> <p><b>MATBUS Route:</b> The subject property is not on a MATBUS route at this time.</p>
<p><b>Staff Analysis:</b></p> <p>The applicant is seeking approval for a minor subdivision located at 2722 and 2748th 44 Street North and encompasses 1.45 acres of land. The request is to combine Lots 5 &amp; 6, Block 3 of Jerstad-Thompson Subdivision into a 1 Lot, 1 Block minor subdivision entitled <b>Jerstad-Thompson Second Subdivision</b>. Even though this property is within city limits, it is designated as “subdivision” in order to be consistent with the name of the original plat. Both properties are currently zoned LI, Limited Industrial and no zone change is proposed.</p> <p><u>AGREEMENT</u></p> <p>A proximity agreement for the subdivision has been signed by the property owners. This is a standard agreement between the City of Fargo and owners of property in close proximity to Hector International Airport and the overflow sewage lagoons. With this agreement, the property owners acknowledge the existence of these facilities and the potential for aircraft noise and sewage odor. The City Commission will take final action on this agreement. This agreement is attached. Approval of this agreement is part of the approval motion.</p> <p>This project was reviewed by the City’s Planning and Development, Engineering, Public Works, and Fire Departments (“staff”), whose comments are included in this report.</p> <p><b>Minor Subdivision</b></p> <p>The LDC stipulates that the following criteria is met before a minor plat can be approved:</p> <ol style="list-style-type: none"> <li><b>Section 20-0907.B.3 of the LDC stipulates that the Planning Commission recommend approval or denial of the application, based on whether it complies with the adopted Area Plan, the standards of Article 20-06 and all other applicable requirements of the Land Development Code. Section 20-0907.B.4 of the LDC further stipulates that a Minor Subdivision Plat shall not be approved unless it is located in a zoning district that allows the proposed development and complies with the adopted Area Plan, the standards of Article 20-06 and all other applicable requirements of the Land Development Code.</b></li> </ol> <p>The requested minor subdivision combines two existing lots into a single lot for industrial use. The current zoning is LI, Limited Industrial. No zone change is proposed. The 2024 Fargo Growth Plan depicts the place type designation as “General Industrial and Flex Warehouse.” In accordance with Section 20-0901.F of the LDC, notices of the proposed plat have been sent out</p>

<p>to property owners within 300 feet of the subject property. To date, staff has received no inquiries about the application. Staff has reviewed this request and finds that this application complies with standards of Article 20-06 and all applicable requirements of the Land Development Code.  <b>(Criteria Satisfied)</b></p> <p><b>2. Section 20-907.C.4.f of the LDC stipulates that in taking action on a Final Plat, the Board of City Commissioners shall specify the terms for securing installation of public improvements to serve the subdivision.</b></p> <p>While this section of the LDC specifically addresses only major subdivision plats, staff believes it is important to note that any improvements associated with the project (both existing and proposed) are subject to special assessments. Special assessments associated with the costs of the public infrastructure improvements are proposed to be spread by the front footage basis and storm sewer by the square footage basis as is typical with the City of Fargo assessment principles.  <b>(Criteria Satisfied)</b></p>
<p><b>Staff Recommendation:</b></p>
<p>Suggested Motion: "To accept the findings and recommendations of the Planning Commission and staff and move to approve the proposed: 1) <b>Jerstad-Thompson Second Subdivision</b> as presented; and 2) the proximity agreement as noted above, as the proposal complies with the adopted 2024 Fargo Growth Plan, the standards of Article 20-06, Section 20-0907.B. and C. and all other applicable requirements of the Land Development Code".</p>
<p><b>Planning Commission Recommendation: April 7, 2026</b></p>
<p>At the April 7<sup>th</sup>, 2026 Planning Commission hearing, that Commission, by a vote of 7-0 with four Commissioners absent, moved to accept the findings and recommendations of staff and recommended approval to the City Commission of the proposed <b>Jerstad-Thompson Second Subdivision</b>, as presented, as the proposal complies with the adopted Fargo Growth Plan 2024, Standards of Article 20-06, Section 20-0907.B. and C. and all other applicable requirements of the Land Development Code".  <i>(NOTE: The proximity agreement was not included in the Planning Commission approval motion as that Commission would take no action on this item.)</i></p>
<p><b>Attachments:</b></p>
<ol style="list-style-type: none"> <li>1. Zoning Map</li> <li>2. Location Map</li> <li>3. Preliminary Plat</li> <li>4. Proximity Agreement</li> </ol>

# Minor Subdivision

## Jerstad Thompson Second Subdivision 2722 and 2748 44th Avenue North



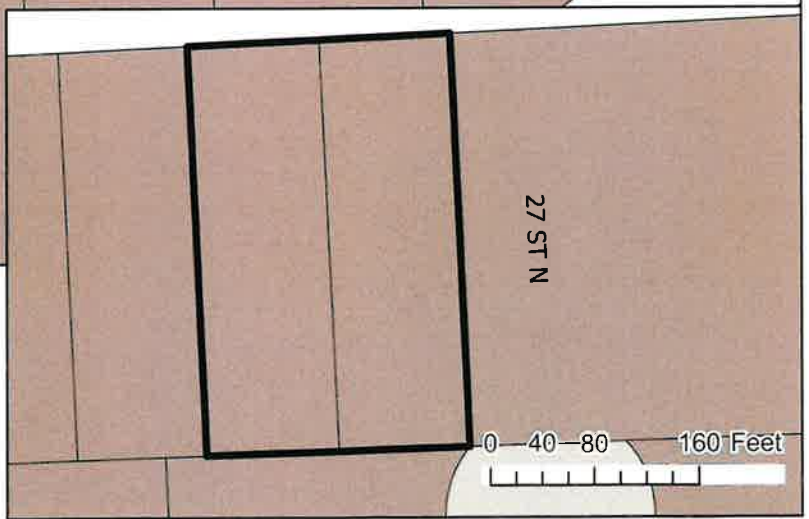
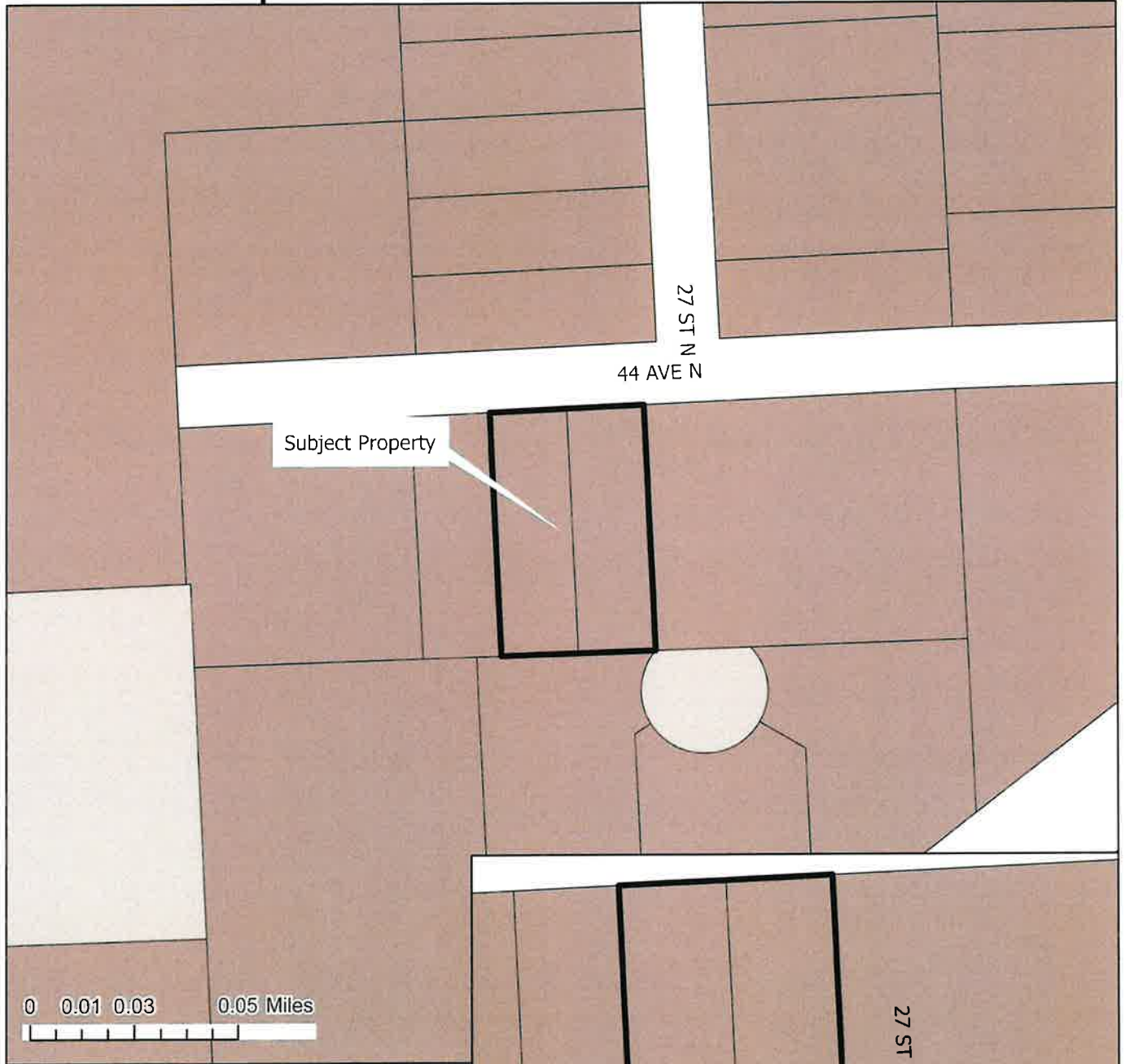
**Legend**

 City Limit



# Minor Subdivision

## Jerstad Thompson Second Subdivision 2722 and 2748 44th Avenue North



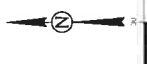
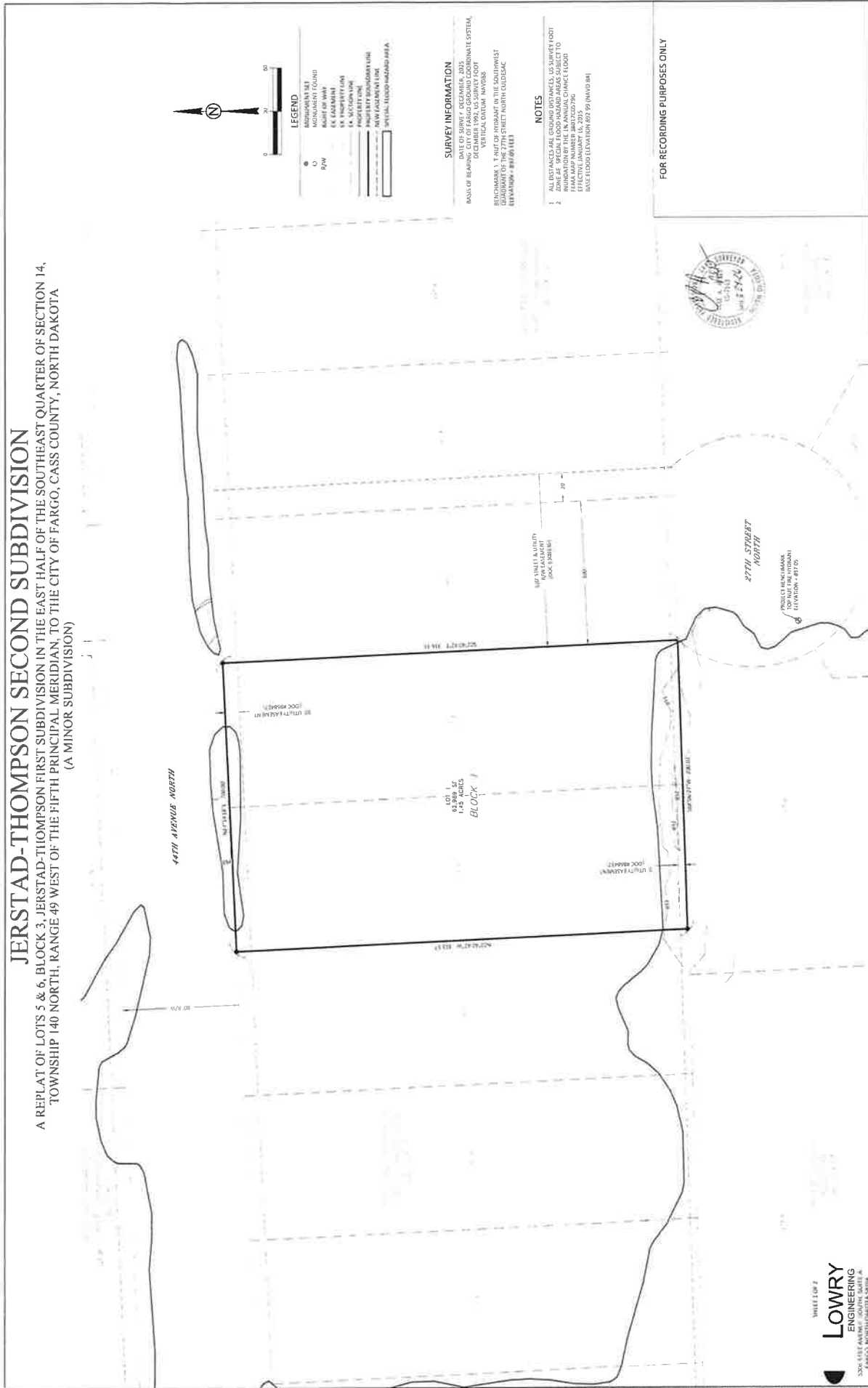
### Legend

AG	LC	MR-3	SR-3
DMU	LI	NC	SR-4
GC	MHP	NO	SR-5
GI	MR-1	P/I	UMU
GO		SR-2	City Limit



# JERSTAD-THOMPSON SECOND SUBDIVISION

A REPLAT OF LOTS 5 & 6, BLOCK 3, JERSTAD-THOMPSON FIRST SUBDIVISION IN THE EAST HALF OF THE SOUTHEAST QUARTER OF SECTION 14, TOWNSHIP 140 NORTH, RANGE 49 WEST OF THE FIFTH PRINCIPAL MERIDIAN, TO THE CITY OF FARGO, CASS COUNTY, NORTH DAKOTA (A MINOR SUBDIVISION)



**LEGEND**

- APPROXIMATE MET
- ALIGNMENT FOUND
- RIGHT OF WAY
- EASEMENT
- UTILITY LINE
- SECTION LINE
- PROPERTY BOUNDARY
- PROJECT BENCHMARK
- PROJECT BENCHMARK
- SPECIAL FLOOD HAZARD AREA

**SURVEY INFORMATION**  
 CONDUCTED BY: [Name]  
 DATE: [Date]  
 BASIS OF BEARING: U.S. SURVEY FOOT  
 VERTICAL DATUM: NAVD83  
 HORIZONTAL DATUM: NAD83  
 ELEVATION: [Value]

**NOTES**

- ALL DISTANCES ARE GEODETIC DISTANCES, US SURVEY FOOT.
- ZONE 24 SPECIAL FLOOD HAZARD AREAS SUBJECT TO FLOODING AS SHOWN ON THE FLOOD INSURANCE FLOOD POLICY MAP, EFFECTIVE JANUARY 15, 2015. BASE FLOOD ELEVATION: 692.99 (NAVD 84)

FOR RECORDING PURPOSES ONLY



LOWRY ENGINEERING  
 500 45TH AVENUE SOUTH, SUITE A  
 FARGO, NORTH DAKOTA 58103



AGREEMENT

(Proximity of Airport, Noise Attenuation and Sewage Lagoons)

THIS AGREEMENT, Made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2026, by and between Prime Investments, LLC (Lot 1, Block 1) , hereinafter referred to as "Owner," and CITY OF FARGO, A NORTH DAKOTA MUNICIPAL CORPORATION, hereinafter referred to as the "City".

WITNESSETH:

WHEREAS, the Owner is the record owner of a tract of land located in Cass County, North Dakota, said tracts being more particularly described hereinafter; and,

WHEREAS, said tract is located within the City of Fargo; and

WHEREAS, Owner has made a development request of the City for a subdivision and,

WHEREAS, the Board of City Commissioners of the City have approved a subdivision to effect such change upon the condition that the Owner and Owners' successors in interest be bound to a covenant acknowledging the proximity of Hector International Airport and the City's sewage lagoons to Owners' property; and,

WHEREAS, Owner is willing to execute and to have recorded an agreement wherein Owner recognizes the proximity of said facilities in regard to all of the property owned or to be owned by the Owner hereinafter described and including all other terms mentioned above; and,

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth, IT IS HEREBY AGREED as follows:

1. The subject of this Agreement, and the covenant herein, is the Owners' property, situate in the County of Cass and State of North Dakota, more fully described as:

Lots 1, Block 1, Jerstad-Thompson Second Subdivision to the city of Fargo.

[hereinafter referred to as the "Subject Property"]

2. As a condition of City's approval of said platting and zoning, Owner does hereby covenant and agree with the City that said Owner will never institute any suit or action at law or otherwise against the City, nor institute, prosecute or in any way aid in the institution or prosecution of any claim, demand, action or cause of action for damages, costs, loss of service, expenses or compensation against the City for or on account of any damage, loss or injury either to person or property, or both, resulting or which may result by reason of the use of the Subject Property in relation to the location and use of Hector International Airport and specifically for damages caused or allegedly caused by the noise of the take-off or landing of jet-propelled or other aircraft from the present runways or any future runways of the present Hector International Airport or for any other noise incidental to the operation of said airport; also from any vibration generated by said aircraft or from any pollutants or contaminants created from such aircraft usage, unless such actions or causes of actions, claims, demands, liabilities, losses, damages, or expenses are caused directly by commercially unreasonable or unlawful actions. This provision shall include the Municipal Airport Authority of the City of Fargo, as well as any subsequently formed regional airport authority that may be formed to operate the airport facilities. All parties agree that this provision and all of the terms and conditions of this Agreement shall be deemed to be covenants running with the land and shall be binding upon, inure to the benefit of, and be enforceable against all parties, and their respective successors, assigns, tenants, lessees, invitees, agents, heirs, executors, administrators, and personal representatives. The parties agree that this provision and Agreement shall be binding upon all future owners, lessees, tenants, and users of the Subject Property.

3. Prime Investments, LLC agrees that they will at all times indemnify City, and hold and save the City harmless from and against any and all actions or causes of actions, claims, demands, liability, loss, damage, or expense of whatsoever kind and nature, including counsel or attorney's fees, which the City shall or may at any time sustain or incur by reason or in consequence of the use of the Subject Property for any lawful purposes and specifically for any damages caused or allegedly caused to the Subject Property by the noise of the take-off or landing

of jet-propelled or other aircraft from the present runway or any future runways of the present Hector International Airport or for any other noise incidental to the operation of said airport, or which the City may sustain or incur in connection with any litigation, investigation or other expenditures incident to such use of the Subject Property, including any suit instituted to enforce the obligations of this agreement of indemnity, and Prime Investments, LLC agree to pay to City all sums of money, with interest, which the City shall or may pay or cause to be paid, or become liable to pay, on account of or in connection with such use of the Subject Property, unless such actions or causes of actions, claims, demands, liabilities, losses, damages, or expenses are caused directly by commercially unreasonable or unlawful actions. This provision shall include the Municipal Airport Authority of the City of Fargo, as well as any subsequently formed regional airport authority that may be formed to operate the airport facilities.

4. Paragraphs two (2) and three (3) above shall also apply in all regards to the sewage lagoons owned by the City of Fargo and specifically concerning any odors emanating from said lagoons.

5. Owner agrees that this agreement shall be recorded on the above-described property and specifically agrees that the following covenants shall apply to the above-described property:

#### FAIR DISCLOSURE STATEMENT

Sewage Lagoons – The tract of land hereby conveyed and legally described lies within the vicinity of certain sewage lagoons owned and maintained by the City of Fargo and may be impacted by odors emanating from said lagoons. The level of usage of said lagoons may vary, from time to time, so that at times the lagoons are “dry” and at other times the lagoons may contain sewage for treatment purposes and that, as a result, there may be no appreciable odor emanating from the lagoons and at other times there may be an appreciable odor emanating from the lagoons.

Airport -- The tract of land hereby conveyed and legally described lies within the vicinity of Hector International Airport and may be impacted by noise associated with the operations of said airport including noise from the take-off or landing of jet propelled or other aircraft from the present runways or any future runways of the present Hector International Airport or for any other noise incidental to the operation of said airport; or from any vibration generated or from any pollutants or contaminants created from such aircraft usage. The airport normally operates seven days per week throughout the entire year and is open for flight operation at all hours. The present level of operations will continue and expand for the foreseeable future.

The noise rating of this tract, due to airport operations at the above-named airport according to the Noise Evaluation and Land Use Compatibility Study (1990-91) is above 65 in the DNL rating system.

The United States Department of Housing and Urban Development (HUD), Circular 1390.2 of 4 August 1971, Subject: Noise Abatement and Control: Departmental Policy, Implementation Responsibilities, and Standards, as well as any subsequent or replacement provisions established the following external noise exposure standards for the new construction of residential and other noise sensitive utilization:

Airport Environs

Land Zone	Site Suitability Classification
Above 75	Clearly unacceptable
65-75	Discretionary: Normally unacceptable
Below 65	Clearly acceptable

These site suitability classifications are further defined by HUD as:

1. Clearly unacceptable: The noise exposure at the site is so severe that construction costs to make the indoor environment acceptable for the performance of activities would be prohibitive. (Residential areas: the outdoor environment would be intolerable for normal residential use.)

2. Normally unacceptable: The noise exposure is significantly more severe so that unusual and costly building constructions are necessary to ensure adequate performance of activities. (Residential areas: barriers must be erected between the site and prominent noise sources to make the outdoor environment tolerable.)

3. Clearly acceptable: The noise exposure is such that the activities associated with the land use may be carried out with essentially no interference from aircraft noise. (Residential areas: both indoor and outdoor noise environments are pleasant.)

Certification

The undersigned purchaser of said tract of land, certifies that (s)he (they) has (have) read the above statement and acknowledge(s) the preexistence of the airport named above and the right of said airport to continue to operate and also recognizes the City of Fargo sewage lagoon existence.



Owner

In the event Owner does not include the foregoing statement in the purchase agreement or deed, it shall, nonetheless, constitute a covenant and restriction running with the land and shall bind any future owner to recognition of the herein referenced facts.

6. This Agreement shall be binding upon the heirs, executors, administrators and assigns of the parties hereto and shall constitute a covenant running with the property described hereinbefore.

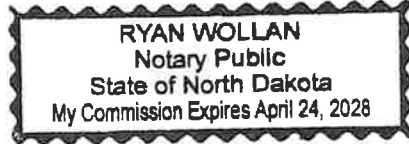
IN WITNESS WHEREOF, the parties hereto have hereunto set their hands the day and year first above written.

*(Signature pages to follow.)*

OWNER:  
DEAN R. SLOTTEN TRUST

DEAN SLOTTEN, Contract for Deed Vendor  
Owner of all Lots and Blocks

STATE OF NORTH DAKOTA     )  
  ) ss.  
COUNTY OF CASS             )



On this 16<sup>th</sup> day of MARCH, 2026, before me, a notary public within and for said county and state, personally appeared **DEAN SLOTTEN, CONTRACT FOR DEED VENDOR**, to me known to be the persons described in and that executed the foregoing instrument, and acknowledged to me that they executed the same.

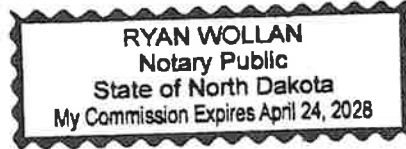
  
Notary Public

(SEAL)

OWNER:  
PRIME INVESTMENTS, LLC

  
\_\_\_\_\_  
DYLAN SLOTTEN, Contract for Deed Vendee  
Owner of all Lots and Blocks

STATE OF NORTH DAKOTA    )  
  ) ss.  
COUNTY OF CASS            )



On this 10<sup>TH</sup> day of APRIL, 2026, before me, a notary public within and for said county and state, personally appeared **DYLAN SLOTTEN, CONTRACT FOR DEED VENDEE**, to me known to be the persons described in and that executed the foregoing instrument, and acknowledged to me that they executed the same.

  
\_\_\_\_\_  
Notary Public

(SEAL)





22

**Water Treatment Plant**  
435 14th Avenue South  
Fargo, ND 58103  
Office: 701.241.1469 | Fax: 701.241.8110  
[www.FargoND.gov](http://www.FargoND.gov)

June 3, 2026

Honorable Board of City Commissioners  
City of Fargo  
225 4th Street North  
Fargo, ND 58102

**Subject: Bid Award – Project WA2513 – Water Service Line Replacement (Bid 2026-10)**

Dear Commissioners:

I am recommending Bid Award for Project WA2513 to Johnson & Schock Excavating, LLC to complete approximately 46 water service line replacements. The bid cost is \$439,814.00. This is a bid award recommendation for our Lead Service Line Replacement (LSLR) program, that began this spring. Attached is an award recommendation letter from Houston Engineering, a spreadsheet with bid results, and the Notice of Award. We had three (3) bids opened for this project.

Through the North Dakota Drinking Water State Revolving Fund (DWSRF), the City of Fargo will receive 66.5% grant funding for this construction. The remaining 33.5% will be paid through a DWSRF loan with 0.5% interest. Principal and Interest payments may begin in about 2030. LSLR is on the Water Utility Capital Improvement Plan (CIP) and in the Water Utility Financial Model.

Your consideration is greatly appreciated in this matter.

Sincerely,

Troy B. Hall  
Water Utility Director

**RECOMMENDED MOTION: Approve Bid Award for Project WA2513 to Johnson & Schock Excavating, LLC to complete water service line replacement in the amount of \$439,814.00.**



Fargo Office

701.237.5065

1401 21<sup>st</sup> Avenue North  
Fargo, ND 58102

**NOTICE OF AWARD**

**WATER SERVICE REPLACEMENT PROJECT 2026-10  
FARGO, ND**

May 27<sup>th</sup>, 2026

Troy Hall  
Water Utility Director  
City of Fargo Water Treatment Plant

**Subject: Water Service Replacement Project 2026-10 Notice of Award**

Dear Troy:

Regarding the bids opened on 5/27/2026 for the project known as Water Service Replacement Project 2026-10, please see the attached bid tabulation. The low aggregate bidder was Johnson & Schock Excavating, LLC.

The bidder provided the necessary bid attachments, including:

1. Required Bid Security.
2. Contractor's License.
3. MBE/WBE Subcontractor Solicitation Information Form.
4. Certification Regarding Debarment, Suspension, and Other Responsibilities Form.
5. Acknowledgement of Addenda (Downloaded on Quest CDN).

Therefore, it is the Engineer's recommendation to award the Project as shown in the attached Notice of Award. Upon the Commission's approval of the Notice of Award, it will be provided to the Contractor with instructions to complete the attached Agreement. Once the Contractor completes the required documentation submittals and returns the signed Agreement, the Engineer will share the Agreement with the City for final acceptance and signature.

Please let me know if you have any questions.

Sincerely,  
HOUSTON ENGINEERING, INC.

A handwritten signature in blue ink, appearing to read 'Dan E. Korf', is written over a horizontal line.

Dan Korf, PE, CFM  
Direct: 701.499.9455  
dkorf@houstoneng.com

Section Title	Line Item	Item Code	Item Description	UoM	Quantity	Johnson & Schock Excavating		PRECISION PLUMBING HEATING AND DIRTWORKS		Dirt Dynamics	
						Unit Price	Extension	Unit Price	Extension	Unit Price	Extension
Base Bid Items	1	SPECIAL	Site Mobilization	EA	45	\$300.00	\$402,154.00	\$2,450.00	\$112,700.00	\$2,000.00	\$729,955.00
	2	SPECIAL	Public Water Service, Bored or Pulled, 1" Dia Water Service	LF	99	\$120.00	\$13,800.00	\$120.00	\$11,880.00	\$210.00	\$20,790.00
	3	SPECIAL	Private Water Service, Bored or Pulled, 1" Dia Water Service	LF	1975	\$115.00	\$227,125.00	\$237.000.00	\$237,000.00	\$210.00	\$414,750.00
	4	1400-PWS	Public Water Service, 8" Pipe 1" Dia Water Service	LF	25	\$1.00	\$25.00	\$110.00	\$2,750.00	\$210.00	\$5,250.00
	5	1400-PWS	Private Water Service, 8" Pipe 1" Dia Water Service	LF	198	\$1.00	\$198.00	\$105.00	\$20,790.00	\$210.00	\$41,580.00
	6	1400-RWZ	Rem & Repl CS & Box 1" Dia	EA	1	\$1,400.00	\$1,400.00	\$3,100.00	\$3,100.00	\$3,000.00	\$3,000.00
	7	1400-SH2	Connect Water Service	EA	1	\$2,500.00	\$2,500.00	\$7,000.00	\$7,000.00	\$3,000.00	\$3,000.00
	8	1400-SY2	Eliminate Water Service	EA	1	\$1,400.00	\$1,400.00	\$5,500.00	\$5,500.00	\$3,000.00	\$3,000.00
	9	SPECIAL	Connect Water Service to Meter	EA	46	\$1,800.00	\$82,800.00	\$100.00	\$4,600.00	\$1,000.00	\$46,000.00
	10	SPECIAL	Site Restoration	SY	460	\$50.00	\$23,000.00	\$59.50	\$27,370.00	\$100.00	\$46,000.00
	11	1100-0010	Traffic Control	LS	1	\$2,000.00	\$2,000.00	\$1,500.00	\$1,500.00	\$5,000.00	\$5,000.00
	12	2100-RWG	Rem & Repl Curb & Gutter	LF	12	\$100.00	\$1,200.00	\$500.00	\$6,000.00	\$200.00	\$2,400.00
	13	2300-AWZ	Rem & Repl Pavement 7" Thick Reinf Conc	SY	18	\$110.00	\$1,980.00	\$1,800.00	\$16,000.00	\$220.00	\$3,960.00
	14	2300-AWZ	Rem & Repl Sidewalk 4" Thick Reinf Conc	SY	78	\$87.00	\$7,566.00	\$500.00	\$39,000.00	\$150.00	\$11,700.00
	15	2300-DWZ	Rem & Repl Driveway 6" Thick Reinf Conc	SY	25	\$100.00	\$2,500.00	\$750.00	\$18,750.00	\$175.00	\$4,375.00
	16	SPECIAL	Sanitary Sewer Service Televising	EA	92	\$250.00	\$23,000.00	\$130.00	\$11,960.00	\$300.00	\$27,600.00
Contingency Bid Items	17	SPECIAL	Water Meter Relocation	LF	230	\$20.00	\$37,600.00	\$40.00	\$9,200.00	\$50.00	\$13,800.00
	18	SPECIAL	Primary Electrical Grounding Systems Installation	EA	12	\$990.00	\$11,760.00	\$1,000.00	\$12,000.00	\$1,500.00	\$18,000.00
	19	SPECIAL	Reconnection of Water Service Electrical Jumper Cable	EA	34	\$450.00	\$15,300.00	\$500.00	\$17,000.00	\$300.00	\$10,200.00
	20	SPECIAL	Sewer Service Repair	EA	12	\$500.00	\$6,000.00	\$500.00	\$6,000.00	\$1,500.00	\$18,000.00
Base Bid Total:							\$439,814.00		\$570,100.00		\$789,955.00

