



Dakota County

Board of Commissioners

Agenda

Tuesday, November 18, 2025

9:00 AM

Boardroom, Administration Center,
Hastings, MN

View Live Broadcast

<https://www.co.dakota.mn.us/Government/BoardMeetings/Pages/default.aspx>

If you wish to speak to an agenda item or an item not on the agenda, please notify the Clerk to the Board via email at CountyAdmin@co.dakota.mn.us
Commissioners may participate in the meeting by interactive technology.

1. **Call to Order and Roll Call**
2. **Pledge of Allegiance**
3. **Audience**

Anyone wishing to address the County Board on an item not on the agenda, or an item on the consent agenda may notify the Clerk to the Board and instructions will be given to participate during the meeting. Comments can be sent to CountyAdmin@co.dakota.mn.us
Verbal Comments are limited to five minutes.

4. **Agenda**

- 4.1 Approval of Agenda (Additions/Corrections/Deletions)

CONSENT AGENDA

5. **County Administration - Approval of Minutes**

- 5.1 Approval of Minutes of Meeting Held on November 4, 2025

6. **Items Recommended by Board Committee***

- 6.1 *Facilities Management* - Authorization To Award Bid And Execute Contract With Ebert Inc. To Provide General Contractor Services For Recycling Zone Plus Project
 - 6.2 *Parks* - Approval Of Schematic Design For Mississippi River Landing Use Area And Access In Spring Lake Park Reserve

6.3 *Human Resources* - Adoption Of 2026 Merit Compensation Policy And Plan Provisions

6.4 *Human Resources* - Adoption Of 2026 Unclassified Employees Merit Compensation Policy And Plan

7. Central Operations

7.1 *Information Technology* - Authorization To Amend Contract With Sierra-Cedar, LLC For Enterprise Resource Planning Software Support And Implementation Services

7.2 *Finance* - Report On Invoices Paid In October 2025

8. County Board/County Administration

8.1 *Human Resources* - Approval Of Revisions To Policies 3182 Telework, 3241 Flex Leave, And 3242 Leaves Of Absence

9. Community Services

9.1 *Social Services-Children and Family Services* - Ratification Of Child Protection Opiate Epidemic Response Allocation From Minnesota Department Of Children, Youth, And Families And Amend 2025 Social Services Budget

9.2 *Social Services-Housing & Community Resources* - Authorization To Execute Contract With Dakota Woodlands For Emergency Shelter Services

10. Physical Development

10.1 *Environmental Resources* - Authorization For Second Amendment To Joint Powers Agreement With City Of Mendota Heights To Operate Residential Food Scraps Drop-Off Site

10.2 *Environmental Resources* - Certification Of Property Assessed Clean Energy Charges For Energy Improvements On Property In City Of Hastings

10.3 *Parks* - Authorization To Execute Amendment Three With Max Steininger, Inc., For Veterans Memorial Greenway Construction In Inver Grove Heights, County Project P00147

10.4 *Transportation* - Authorization To Submit 2025 Local Road Improvement Program Funding Applications for CSAH 47 Reconstruction and Concrete Paving, County Projects 47-047 & 47-048, and CSAH 46 Roadway Expansion, County Project 99-013

- 10.5** *Transportation* - Authorization To Initiate Quick-Take Condemnation For Replacement Of Four Retaining Walls Along County State Aid Highway 38 (McAndrews Road) From Garden View To Diamond Path In City Of Apple Valley, County Project 97-218
- 10.6** *Transportation* - Approval Of Final Plats Recommended By Plat Commission
- 10.7** *Physical Development Administration* - Ratification Of Quarterly Entitlement And Special Funding Requests To U.S. Department Of Housing And Urban Development
- 10.8** *Physical Development Administration* - Authorization To Execute Lease Agreement Between Dakota County And Pacifica Mall Burnsville LLC In Burnsville, Minnesota, For Burnhaven Library Renovation Project

11. Public Services and Revenue

- 11.1** *Library* - Authorize Library To Submit Grant Application For Burnhaven Library Outdoor Space
- 11.2** *Public Services and Revenue Administration* - Approval Of Application For Assemblage Of Large Number Of People License Submitted By Dakota Agricultural Society

REGULAR AGENDA

12. Physical Development

- 12.1** *Facilities Management* - Authorization To Execute Contracts With Perdomos Cleaning LLC, Triangle Services, Inc., And Kimbal Services Corporation, For Housekeeping Services At County Buildings

13. Closed Executive Session

- 13.1** *Human Resources* - Closed Executive Session: County Manager's Year-End Performance Review

14. Interagency Reports/Commissioner Updates

Association of Minnesota Counties (AMC)
Metropolitan Emergency Services Board
Minnesota Inter-County Association (MICA)
Metropolitan Mosquito Control District Commission
National Association of Counties (NACo)
Transportation Advisory Board (TAB)
Vermillion River Watershed Joint Powers Board
Workforce Development Board
Others

15. County Manager's Report**16. Information****16.1 Information**

See Attachment for future Board meetings and other activities.

17. Adjournment**17.1 Adjournment**

* Designates items discussed in Board Committee(s)

For more information, call 651-438-4417

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Public Comment can be sent to CountyAdmin@co.dakota.mn.us



Board of Commissioners

Request for Board Action

Item Number: DC-5075	Agenda #: 4.1	Meeting Date: 11/18/2025
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Approval of Agenda (Additions/Corrections/Deletions)



Board of Commissioners

Request for Board Action

Item Number: DC-5076	Agenda #: 5.1	Meeting Date: 11/18/2025
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Approval of Minutes of Meeting Held on November 4, 2025



Dakota County

Board of Commissioners

Minutes

Tuesday, November 4, 2025

9:00 AM

**Boardroom, Administration Center,
Hastings, MN**

1. Call to Order and Roll Call

Present: Commissioner Mike Slavik
Commissioner Joe Atkins
Commissioner Laurie Halverson
Commissioner William Droste
Commissioner Liz Workman
Commissioner Mary Liz Holberg
Commissioner Mary Hamann-Roland

Also in attendance were Heidi Welsch, County Manager; Kathryn M. Keena, County Attorney; Tom Donely, First Assistant County Attorney; and Jeni Reynolds, Sr. Administrative Coordinator to the Board.

Commissioner Atkins attended the meeting remotely via interactive technology.

2. Pledge of Allegiance

The meeting was called to order at 9:00 a.m. by Chair Slavik who welcomed everyone and opened the meeting with the Pledge of Allegiance.

3. Audience

Chair Slavik noted that all public comments can be sent to CountyAdmin@co.dakota.mn.us. No comments were received for this agenda.

4. Agenda

4.1 Resolution No: 25-517
Approval of Agenda (Additions/Corrections/Deletions)

Motion: Mary Hamann-Roland

Second: William Droste

The agenda was amended to remove Item 8.1 - Authorization To Amend 2025 County Board/Committee Of The Whole Meeting Schedule.

Ayes: 7

5. Public Hearing**5.1** Resolution No: 25-518
Public Hearing To Receive Comments And Adoption Of Dakota County 2026
Fee Schedules

Motion: Laurie Halverson

Second: William Droste

The time being 9:10 a.m. and pursuant to public notice, a public hearing was conducted to receive comments and Adoption of Dakota County 2026 fee schedules. Finance Audit Manager Lucas Chase briefed this item and the public hearing was opened. No one came forward with comments and no comments were received via email. The Public Hearing was closed at 9:11 a.m.

WHEREAS, Minn. Stat. § 373.41 authorizes the Dakota County Board to establish fees for various services provided to the public after holding a public hearing; and

WHEREAS, Dakota County desires to recover costs for services, except where an increase would adversely affect the use of a program or service; and

WHEREAS, notice of a public hearing on the recommended 2026 fee schedules was published from October 7, 2025, to November 4, 2025, on the Dakota County external website under Public Notices; and

WHEREAS, a public hearing was held on November 4, 2025, to receive comments on the 2026 Fee Schedules.

NOW, THEREFORE, BE IT RESOLVED, That the Dakota County Board of Commissioners hereby adopts the Dakota County 2026 fee schedules, as attached to this Board item.

Ayes: 7

CONSENT AGENDA

On a motion by Commissioner Hamann-Roland, seconded by Commissioner Workman, the Consent agenda was approved as follows:

6. County Administration - Approval of Minutes**6.1** Resolution No: 25-519
Approval of Minutes of Meeting Held on October 21, 2025

Motion: Mary Hamann-Roland

Second: Liz Workman

Ayes: 7

7. Central Operations

7.1 Resolution No: 25-520
Approval Of 2025 Dakota County Emergency Operations Plan And Authorization
To Execute Plan Approval Page

Motion: Mary Hamann-Roland

Second: Liz Workman

WHEREAS, the Dakota County Emergency Operations Plan (EOP) provides a comprehensive framework that outlines a coordinated response to emergencies and disasters within the County; and

WHEREAS, the EOP outlines an all-hazards approach providing the structure for emergency management operations, and describes the responsibilities, capabilities, and requirements across county departments, the cities and townships, response agencies, and partner organizations; and

WHEREAS, County Board approval of the EOP is required by HSEM once every four years to meet requirements within the Emergency Management Preparedness Grant (EMPG) program; and

WHEREAS, the County Board must also authorize the County Board Chair, County Manager, and County Emergency Manager to sign the Plan Approval page; and

WHEREAS, staff has completed an update of the 2025 Dakota County Emergency Operations Plan (EOP) in accordance with the Minnesota Department of Public Safety, Division of Homeland Security and Emergency Management (HSEM), and the Federal Emergency Management Agency guidelines.

NOW, THEREFORE, BE IT RESOLVED, That the Dakota County Board of Commissioners hereby approves the 2025 Dakota County Emergency Operations Plan; and

BE IT FURTHER RESOLVED, That the County Board Chair, the Sheriff, and the County Manager are hereby authorized to sign the plan approval page.

Ayes: 7

8. County Board/County Administration

8.1 Authorization To Amend 2025 County Board/Committee Of The Whole Meeting
Schedule

This item was removed from the agenda. No action was taken.

BE IT RESOLVED, That the Dakota County Board of Commissioners hereby schedules a Regional Railroad Authority meeting on November 18, 2025, 9:30 a.m. (or following County Board), Boardroom, Administration Center, 1590 Highway 55, Hastings, MN; and

BE IT FURTHER RESOLVED, That the Dakota County Board of Commissioners

hereby schedules a General Government and Policy Committee of the Whole meeting on November 18, 2025, 10:00 a.m. (or following the Regional Railroad Authority meeting), Conference Room 3A, Administration Center, 1590 Highway 55, Hastings, MN; and

BE IT FURTHER RESOLVED, That the Dakota County Board of Commissioners hereby schedules a Budget Workshop on November 18, 2025, 10:30 a.m. (or following the General Government and Policy Committee of the Whole), Conference Room 3A, Administration Center, 1590 Highway 55, Hastings, MN.

8.2 Resolution No: 25-521

Adoption Of 2026 Legislative Priorities And Updated Platform

Motion: Mary Hamann-Roland

Second: Liz Workman

WHEREAS, the Minnesota Legislature will convene its 2026 session on February 17, 2026; and

WHEREAS, the interests of Dakota County and its citizens will be directly affected by the decisions of the 2026; and

WHEREAS, the General Government and Policy Committee of the Whole reviewed items for inclusion in Dakota County's 2026 Legislative Priorities.

NOW, THEREFORE, BE IT RESOLVED, That the Dakota County Board of Commissioners hereby adopts the following legislative priorities:

Policy Priorities:

- Human services modernization
 - Solve immediate issues created by new federal requirements, reduce errors and fight fraud.
 - Get on track to replace outdated, disparate systems with a modern system with centralized core functions.
- Human services cost shifts
 - The State of Minnesota should absorb SNAP federal cost shifts.
- Housing support operations management allocation
 - Allow provider agencies, including counties, to set aside a portion of Housing Support funds to pay for their administrative work.
- Crisis mental health services.
 - The legislature should create a long-term funding plan to ensure sustainability of the mental health system in Minnesota.
 - While a long-term funding is being developed, the legislature should provide a direct appropriation to Dakota County to support and expand its existing, critical services.

Capital Priorities:

- County Road 50 and Interstate 35 interchange
 - County Road 50 safety and pedestrian improvements
 - Transportation improvements for construction detour

- Lebanon Hills and Lake Byllesby campground buildings and beach house replacement
 - County Road 46 expansion from Trunk Highway 3 to Trunk Highway 52
- ; and

BE IT FURTHER RESOLVED, That the Dakota County Board of Commissioners hereby adopts the updated Legislative Platform.

Ayes: 7

9. Community Services

9.1 Resolution No: 25-522

Authorization To Execute Contract With Minnesota Labs For Community-Based Drug Testing Services

Motion: Mary Hamann-Roland

Second: Liz Workman

WHEREAS, the work of Children and Family Services requires access to community-based services for children, youth, and families, whether in addressing child protection issues, children's mental health needs, truancy, or youth transitioning from the foster care system; and

WHEREAS, the Minnesota Comprehensive Children's Mental Health Act, specifically Minn. Stat. § 245.4874, subd. 1, requires county boards to develop a system of affordable and locally available children's mental health services based on a local service delivery system detailed in Minn. Stat. § 245.4875, subd. 2; and

WHEREAS, the juvenile protection provisions of the Juvenile Court Act, Minn. Stat. § 260C, reference child protection case plan services and the need for county social services agencies to provide support and services to prevent out-of-home placement, and to assist in family reunification following children being in out-of-home placement; and

WHEREAS, Children and Family Services contracts for supportive services that address the needs of children, youth, and families based on the concerns that brought them to Social Services; and

WHEREAS, Social Services requires research-supported testing for exposure to alcohol and other drugs on children, youth, and adults; and

WHEREAS, on September 2, 2025, staff issued a request for proposals for Community-Based Drug Testing Services; and

WHEREAS, a review committee from the Social Services team reviewed and scored the proposals; and

WHEREAS, staff recommends executing a contract with Minnesota Labs for Community-Based Drug Testing Services for the term and the amount listed

below:

- Term of contract: date of execution through December 31, 2026
- Not to exceed (NTE) amount: \$200,000 (NTE amount is the same as previous contract period)
- Funding source: County Levy
- In 2024, 429 clients were referred for testing.

NOW, THEREFORE, BE IT RESOLVED, That the Dakota County Board of Commissioners hereby authorizes the Community Services Director to execute a contract with Minnesota Labs for Community-Based Drug Testing services in a not to exceed amount of \$200,000 from the date of execution through December 31, 2026, subject to approval by the County Attorney's Office as to form; and

BE IT FURTHER RESOLVED, That the Community Services Director is hereby authorized to amend said contract, consistent with the amount budgeted, to alter the contract amount and the contract term up to one year after initial expiration date, consistent with County contracting policies, subject to approval by the County Attorney's Office as to form; and

BE IT FURTHER RESOLVED, That the contract shall contain a provision that allows the County to immediately terminate the contract in the event sufficient funds from county, state, or federal sources are not appropriated at a level sufficient to allow payment of the amount due.

Ayes: 7

9.2 Resolution No: 25-523

Authorization To Execute Joint Powers Agreement With Dakota County Community Development Agency For Family Voucher Administration Services

Motion: Mary Hamann-Roland

Second: Liz Workman

WHEREAS, in 2019, the Community Development Agency (CDA) established a pilot Levy Rent Assistance Program for families, a program designed to address system flow for residents at Dakota Woodlands by providing temporary tenant-based rental assistance to eligible households until they transition to the Housing Choice Voucher Program; and

WHEREAS, the CDA program sunset in June 2022 and due to the success of the pilot program, long waitlists for shelter and stagnation in flow out of shelter, Dakota County Social Services proposed utilizing the new Local Affordable Housing Aid (LAHA) funding to relaunch a Family Housing Voucher Program; and

WHEREAS, by Resolution No. 23-574 (December 19, 2023), the County Board authorized restarting the Family Voucher Program, formerly known as the CDA Levy Rent Assistance Program with funding from LAHA; and

WHEREAS, Dakota County Social Services has previously contracted with the

CDA to act as the rental assistance administrator for the program; and

WHEREAS, the CDA has succeeded as a vendor in this capacity; and

WHEREAS, under Minn. Stat. §471.59, subd.1, two or more governmental units may enter into an agreement to cooperatively exercise any power common to the contracting Parties, and one of the participating governmental units may exercise one of its powers on behalf of the other governmental units; and

WHEREAS, staff is requesting to enter into a joint powers agreement (JPA) with Dakota County CDA for family voucher administrative services in an amount not to exceed \$1,225,000 for the period January 1, 2026 through December 31, 2027; and

WHEREAS, Dakota County CDA served 29 households in 2025 and plans to increase households served to 34 per year in the next contract period; and

WHEREAS, this is a 22 percent increase in the amount of \$225,000 additional dollars in the two-year contract period.

NOW, THEREFORE, BE IT RESOLVED, That the Dakota County Board of Commissioners hereby authorizes the Community Services Director to execute a joint powers agreement with Dakota County Community Development Agency for family voucher administration services in a not to exceed amount of \$1,225,000 for the period of January 1, 2026 through December 31, 2027, subject to approval by the County Attorney's Office as to form.

Ayes: 7

9.3 Resolution No: 25-524

Authorization To Execute A Grant Amendment With Minnesota Department Of Employment And Economic Development And Contract Amendments For State Dislocated Worker Program Services

Motion: Mary Hamann-Roland

Second: Liz Workman

WHEREAS, the Workforce Innovation and Opportunity Act (WIOA) requires each Workforce Development Area (WDA) to submit an annual plan describing how employment and training services will be provided to eligible program participants; and

WHEREAS, by Resolution No. 25-299 (June 24, 2025), the Dakota County Board of Commissioners authorized execution of grant agreement with DEED to provide State Dislocated Worker Program services in the amount of \$662,657 and execution of contracts with DEED Job Service and HIRED in an amount not to exceed \$100,000 for each contract for the period July 1, 2025 through June 30, 2026; and

WHEREAS, on October 24, 2025, the Dakota-Scott Workforce Development Board approved the execution of the grant amendment with DEED to add an

additional amount of \$738,230 (\$559,578 Dakota County; \$178,652 Scott County) for a new not to exceed total of \$1,400,887; and

WHEREAS, this allocation is a decrease of 0.4% from last year's grant allocation; and

WHEREAS, staff recommends authorization to execute a grant amendment with DEED to add \$738,230 to the current grant agreement of \$662,657 for a new not to exceed amount of \$1,400,877 and execute contract amendments with DEED Job Service and HIRED to add an additional \$100,000 to each contract for a new not to exceed amount of \$200,000 for each contract for the period of July 1, 2025 through June 30, 2027.

NOW, THEREFORE, BE IT RESOLVED, That the Dakota County Board of Commissioners hereby authorizes the Community Services Director to execute a grant amendment with DEED to add \$738,230 for a new not to exceed grant amount of \$1,400,877 for the period of July 1, 2025 through June 30, 2027, subject to approval by the County Attorney's Office as to form; and

BE IT FURTHER RESOLVED, That the Dakota County Board of Commissioners hereby authorizes the Community Services Director to execute a contract amendment with DEED Job Service in an amount not to exceed \$200,000 and with HIRED in an amount not to exceed \$200,000 for the period of July 1, 2025 through June 30, 2027, subject to approval by the County Attorney's Office as to form; and

BE IT FURTHER RESOLVED, That unless the grant program requirements change, the Community Services Director is hereby authorized to amend the grant to extend the grant term up to two years after initial expiration date, accept additional grant funds, and continue grant-funded full-time equivalents, consistent with County contracting policies, and inclusion of grant funds in future yearly Recommended and Approved Budgets, subject to approval by the County Attorney's Office as to form; and

BE IT FURTHER RESOLVED, That the Community Services Director is hereby authorized to amend said contracts, consistent with the amount budgeted, to alter the contract amount and the contract term up to one year after initial expiration date, consistent with County contracting policies, subject to approval by the County Attorney's Office as to form; and

BE IT FURTHER RESOLVED, That the contracts shall contain a provision that allows the County to immediately terminate the contracts in the event sufficient funds from county, state, or federal sources are not appropriated at a level sufficient to allow payment of the amount due.

Ayes: 7

9.4 Resolution No: 25-525

Authorization To Submit Biennial Service Agreement, Accept Funds For Minnesota Family Investment Program With Minnesota Department Of Children, Youth, And Families, And Execute Contract With Avivo For Employment Services

Motion: Mary Hamann-Roland

Second: Liz Workman

WHEREAS, Minn. Stat. §142G.76, subd.4, requires counties to have an approved biennial service agreement (BSA) with the Minnesota Department of Children, Youth, and Families (DCYF) to receive consolidated funds; and

WHEREAS, the primary purpose of this service agreement is to assess statewide efforts toward the goal of “economic stability for low-income families” under Minnesota Family Investment Program (MFIP); and

WHEREAS, the agreement assesses the ongoing needs of families and children within program areas, the resources available to address these needs, budgeting of allocated resources, and community participation and review in the planning and development of the service agreement; and

WHEREAS, the 2026-2027 BSA builds upon existing efforts by counties to serve the needs of families and children, and to assess how well current efforts are leading to better outcomes for Minnesota families; and

WHEREAS, counties use the MFIP Consolidated Fund to administer MFIP financial assistance, the Diversionary Work Program (DWP), deliver MFIP and DWP employment services, and provide emergency assistance; and

WHEREAS, as required by law, Employment and Economic Assistance provided an opportunity for public comment through an online public posting on Dakota County’s website, available for comment for thirty days prior to the submission of the agreement to DCYF; and

WHEREAS, Dakota County did not receive any public comments as a result and the announcement closed for comments on October 30, 2025; and

WHEREAS, staff recommends authorization to submit the BSA for the period of January 1, 2026 through December 31, 2027, and accept funds for a total not to exceed amount of \$8,812,654 (\$4,406,327 for each year); and

WHEREAS, this is a decrease of \$232,796 (-2.6%) from the funding received in the prior biennium; and

WHEREAS, staff recommends authorization to execute a contract with Avivo for MFIP employment services in a not to exceed amount of \$1,390,406 for the period of January 1, 2026 through December 31, 2026; and

WHEREAS, this is an increase of \$190,406 (15.9%) from the prior year and is

increasing as individuals previously enrolled in DWP will now be moving to the MFIP program.

NOW, THEREFORE, BE IT RESOLVED, That the Dakota County Board of Commissioners hereby authorizes Dakota County to submit the Biennial Service Agreement for the period of January 1, 2026 through December 31, 2027, subject to approval by the County Attorney's Office as to form; and

BE IT FURTHER RESOLVED, That the Dakota County Board of Commissioners authorizes the Community Services Director to accept funds from the Minnesota Family Investment Program with the Minnesota Department of Children, Youth, and Families (DCYF) in an amount not to exceed \$8,812,654 for the period of January 1, 2026 through December 31, 2027; and

BE IT FURTHER RESOLVED, That unless the grant program requirements change, the Community Services Director is hereby authorized to amend the grant to extend the grant term up to two years after initial expiration date, accept additional grant funds, and continue grant-funded full-time equivalents, consistent with County contracting policies, and inclusion of grant funds in future yearly Recommended and Approved Budgets, subject to approval by the County Attorney's Office as to form; and

BE IT FURTHER RESOLVED, That the Dakota County Board of Commissioners hereby authorizes the Community Services Director to execute a contract with Avivo for Minnesota Family Investment Program employment services in a not to exceed amount of \$1,390,406 for the period of January 1, 2026 through December 31, 2026; and

BE IT FURTHER RESOLVED, That the Community Services Director is hereby authorized to amend said contract, consistent with the amount budgeted, to alter the contract amount and the contract term up to one year after initial expiration date, consistent with County contracting policies, subject to approval by the County Attorney's Office as to form; and

BE IT FURTHER RESOLVED, That the contract shall contain a provision that allows the County to immediately terminate the contract in the event sufficient funds from county, state, or federal sources are not appropriated at a level sufficient to allow payment of the amount due.

Ayes: 7

10. Physical Development

10.1 Resolution No: 25-526

Authorization To Execute Joint Powers Agreement With City Of Lakeville For Greenway And Trail Segment Maintenance

Motion: Mary Hamann-Roland

Second: Liz Workman

WHEREAS, by Resolution No. 11-517 (October 11, 2011), the Dakota County

Board of Commissioners adopted the North Creek Greenway Master Plan; and

WHEREAS, the City of Lakeville and Dakota County have constructed or reconstructed about 1.75 miles of the North Creek Greenway to Dakota County Greenway standards in 2024 and 2025; and

WHEREAS, it is mutually agreeable for the City of Lakeville and Dakota County to execute a maintenance agreement to define routine, deferred, and replacement responsibilities of the County's Greenway, site amenities and furnishings, vegetation, utilities, and structural infrastructure like bridges or tunnels; and

WHEREAS, Dakota County will reimburse the City of Lakeville annually for routine maintenance activities at an agreed-upon rate per mile of Greenway; and

WHEREAS, Dakota County will continue to perform routine trail inspections, graffiti removal, and routine, deferred, and replacement maintenance of Greenway infrastructure; and

WHEREAS, sufficient funds are available in the Asset Preservation set-aside and project.

NOW, THEREFORE, BE IT RESOLVED, That the Dakota County Board of Commissioners hereby authorizes the Physical Development Director, or their designee, to execute a Maintenance Agreement, as substantially presented, with the City of Lakeville for the North Creek Greenway that require routine and deferred maintenance, or replacement of Greenway Regional trail infrastructure according to the County's existing maintenance service standards, subject to approval by the County Attorney's Office as to form.

Ayes: 7

10.2 Resolution No: 25-527

Authorization To Execute Joint Powers Agreement With City Of Hastings For Greenway And Trail Segment Maintenance

Motion: Mary Hamann-Roland

Second: Liz Workman

WHEREAS, by Resolution No. 99-526 (September 21, 1999), the Dakota County Board of Commissioners adopted the Mississippi River Greenway Master Plan; and

WHEREAS, by Resolution No. 19-767 (October 29, 2019), the Dakota County Board of Commissioners adopted the Vermillion River Greenway Master Plan; and

WHEREAS, Dakota County has constructed or reconstructed about 4.4 miles of the Mississippi River Greenway to Dakota County Greenway standards in 2020 and 2021 and constructed or reconstructed about 2.1 miles of the Vermillion River Greenway in 2024 and 2025; and

WHEREAS, it is mutually agreeable for the City of Hastings and Dakota County to execute a maintenance agreement to define the routine, deferred, and replacement responsibilities of the County's Greenway, site amenities and furnishings, vegetation, utilities, and structural infrastructure like bridges or tunnels; and

WHEREAS, Dakota County will reimburse the City of Hastings annually for routine maintenance activities at an agreed-upon rate per mile of Greenway; and

WHEREAS, Dakota County will continue to perform routine trail inspections, graffiti removal, and routine, deferred, and replacement maintenance of Greenway infrastructure; and

WHEREAS, sufficient funds are available in the Asset Preservation Set-aside project.

NOW, THEREFORE, BE IT RESOLVED, That the Dakota County Board of Commissioners hereby authorizes the Physical Development Director, or their designee, to execute a Maintenance Agreement, as substantially presented, with the City of Hastings for the Mississippi River Greenway and Vermillion River Greenway that require routine and deferred maintenance, or replacement of Greenway Regional trail infrastructure according to the County's existing maintenance service standards, subject to approval by the County Attorney's Office as to form.

Ayes: 7

10.3 Resolution No: 25-528

Authorization To Execute Joint Powers Agreement With City Of Farmington For Greenway And Trail Segment Maintenance

Motion: Mary Hamann-Roland

Second: Liz Workman

WHEREAS, by Resolution No. 11-517 (October 11, 2011), the Dakota County Board of Commissioners adopted the North Creek Greenway Master Plan; and

WHEREAS, Dakota County has constructed or reconstructed about 1.2 miles of the North Creek Greenway to Dakota County Greenway standards in 2024 and 2025; and

WHEREAS, it is mutually agreeable for the City of Farmington and Dakota County to execute a maintenance agreement to define the routine, deferred, and replacement responsibilities of the County's Greenway, site amenities and furnishings, vegetation, utilities, and structural infrastructure like bridges or tunnels; and

WHEREAS, Dakota County will reimburse the City of Farmington annually for routine maintenance activities at an agreed-upon rate per mile of Greenway; and

WHEREAS, Dakota County will continue to perform routine trail inspections, graffiti removal, and routine, deferred, and replacement maintenance of Greenway infrastructure; and

WHEREAS, sufficient funds are available in the Asset Preservation Set-aside project.

NOW, THEREFORE, BE IT RESOLVED, That the Dakota County Board of Commissioners hereby authorizes the Physical Development Director, or their designee, to execute a Maintenance Agreement, as substantially presented, with the City of Farmington for the North Creek Greenway that require routine and deferred maintenance, or replacement of Greenway Regional trail infrastructure according to the County's existing maintenance service standards, subject to approval by the County Attorney's Office as to form.

Ayes: 7

10.4 Resolution No: 25-529

Authorization To Execute Consultant Contract With SRF Consulting Group, Inc., For Professional Services, And Amend 2025 Adopted Budget For County State Aid Highway 56 And 28 In City Of Inver Grove Heights, County Projects 56-14, And 28-69

Motion: Mary Hamann-Roland

Second: Liz Workman

WHEREAS, to support a safe and efficient transportation system, Dakota County and the City of Inver Grove Heights are advancing County Project (CP) 56-14 and CP 28-69; and

WHEREAS, CP 56-14 includes intersection, pedestrian crossing, and accessibility improvements along County State Aid Highway (CSAH) 56 from Chestnut Street in South St. Paul to Coffman Path in Inver Grove Heights; and

WHEREAS, CP 28-69 includes construction of a multi-use trail and crossing improvements along CSAH 28 from 500 feet east of Cahill Avenue to CSAH 56; and

WHEREAS, Dakota County is the lead agency for both projects; and

WHEREAS, by Resolution Nos. 22-354 (August 23, 2022), 23-149 (April 11, 2023), and 23-485 (October 24, 2024), the County Board authorized a contract and subsequent amendments with SRF Consulting Group, Inc. for design services related to CP 56-14 and CP 28-69; and

WHEREAS, the previous contract with SRF Consulting Group, Inc. expired on December 31, 2024, and a new contract is required to complete the projects; and

WHEREAS, the expired contract had a remaining balance of \$11,525.71, which may be used to help fund the new contract; and

WHEREAS, staff negotiated additional scope of services in the amount of \$175,376 with SRF Consulting Group, Inc., and recommend a new contract not to exceed \$186,902 to account for additional coordination and design needs; and

WHEREAS, a budget amendment is needed to execute the new contract.

NOW, THEREFORE, BE IT RESOLVED, That the Dakota County Board of Commissioners hereby authorizes the Physical Development Director to execute a contract with SRF Consulting Group, Inc. for engineering consulting services for County Projects 56-14 and 28-69, in an amount not to exceed \$186,902, subject to approval by the County Attorney's Office as to form; and

BE IT FURTHER RESOLVED, That the 2025 Capital Improvement Program budget is hereby amended as follows:

Expense

CP 56-14	\$ 80,145
CP 28-69	<u>\$ 95,231</u>
Total Expense	<u>\$175,376</u>

Revenue

CP 56-14 (Sales and Use Tax)	\$ 80,145
CP28-69 (Wheelage Tax)	\$ 17,927
CP28-69 (City)	<u>\$ 77,304</u>
Total Revenue	<u>\$175,376</u>

Ayes: 7

10.5 Resolution No: 25-530

Authorization To Execute Joint Powers Agreement With City Of Saint Paul Board Of Water Commissioners For City Utility Improvement Incorporation Into 2026 Preservation Projects On County State Aid Highway 73 In City Of West St. Paul, County Projects 73-044 And 73-045

Motion: Mary Hamann-Roland

Second: Liz Workman

WHEREAS, to provide a safe and efficient transportation system, Dakota County is proceeding with the 2026 Preservation of Paved Highway Surfaces; and

WHEREAS, included in the County's preservation work is an opportunity for coordination with city stakeholders to partner on any necessary utility repairs within the road segments being included; and

WHEREAS, Saint Paul Regional Water Services desires to incorporate water main repairs as part of County Projects 73-044 and 73-045; and

WHEREAS, County Project 73-044 is the mill and overlay of County State Aid Highway 73 from 980' North of County State Aid Highway 14 to County State Aid

Highway 8 in Saint Paul; and

WHEREAS, County Project 73-045 is the mill and overlay of County State Aid Highway 73 from County Road 4 to Annapolis Street East in Saint Paul; and

WHEREAS, the City of Saint Paul Board of Water Commissioners is the governing body of Saint Paul Regional Water Services; and

WHEREAS, a joint powers agreement between the County and the City of Saint Paul Board of Water Commissioners is necessary to outline roles, responsibilities, and cost participation; and

WHEREAS, the cost share for adjustments to city utilities needed for the County to perform pavement preservation work is 100 percent County in accordance with the cost share policies outlined in the 2040 Dakota County Transportation Plan; and

WHEREAS, the cost share for water main maintenance/improvements/repairs beyond what is needed for pavement preservation is 100 percent Saint Paul Regional Water Services; and

WHEREAS, the Draft 2026 Transportation Capital Improvement Program Budget includes sufficient funds to proceed with the 2026 Preservation of Paved Highway Surfaces, including the County's cost share for utility adjustments.

NOW, THEREFORE, BE IT RESOLVED, That the Dakota County Board of Commissioners hereby authorizes the Physical Development Director to execute a joint powers agreement between Dakota County and the City of Saint Paul Board of Water Commissioners for utility repair work associated with County Projects 73-044 and 73-045, which are included in the 2026 Preservation of Paved Highway Surfaces.

Ayes: 7

10.6 Resolution No: 25-531

Authorization To Execute Contract With Bolton And Menk, Inc., And Execute Joint Powers Agreement With City Of Burnsville For Design Of Roundabout At County State Aid Highway 32 And Interstate 35W East Frontage Road In Burnsville, County Project 32-113

Motion: Mary Hamann-Roland

Second: Liz Workman

WHEREAS, to provide a safe and efficient transportation system, Dakota County, in partnership with the City of Burnsville, is proceeding with County Project (CP) 32-113; and

WHEREAS, CP 32-113 includes the preliminary and final engineering design of a roundabout at County State Aid Highway (CSAH) 32 and Interstate 35 West (I-35W) East Frontage Road in Burnsville; and

WHEREAS, the Transportation Department sent a Request for Proposal (RFP) to five qualified professional consultants; and

WHEREAS, the proposals received were evaluated by County and City staff; and

WHEREAS, the proposal from Bolton and Menk, Inc. (BMI) provided the best value costs with the most complete response to the RFP, including project details, and the most comprehensive cost for all the services needed; and

WHEREAS, the Adopted 2025-2029 Transportation Capital Improvement Program Budget includes sufficient funding for CP 32-113 engineering consulting services; and

WHEREAS, the County Engineer recommends execution of a contract with BMI for engineering consulting services for CP 32-113 for actual costs not to exceed \$418,518; and

WHEREAS, the City's staff concurs with this recommendation; and

WHEREAS, a joint powers agreement with the City of Burnsville is necessary to establish project responsibilities and cost share.

NOW, THEREFORE, BE IT RESOLVED, That the Dakota County Board of Commissioners hereby authorizes the Transportation Director to execute a contract with Bolton and Menk, Inc., to perform engineering consulting services for County Project 32-113 in an amount not to exceed \$418,518, subject to approval by the County Attorney's Office as to form; and

BE IT FURTHER RESOLVED, That the Dakota County Board of Commissioners hereby authorizes the Physical Development Director to execute a joint powers agreement with the City of Burnsville, subject to approval by the County Attorney's Office as to form.

Ayes: 7

10.7 Resolution No: 25-532

Authorization To Execute Second Contract Amendment With Kimley-Horn And Associates, Inc., To Provide Final Design Engineering Services And Amend 2025 Capital Improvement Program Budget For Improvements To County State Aid Highway 42 In City Of Apple Valley, County Project 42-163

Motion: Mary Hamann-Roland

Second: Liz Workman

WHEREAS, to provide a safe and efficient transportation system, Dakota County is proceeding with County Project (CP) 42-163; and

WHEREAS, CP 42-163 is the preliminary and final engineering design of improvements to County State Aid Highway 42 in the city of Apple Valley from Redwood Drive to 147th Street and vicinity; and

WHEREAS, by Resolution No. 23-602 (December 19, 2023), the Dakota County Board of Commissioners authorized the execution of a design services contract with consultant Kimley-Horn and Associates, Inc. (Kimley-Horn) to perform preliminary and final design engineering services for a total contract amount not to exceed \$959,920; and

WHEREAS, the scope and scale of CP 42-163 have increased based on the need for total reconstruction, including significant underground work and coordination of the County's roadway project with the City of Apple Valley's (City) additional elements, including water and sewer utility work and anticipated City lighting preferences, to be led by the City; and

WHEREAS, by Resolution No. 25-048 (January 21, 2025), the Dakota County Board of Commissioners authorized the execution of Contract Amendment No. 1 for additional preliminary engineering services to be performed by Kimley-Horn, adding \$619,285 to the contract, resulting in a contract amount not to exceed \$1,579,205; and

WHEREAS, the cost of the additional out-of-scope and expanded work tasks, primarily for expanded final engineering design services, significant support to right of way work, and environmental professional services specified for Amendment No. 2 as work to be performed by Kimley-Horn is \$598,485, resulting in a new contract amount not to exceed \$2,177,690; and

WHEREAS, the County Engineer recommends executing the second contract amendment with Kimley-Horn for Contract Number DCA20482 for preliminary and final engineering of CP 42-163; and

WHEREAS, a project budget amendment is now needed to reconcile changes to the consulting services portion of the current 2025 project budget, including Contract Number DCA20482 Amendments 1 and 2, plus \$262,310 for services under seven contracts in real estate title research, appraisals, cultural resources, and specialty survey.

NOW, THEREFORE, BE IT RESOLVED, That the Dakota County Board of Commissioners hereby authorizes the Physical Development Director to amend the not-to-exceed contract value of \$1,579,205 for Contract Number DCA20482 with Kimley-Horn and Associates, Inc., for County Project 42-163 to a total contract amount not to exceed \$2,177,690, including reimbursables; and

BE IT FURTHER RESOLVED, That the 2025 Transportation Capital Improvement Program is hereby amended as follows:

Expense

Project 42-163	<u>\$1,480,080</u>
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Total Expense	\$1,480,080
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Revenue

City of Apple Valley	\$ 222,012
Transportation Sales Tax	<u>\$1,258,068</u>
Total Revenue	\$1,480,080

Ayes: 7

10.8 Resolution No: 25-533

Authorization To Execute Joint Powers Agreement With City Of West St. Paul For Design, Right Of Way Acquisition, And Construction Of Multi-Use Trail Along County State Aid Highway 8, County Project 08-035

Motion: Mary Hamann-Roland

Second: Liz Workman

WHEREAS, to promote a safe and efficient multi-modal transportation system, the County is partnering with the City of West St. Paul to conduct preliminary engineering, final design engineering, right-of-way acquisition and of a multi-use trail along County State Aid Highway (CSAH) 8 (Wentworth Avenue) between Robert Street and CSAH 73 (Oakdale Avenue), County Project 08-035; and

WHEREAS, Dakota County and the City of West St. Paul identified this trail gap as a priority for improving safety and access for pedestrians and bicyclists to destinations such as housing, retail, and transit; and

WHEREAS, Dakota County and the City of West St. Paul completed a feasibility study and preliminary design in 2025 to establish project parameters, costs, and right of way needs; and

WHEREAS, costs of final design, right of way acquisition, and construction will be shared 85 percent County funds and 15 percent City funds in accordance with adopted County Policy; and

WHEREAS, funding for final design and right of way acquisition services in 2025 and 2026 have been allocated to the project through the Transportation Trail Gap Set-aside fund; and

WHEREAS, the City of West St. Paul will be the lead agency for preliminary engineering, final design, right-of-way acquisition, and construction for the project; and

WHEREAS, a joint powers agreement with the City of West St. Paul is required to define responsibilities and cost share obligations through the construction of the project.

NOW, THEREFORE, BE IT RESOLVED, That the Dakota County Board of Commissioners hereby authorizes the Physical Development Director to execute a joint powers agreement with the City of West St. Paul to identify costs and responsibilities for final design, right of way acquisition, and construction in accordance with County policy for a multi-use trail along County State Aid Highway 8 in the City of West St. Paul, subject to approval by the County Attorney's Office as to form.

Ayes: 7

10.9 Resolution No: 25-534

Approval Of Final Plats Recommended By Plat Commission

Motion: Mary Hamann-Roland

Second: Liz Workman

WHEREAS, new subdivisions adjoining County highways are reviewed under the Dakota County Contiguous Plat Ordinance No. 108; and

WHEREAS, the Plat Commission examines plats prior to County Board approval; and

WHEREAS, the Plat Commission has reviewed and recommends approval of the final plats by the County Board; and

WHEREAS, the final plat approval by the County Board is subject to the conditions established by the Plat Commission review; and

WHEREAS, the following plats below require approval by their respective City Council prior to the recording of the plats.

NOW, THEREFORE, BE IT RESOLVED, That the Dakota County Board of Commissioners hereby approves the following final plats:

KYLA CROSSING 2ND ADDITION

Lakeville

Ayes: 7

11. Public Services and Revenue

11.1 Resolution No: 25-535

Scheduling Of Public Hearing To Receive Comments On 2026 Off Sale Intoxicating Liquor License Applications

Motion: Mary Hamann-Roland

Second: Liz Workman

WHEREAS, a public hearing is required for the purpose of receiving comments and informing the public on applications for off sale intoxicating liquor licenses; and

WHEREAS, a Notice of the public hearing will be given to all interested parties, Castle Rock Township Clerk, Randolph Township Clerk, and published in the County's Official Newspaper on November 20, 2025.

NOW, THEREFORE, BE IT RESOLVED, That the Dakota County Board of Commissioners hereby schedules a public hearing at 9:00 a.m. on December 2, 2025, in the Boardroom of the Administration Center, 1590 Highway 55, Hastings, Minnesota, to receive comments on all 2026 off sale intoxicating liquor license applications; and

BE IT FURTHER RESOLVED, That the Dakota County Public Service and Revenue Division is hereby directed to publish in the Official County Newspaper, notice of the public hearing and give notice to all interested parties and to any city located within three miles of the premises proposed to be licensed.

Ayes: 7

REGULAR AGENDA

12. Community Services

12.1 Resolution No: 25-536

Proclamation Of Operation Green Light For Veterans Week In Dakota County
November 4-11, 2025

Motion: Mary Hamann-Roland

Second: William Droste

Director of Veteran Services Lisa Thomas briefed this item and responded to questions.

WHEREAS, Dakota County Veterans Services has a long and proud history of serving our nation's service members, veterans, and their families, whose contributions and sacrifices, including placing themselves in harm's way, have been vital in maintaining the freedoms and way of life enjoyed by our citizens; and

WHEREAS, this legacy continues to this day as staff work with federal, state, and local partners to ensure that service members, veterans, and their families have access to the resources they need to thrive; and

WHEREAS, Operation Green Light for Veterans is an initiative that was started by a collaboration of public agencies in New York State to show support for those who have served their nation and connect them with benefits; and

WHEREAS, approximately 200,000 service members transition to civilian communities annually; and

WHEREAS, studies indicate that 44-72 percent of service members experience high levels of stress during transition from military to civilian life, and active military service members transitioning from military service are at a high risk for suicide during their first year after military service; and

WHEREAS, lighting up homes, businesses, and government buildings in green, the color that stands for "go" and symbolizes hope, renewal, and well-being, is a way to visibly show that the community honors the service and sacrifice of veterans, active military, and their families, and encourages veterans to reach out to their county veteran service officers; and

WHEREAS, while many veterans simply blend in with ordinary society when not in uniform, making it more difficult to honor those who served, Dakota County

wants them to know their sacrifice and that of their families is appreciated and believes specific recognition should be granted; and

WHEREAS, by Resolution No. 23-495 (October 24, 2023), the Dakota County Board of Commissioners proclaimed the week of November 6-12, 2023, as Operation Green Light for Veterans week and lit up County service centers to celebrate all veterans; and

WHEREAS, again, this year, the National Association of Counties (NACo) has embraced Operation Green Light nationally and is inviting counties across the United States to join Operation Green Light; and

WHEREAS, staff requests that the week of November 4-11, 2025, which includes the Veterans Day holiday, be proclaimed Operation Green Light week in Dakota County; and

WHEREAS, in observance of this proclamation, the Northern Service Center, Western Service Center, and Administration Center buildings will be lit up in green during this week; and

WHEREAS, staff will use inexpensive green filters with the building's existing lights to create the green light; and

WHEREAS, Dakota County residents and businesses are also encouraged to shine a green light, to let the military community know that they are seen, appreciated, and supported and their service to our nation is always present.

NOW, THEREFORE, BE IT RESOLVED, That the Dakota County Board of Commissioners proclaims November 4-11, 2025, as Operation Green Light for Veterans Week, a time to salute and honor the service and sacrifice of those who have served, are currently serving, and their families; and

BE IT FURTHER RESOLVED, That in observance of Operation Green Light, the Dakota County Northern Service Center, Western Service Center, and Administration Center will be lit in green from November 4-11, 2025, and residents and businesses are encouraged to also shine a green light to let the military community know that they are seen, appreciated, supported and their service to our nation is always present.

Ayes: 7

13. Central Operations

13.1 Resolution No: 25-537

Authorization To Execute Metropolitan Council Contract With Dakota County For Geospatial Data Formatting To Continue Dakota County Participation In MetroGIS

Motion: William Droste

Second: Mary Hamann-Roland

GIS Manager Joe Sapletal briefed this item and responded to questions.

WHEREAS, Minn. Stat. § 471.59 authorizes local governmental units to jointly or cooperatively exercise any power common to the contracting parties; and

WHEREAS, through the MetroGIS initiative, established in 1996, the seven metropolitan counties (hereafter “counties”), the Metropolitan Council (hereafter “Council”), and other interests have been working on regional and collaborative solutions to create, maintain, and distribute commonly needed geospatial (GIS) data; and

WHEREAS, in 1999, the MetroGIS Policy Board (hereafter “Board”) directed MetroGIS staff to develop a Business Plan to provide direction for future collaborations necessary to realize the MetroGIS vision; and

WHEREAS, the Metropolitan Council Board accepted a Business Plan for MetroGIS on June 14, 2000; and

WHEREAS, the Business Plan identified the need for the Council and the counties to collaborate to build regional GIS datasets for distribution to public sector stakeholders, such as state agencies, municipalities and watershed districts; and

WHEREAS, the counties subsequently entered into agreements with the Council to build regional GIS data sets; and

WHEREAS, in August 2020, the County entered into the current such agreement with the Council; and

WHEREAS, that agreement expires on December 31, 2025; and

WHEREAS, the new agreement shall commence on January 1, 2026, and remain in effect until December 31, 2028, with an option to be extended for a single, two-year term; and

WHEREAS, the County wishes to continue to participate in the MetroGIS collaborative; and

WHEREAS, under this agreement, the Metropolitan Council will provide \$4,000 per year to help cover costs of performing tasks defined in the agreement.

NOW, THEREFORE, BE IT RESOLVED, That the Dakota County Board of Commissioners hereby authorizes the Deputy County Manager to execute the Metropolitan Council Contract with Dakota County for Geospatial Data Formatting, subject to approval by the County Attorney’s Office as to form; and

BE IT FURTHER RESOLVED, That \$4,000 per year received from the Metropolitan Council under this agreement be deposited in the GIS Enterprise

Fund.

Ayes: 7

14. Interagency Reports/Commissioner Updates

Interagency reports and Commissioner updates were presented. Chair Slavik shared condolences to the family of Pete Zajec, the 15-year veteran and school resource officer with the Farmington Police Department that recently passed by suicide.

15. County Manager's Report

County Manager Heidi Welsch gave a brief update on the following:

- Thank you to Community Services staff for providing stability to those living in Dakota County during the Federal shutdown.
- The 2026 Dakota County Emergency Operations Plan was approved today on the consent agenda.
- On a recent tour of the Empire Transportation facility, let it be noted that the snow plow trucks are ready for this season!

16. Information

16.1 Information

See Attachment for future Board meetings and other activities.

17. Adjournment

17.1 Resolution No: 25-538

Adjournment

Motion: Mary Hamann-Roland

Second: William Droste

On a motion by Commissioner Hamann-Roland, seconded by Commissioner Droste, the meeting was adjourned at 9:35 a.m.

Ayes: 7

Mike Slavik
Chair

ATTEST

Heidi Welsch
County Manager



Board of Commissioners

Request for Board Action

Item Number: DC-4885

Agenda #: 6.1

Meeting Date: 11/18/2025

DEPARTMENT: Facilities Management

FILE TYPE: Consent Action

TITLE

Authorization To Award Bid And Execute Contract With Ebert Inc. To Provide General Contractor Services For Recycling Zone Plus Project

RESOLUTION

WHEREAS, the Facilities Capital Improvement Program (CIP) Adopted Budget authorized the Recycling Zone Plus project; and

WHEREAS, the Recycling Zone Plus facility will be a 19,765-square-foot facility providing space for the sorting of reuse products from household hazardous waste, sorting by hazard categories, packing, bulking, weighing, and safe storage of hazardous waste. After check-in, patrons will have the option to drop off scrap metal, paper/cardboard, and tires themselves and then either exit the site or proceed to a covered drop-off area where staff will receive materials, including batteries, oil, paints, fluorescent lamps, and other household chemicals and products; and

WHEREAS, Dakota County's and Scott County's existing household hazardous waste and recycling centers are insufficient to meet current and future needs. The two facilities properly manage almost seven million pounds of material per year from over 80,000 participants. Dakota County's facility already handles four times the capacity it was designed to accommodate, and Scott County's program growth is projected to be 325 percent by 2030; and

WHEREAS, a presentation of the schematic design work was shared for approval at the November 21, 2023, Physical Development Committee of the Whole Meeting; and

WHEREAS, bid documents and specifications were prepared by LHB and advertised on September 25, 2025; and

WHEREAS, bid documents were prepared by LHB, which included strategic alternates to provide options to the County Board for consideration; and

WHEREAS, eight competitive bids were received on October 16, 2025; and

WHEREAS, Ebert Inc. dba Ebert Companies, with a business address of 23350 Co Rd 10, Loretto, MN 55357, has submitted a bid of \$12,930,000 for the base bid, including Alternates No. 1, 3, 4a, 4b, and 4c; and

WHEREAS, staff and LHB reviewed the qualifications of the bidder and recommend award to Ebert

Inc. as the lowest responsive and responsible bidder, in an amount not to exceed \$12,156,000, including Alternates No. 3, 4a, and 4b for the Recycling Zone Plus project; and

WHEREAS, funding for the project is within the approved CIP Adopted Budget total of \$24,000,000.

NOW, THEREFORE, BE IT RESOLVED, That the Dakota County Board of Commissioners hereby authorizes the Facilities Management Director to execute a contract with Ebert Inc., 23350 Co Rd 10, Loretto, MN 55357, in an amount not to exceed \$12,156,000, for the Recycling Zone Plus project, subject to approval by the County Attorney's office as to form; and

BE IT FURTHER RESOLVED, That the Dakota County of Commissioners hereby award the bid and authorizes the Facilities Director to execute a contract with Ebert Corp for \$580,000, to construct a garage at the Recycling Zone Plus Facility (Alternate No. 4c); and

BE IT FURTHER RESOLVED, That the Dakota County of Commissioners hereby award the bid and authorizes the Facilities Director to execute a contract with Ebert Corp for \$194,000, to install additional photovoltaic capacity at the Recycling Zone Plus Facility (Alternate No. 1).



Board of Commissioners

Request for Board Action

Item Number: DC-4977

Agenda #: 6.2

Meeting Date: 11/18/2025

DEPARTMENT: Parks

FILE TYPE: Consent Action

TITLE

Approval Of Schematic Design For Mississippi River Landing Use Area And Access In Spring Lake Park Reserve

RESOLUTION

WHEREAS, by Resolution No. 21-313 (June 22, 2021), the Dakota County Board of Commissioners adopted the Spring Lake Park Reserve (SLPR) Masterplan, which outlines the development of the Mississippi River Landing Use Area and Access (MRLUA&A) project; and

WHEREAS, by Resolution No. 23-309 (July 18, 2023), the 2024 Parks Capital Improvement Program (CIP) Adopted Budget includes a project to design and construct the MRLUA&A project; and

WHEREAS, by Resolution No. 25-337 (July 8, 2025), SRF Consulting Group is selected to provide professional design for the project; and

WHEREAS, staff reviewed the initial concept with tribal partners virtually on September 2, 2025; and

WHEREAS, a public open house was held in person on September 30, 2025, and project materials were made available online for public comments; and

WHEREAS, schematic design was developed, incorporating the result of wetland delineation and archaeological shovel testing; and

WHEREAS, staff recommends that the County Board approve the schematic design for the MRLUA&A as presented by County staff on July 22, 2025.

NOW, THEREFORE, BE IT RESOLVED, That the Dakota County Board of Commissioners hereby approves the schematic design for the Mississippi River Landing Use Area and Access project as presented at the Physical Development Committee of the Whole on November 6, 2025.



Board of Commissioners

Request for Board Action

Item Number: DC-4992

Agenda #: 6.3

Meeting Date: 11/18/2025

DEPARTMENT: Human Resources

FILE TYPE: Consent Action

TITLE

Adoption Of 2026 Merit Compensation Policy And Plan Provisions

RESOLUTION

WHEREAS, market competitive compensation and pay policy administration are essential to effective and efficient government; and

WHEREAS, the 2025 Merit Compensation Policy and Plan provisions should be amended for application in 2026.

NOW, THEREFORE, BE IT RESOLVED, That the Dakota County Board of Commissioners hereby adopts the 2026 Merit Compensation Policy and Plan to include the following provisions:

- Non-union salary ranges increased 4.25 percent above 2025 non-union salary ranges.
 - The merit matrix provides for a combination of 0.0 percent to 8.25 percent base adjustments.
- ; and

BE IT FURTHER RESOLVED, That participating employees' 2026 salaries shall be established in the context of and consistent with these provisions; and

BE IT FURTHER RESOLVED, That the Human Resources Director is hereby authorized to update, edit and amend the 2025 Merit Compensation Policy and Plan for application in 2026.



Board of Commissioners

Request for Board Action

Item Number: DC-5002

Agenda #: 6.4

Meeting Date: 11/18/2025

DEPARTMENT: Human Resources

FILE TYPE: Consent Action

TITLE

Adoption Of 2026 Unclassified Employees Merit Compensation Policy And Plan

RESOLUTION

WHEREAS, market competitive compensation and effective pay policy administration are essential to effective and efficient government; and

WHEREAS, a Dakota County Pay Equity Compensation Structure has been established; and

WHEREAS, the County maintains a process by which Elected Officials' compensation is determined; and

WHEREAS, the Unclassified Employees' Merit Compensation Policy and Plan should be updated for application in 2026.

NOW, THEREFORE, BE IT RESOLVED, That the Dakota County Board of Commissioners hereby adopts, for application in 2026, the 2026 Unclassified Employees' Merit Compensation Policy and Plan:

- the 2026 Pay Equity Compensation Structure recommended to the Board of Commissioners for classified employees, applies to, and is the same for, unclassified employees; and
- the 2026 non-union Merit Matrix provides for five levels of performance with varying merit opportunity based upon performance levels for classified employees is the same and applies to unclassified employees; and
- The non-union 2026 merit matrix and salary ranges are included in the Unclassified Employee Merit Compensation Policy and Plan document for clarity.

; and

BE IT FURTHER RESOLVED, That the participants' calendar or payroll year 2026 salaries shall be established in the context of and consistent with this Plan; and

BE IT FURTHER RESOLVED, That the Human Resources Director is hereby authorized to amend the 2025 Unclassified Employees Merit Compensation Policy and Plan consistent with the above referenced 2026 provisions in Human Resources Policies and Procedures.



Board of Commissioners

Request for Board Action

Item Number: DC-4980

Agenda #: 7.1

Meeting Date: 11/18/2025

DEPARTMENT: Information Technology

FILE TYPE: Consent Action

TITLE

Authorization To Amend Contract With Sierra-Cedar, LLC For Enterprise Resource Planning Software Support And Implementation Services

PURPOSE/ACTION REQUESTED

Authorize the Deputy County Manager to amend the contract with Sierra-Cedar, LLC for Enterprise Resource Planning (ERP) software support and implementation services.

SUMMARY

On March 3, 2021, the County contracted with Sierra-Cedar, LLC to implement Oracle Fusion to manage its financial and human resources programs. The County went live with the Oracle Fusion on January 3, 2023. The contract allowed for eight weeks of post-go-live support and 600 additional hours of Sierra-Cedar, LLC consultant time.

Dakota County identified additional end of year and benefit administration consulting needs in July 2023. A Statement of Work was executed on August 3, 2023, for a total of \$86,000. On October 24, 2023, the County Board approved an additional \$20,300 for additional untested, unplanned needs for system design, bringing the total contract to \$106,300. On December 19, 2023, the County Board approved an additional \$20,000 for continued support for unplanned needs in Finance, bringing the total contract to \$126,300.

On March 21, 2024, Dakota County executed a contract amendment with Sierra-Cedar, LLC for an additional cost of \$30,236 for support and maintenance services as authorized by County Policy 2751, Section 3(e). On December 19, 2024, Dakota County executed a contract amendment with Sierra-Cedar, LLC for an additional cost of \$16,008 for support and maintenance services as authorized by County Policy 2751, Section 3(e). These two support and maintenance amendments brought the total not to exceed contract amount to \$172,544. County Policy 2751, Section 3(e) provides that contracts for the maintenance of computer hardware or software may be approved and signed by the County Manager, regardless of the value of the contract, when sufficient funds for the contract are included in the budget.

On May 29, 2025, Dakota County executed a contract amendment with Sierra-Cedar, LLC to extend the end date of the contract to December 31, 2025. There were no changes to the scope of services or the contract amount for this amendment.

Finance and Human Resources recently identified additional needs for continued ERP software system maintenance, support, and implementation services. For Human Resources, the additional

work is for Open Enrollment assistance (2026), new issue resolution and general support, and lastly, knowledge transfer to our Dakota County human resources and information technology staff. For Finance, additional support is needed in the areas of Project Management and general ledger knowledge transfer, cash reconciliation support and knowledge transfer, general financial and support needs, as well as knowledge transfer to Dakota County Finance and Information Technology staff.

The contract amendment adds an additional cost of \$95,650, bringing the new total not to exceed contract amount to \$268,194.70 and extends the contract end date to December 31, 2026.

RECOMMENDATION

Staff recommends that the County Board authorize the Deputy County Manager to execute a contract amendment with Sierra Cedar, LLC for ERP software support and implementation services, for the period of January 1, 2026, through December 31, 2026, for an additional cost of \$95,650, bringing the total not to exceed contract amount to \$268,194.70.

EXPLANATION OF FISCAL/FTE IMPACTS

This contract amendment will be funded by County levy and will be included in the Information Technology budget in the County Manager's recommended 2026 budget.

- | | | |
|--|---|---|
| ☐ None | ☐ Current budget | ☒ Other |
| ☐ Amendment Requested | | ☐ New FTE(s) requested |

RESOLUTION

WHEREAS, on June 26, 2020, Dakota County staff issued a Request for Proposal (RFP) for an Enterprise Resource Planning (ERP) Solution with implementation services; and

WHEREAS, the proposal submitted by Sierra-Cedar, LLC for the Oracle Enterprise Resource Planning, Human Capital Management and Enterprise Performance Management Cloud applications was found to be the best solution to meet or exceed Dakota County's requirements as specified in the RFP and provide the best value to the County; and

WHEREAS, on March 3, 2021, the County entered into a Master Services Agreement and Statement of Work with Sierra-Cedar, LLC to provide the implementation, training and support services required; and

WHEREAS, the County went live with the new ERP system on January 3, 2023; and

WHEREAS, in July 2023 the County identified additional end of year and benefit administration consulting needs not included in the current Agreement and Statement of Work with Sierra-Cedar, LLC; and

WHEREAS, on May 29, 2025, Dakota County executed a contract amendment with Sierra-Cedar, LLC to extend the end date of the contract to December 31, 2025. There were no changes to the scope of services or the contract amount; and

WHEREAS, Finance and Human Resources have identified additional needs for continued ERP

software support and implementation services that require additional assistance to complete, in leu of re-signing with Oracle Mission Critical Support; and

WHEREAS, staff recommends that the Dakota County Board of Commissioners authorize the Deputy County Manager to execute a contract amendment with Sierra Cedar, LLC for ERP software support and implementation services, to extend the term through December 31, 2026, and authorize an additional cost of \$95,650, bringing the total not to exceed contract amount to \$268,194.70.

NOW, THEREFORE, BE IT RESOLVED, That the Dakota County Board of Commissioners hereby authorizes the Deputy County Manager to execute a contract amendment with Sierra-Cedar, LLC for ERP software support and implementation services, for the period of January 1, 2026, through December 31, 2026, for an additional cost of \$95,650, bringing the total contract not to exceed amount to \$268,194.70, subject to approval by the County Attorney's office as to form.

PREVIOUS BOARD ACTION

20-603;12/1/20

23-490;10/24/23

23-594; 12/19/23

ATTACHMENTS

Attachment: None.

BOARD GOALS

☐ A Great Place to Live

☐ A Successful Place for Business and Jobs

☐ A Healthy Environment

☒ Excellence in Public Service

PUBLIC ENGAGEMENT LEVEL

☐ Inform and Listen

☐ Discuss

☐ Involve

☒ N/A

CONTACT

Department Head: Tony Gomes

Author: Jeff Goettl/Carla Skog



Board of Commissioners

Request for Board Action

Item Number: DC-5068

Agenda #: 7.2

Meeting Date: 11/18/2025

DEPARTMENT: Finance

FILE TYPE: Consent Information

TITLE

Report On Invoices Paid In October 2025

PURPOSE/ACTION REQUESTED

Receive a report on invoices paid during October 2025.

SUMMARY

Minn. Stat. § 375.18 requires that all claims paid must be presented to the County Board for informational purposes.

A copy of the October 2025 Paid Invoice Report, excluding payroll and Community Services client and provider payments, is on file with the Clerk to the Board. The attachment provides a summary of invoices paid each month in 2025.

Payments for the month ending October 31, 2025, total \$104,030,504.

The following is a summary of the major payments for the month.

Major Categories	Amount	Explanation
Benefit deductions from employee payroll	\$2,607,249	Retirement accounts, PERA, health & dental
Payments to other governments	\$78,496,336	Pass through payments - taxes, fees
Materials & supplies	\$144,826	Highway, Parks, Buildings material/supplies
Overall support of departments	\$3,024,930	Insurance, maintenance agreements, office equip
Services to citizens & clients	\$3,175,419	Major client services contract
All other expenses	\$4,853,146	BIP, CEP, and misc.
Capital projects	\$11,728,598	Highway & building construction
	\$104,030,504	

RECOMMENDATION

Information only; no action requested.

EXPLANATION OF FISCAL/FTE IMPACTS

- ☒ None ☐ Current budget ☐ Other
☐ Amendment Requested ☐ New FTE(s) requested

RESOLUTION

Information only; no action requested.

PREVIOUS BOARD ACTION

None.

ATTACHMENTS

Attachment: RBA Paid Invoices Report Oct2025

BOARD GOALS

- | | |
|---|--|
| ☐ A Great Place to Live | ☐ A Healthy Environment |
| ☐ A Successful Place for Business and Jobs | ☒ Excellence in Public Service |

CONTACT

Department Head: Will Wallo

Author: Jan Larson

RBA - REPORT ON INVOICES PAID

2025										
Major Category	January	February	March	April	May	June	July	August	September	October
Benefit deductions from employee payroll	\$3,595,806	\$2,522,125	\$2,587,437	\$2,561,564	\$2,589,478	\$2,612,860	\$2,834,477	\$3,614,687	\$2,637,035	\$2,607,249
Payments to other governments	\$35,757,228	\$91,833	\$76,252	\$582,763	\$89,544,390	\$196,486,891	\$134,162,193	\$202,817	\$109,770	\$78,496,336
Materials & supplies	\$183,858	\$60,330	\$493,635	\$148,300	\$134,684	\$106,323	\$136,543	\$98,134	\$161,296	\$144,826
Overall support of departments	\$3,056,255	\$2,434,378	\$2,432,727	\$2,383,651	\$1,883,357	\$2,472,197	\$4,593,033	\$2,109,607	\$4,952,666	\$3,024,930
Services to citizens and clients	\$3,389,484	\$2,650,355	\$2,819,561	\$3,209,675	\$2,765,893	\$3,221,717	\$3,526,215	\$2,485,332	\$4,046,351	\$3,175,419
All other expenses	\$5,347,460	\$4,376,517	\$6,291,675	\$6,079,361	\$5,593,035	\$4,390,355	\$5,070,541	\$3,802,808	\$4,322,686	\$4,853,146
Capital projects	\$4,173,262	\$5,409,332	\$4,843,765	\$5,141,116	\$3,937,704	\$8,592,859	\$7,565,811	\$8,382,494	\$9,041,367	\$11,728,598
Total	\$55,503,353	\$17,544,870	\$19,545,051	\$20,106,431	\$106,448,542	\$217,883,202	\$157,888,814	\$20,695,878	\$25,271,171	\$104,030,504

3 Payrolls = January and August

Tax Distributions = January, May, June, July, October, November, December



Board of Commissioners

Request for Board Action

Item Number: DC-5047

Agenda #: 8.1

Meeting Date: 11/18/2025

DEPARTMENT: Human Resources

FILE TYPE: Consent Action

TITLE

Approval Of Revisions To Policies 3182 Telework, 3241 Flex Leave, And 3242 Leaves Of Absence

PURPOSE/ACTION REQUESTED

Approve revisions to policies 3182 Telework, 3241 Flex Leave, and 3242 Leaves of Absence as summarized below and reflected in the revised versions attached.

SUMMARY

To comply with Minnesota's new Minnesota Paid Leave law, Human Resources is recommending the following revisions to Policies 3182 Telework, 3241 Flex Leave, and 3242 Leaves of Absence as follows:

3182 Telework

- Add definition for "Out-of-state employee"
- Add required to submit any new or revised telework agreement for out-of-state employees to Human Resources

3241 Flex Leave

- Remove all references related to Flex Leave Donation Program

3242 Leaves of Absence

- Revise Policy Statement to better reflect the intention and purpose of this policy
- Add or revise definitions for: "County", "Paid Leave", "Unpaid Leave", and "Paid Time Off"
- Add addition relevant sources
- Add "Notice Requirements" for leaves of absences
- Add "Paid Time Off Usage" provision
- Add "Concurrent Use of Leaves" provision
- Add "Return-To-Work" requirements
- Add references Minnesota Paid Leave law
- Add references the Americans With Disabilities Act
- Add references to Minnesota Pregnancy And Parenting Leave law
- Add related policies
- Revise/Update antiquated language throughout

RECOMMENDATION

Staff recommends approval.

EXPLANATION OF FISCAL/FTE IMPACTS

- ☒ None ☐ Current budget ☐ Other
☐ Amendment Requested ☐ New FTE(s) requested

RESOLUTION

WHEREAS, to comply with Minnesota's new Minnesota Paid Leave law, Human Resources is recommending changes to County policies 3182 Telework, 3241 Flex Leave, and 3242 Leaves of Absence; and

WHEREAS, Human Resources recommends the following revisions to Policies 3182 Telework, 3241 Flex Leave, and 3242 Leaves of Absence as follows:

3182 Telework

- Add definition for "Out-of-state employee"
- Add required to submit any new or revised telework agreement for out-of-state employees to Human Resources

3241 Flex Leave

- Remove all references related to Flex Leave Donation Program

3242 Leaves of Absence

- Revise Policy Statement to better reflect the intention and purpose of this policy
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- Add "Concurrent Use of Leaves" provision
- Add "Return-To-Work" requirements
- Add references Minnesota Paid Leave law
- Add references the Americans With Disabilities Act
- Add references to Minnesota Pregnancy And Parenting Leave law
- Add related policies
- Revise/Update antiquated language throughout

NOW, THEREFORE, BE IT RESOLVED, That the Dakota County Board of Commissioners hereby adopts the proposed revisions to policies 3182 Telework, 3241 Flex Leave, and 3242 Leaves of Absence and authorizes the Human Resources Director to modify said policy accordingly.

PREVIOUS BOARD ACTION

None.

ATTACHMENTS

Attachment: Policy 3182 Telework - redlined

Attachment: Policy 3241 Flex Leave - redlined

Attachment: Policy 3242 Leaves of Absence - redlined

BOARD GOALS

- ☐ Thriving People ☐ A Healthy Environment with Quality Natural Resources
- ☐ A Successful Place for Business and Jobs ☒ Excellence in Public Service

CONTACT

Department Head: Andy Benish

Author: Andy Benish



Policy 3182 Telework

Version: 4.0

Effective Date: 2/24/2025

Board or Administrative: Administrative

Policy Statement

It is the policy of Dakota County to permit employees, under certain circumstances, to conduct county work through telework. Telework is intended to provide a flexible work location for eligible employees and business-related benefits to the County, including attracting and retaining a skilled workforce, supporting continuity of operations, and maximizing efficiency and cost savings. Telework may not be an option for all county employees depending on factors that may include, but not be limited to employee job performance and current job duties, the business needs of the department and its customers. This policy governs the practice of working from locations other than a County facility and provides standards and expectations for all county telework arrangements.

Dakota County seeks to build staff connections and relationships to support effective collaboration and team building necessary to ensure high performance among teams. To the end, regular in-person staff interactions provide significant and important value to the organization and is a critical consideration, along with business and customer needs, in determining the County's Telework policy and staff schedules. This value is seen in a variety of ways, including: 1) purposefully building strong relationships between and among staff members, 2) discovering or developing information, ideas, and relationships by 'accident' (e.g., 'at the water cooler'), 3) Improving staff connections, engagement, and longevity in the organization, and 4) ensuring opportunities to connect with one's supervisor in-person.

Teleworkers will at all times be cognizant of the public's expectation of efficient, effective and responsive service from all County employees. Both actual and apparent conflicts with this expectation must be avoided and the existence of any such conflicts will result in termination of the telework arrangement and/or disciplinary action.

Definitions

Telework: Telework is a work arrangement approved by a supervisor that permits employees to work off-site in their homes or other approved alternate location other than a County facility for part or all of the workweek. County work conducted by employees in a non-county work site as required by their functional job responsibilities is not considered telework. Exempt staff performing incidental tasks (e.g., checking email, responding to voicemails, etc.) while on unpaid time (e.g., flex leave) is not considered telework.

Telework Acknowledgement: A formal acknowledgement between the employee whom the County grants permission to telework and the supervisor that confirms adherence to the County's telework policy and establishes agreed upon standards for telework.

Teleworker: An employee who is authorized to telework on an agreed upon schedule. No employee may telework exclusively.

Onsite worker: An employee whose job cannot be performed from a telework location and/or who is not authorized to telework.

Field Worker: An employee whose job requires them to work off-site and does not allow them to perform the majority of their work from a personal residence or County facility.

Telework location: An approved location other than a county facility, typically an employee's residence, at which the employee is authorized to telework.

Designated work location: The County facility which is the employee's assigned work location when working onsite. All employees will have a designated work location and must be prepared to work at that location when required.

Telework schedule: The hours that a teleworker is approved to work. Telework schedules may vary by job or employee but will generally be consistent with those of their department, colleagues and work unit.

[Out-of-state employee: Any employee who resides outside the state of Minnesota.](#)

Source

General

Eligibility

To be eligible to telework, an employee must:

- work in a job that is suitable to telework as determined by their supervisor
- have and maintain a satisfactory performance record.
- have completed and signed an annual telework acknowledgement

An annual telework acknowledgement and plan must be reviewed and signed by the individual worker and the supervisor. This acknowledgement will be held on file by the Supervisor or Manager and may be updated as needed if telework arrangement plan changes or equipment needs change.

[For out-of-state employees, any new or revised telework acknowledgements must be submitted to the Human Resources Department for review and approval.](#)

Management is responsible for determining if a job is suitable for telework and if an employee is capable of teleworking and has sole discretion to end or modify an employee's telework arrangement at any time. No telework eligible employee is required to telework and may work entirely on-site.

Field Work

Field Work is neither telework nor on-site work. Departments with staff whose assignments include field work

Policy 3182 Telework

are also responsible for developing in person schedules that achieve the benefits and value of in-person interactions, but it is understood that this will vary given the nature of field work.

Terms and Conditions of Employment

Teleworking does not change the terms and conditions of employment such as salary, benefits, or job responsibilities and work tasks. When working from a telework location that location will be considered the temporary place of reporting. Teleworkers work at an approved location during work hours as agreed upon by the teleworker and supervisor and will not do work at any other time or anywhere else unless approved by their supervisor.

Teleworkers do not receive a special commuting allowance when working at the telework location. Overtime, compensatory time, or leave provisions contained in County policies or collective bargaining acknowledgement provisions are not altered to accommodate a telework arrangement.

Teleworkers are responsible for all expenses necessary to telework at their telework location, including expenses associated with establishing, maintaining, and modifying workspaces and internet connectivity. Additionally, teleworkers will not receive any mileage reimbursement for commuting between their telework location and designated work location.

Performance Standards and Expectations of Teleworkers

Performance standards for teleworkers are no less than those of employees working in a County office doing the same work. If modifications to the standards are necessary, they must be discussed with and approved by the supervisor.

Employees entering into a telework arrangement will generally have a telework schedule consistent with their work unit and the provisions of the telework arrangement. Work schedules for on-site and off-site work hours are pre-approved by the employee's supervisor.

Teleworkers will be as accessible and available as their on-site counterparts during their agreed upon telework schedule, regardless of work location. Teleworkers are expected to be available and working during all hours of their telework schedule. This includes, without limitation, attending scheduled meetings using applicable technology or onsite and being available to customers, clients, coworkers, supervisors, and others using applicable technology or onsite.

Telework is not for the purpose of allowing an employee to provide dependent care. Teleworkers will manage dependent care and personal responsibilities in the same way they meet these responsibilities while working at their designated work location and in a way that allows them to successfully meet job responsibilities. Telework is also not a substitute for flex leave use.

Other potential distractions to the teleworker should be considered and conflicting demands resolved in advance of commencing telework.

Data Management and Security

Teleworkers must take all necessary precautions to keep County data and information secure and to prevent unauthorized access to any County system or information from the telework location. The County's normal data privacy and security policies (Policy 1013 and Policy 6004) and procedures apply equally to telework. Teleworkers are also responsible for complying with all federal and state laws and regulations that apply to their work.

Telework Schedule and Location

Telework schedules must be consistent with those outlined in Policy 3200. Eligible staff may telework no more than 3 days per week or an equivalent schedule on a bi-weekly basis as determined by department management. Management is responsible for developing telework schedules within these guidelines. Telework schedules should generally occur during normal work hours as defined under Work Hours in policy 3200. Teleworkers are responsible for complying with all County policies, including specifically provisions of policy 3200 regarding time tracking.

The County generally will not compensate employees for time spent commuting between telework location and designated work location. Such commuting should be done outside the normal work schedule whenever possible. Approved work schedules for teleworkers should reflect this principle.

All telework locations must have an identified workspace, free from distractions, and be approved in advance by the teleworker's supervisor. This includes home and other telework locations. Long-term telework and hybrid locations must allow the staff person to be able to commute to the work location. Staff are not generally allowed to telework from any location outside of Minnesota or Wisconsin unless specifically traveling for a work purpose (e.g. work conference) and approved to do so by their supervisor. The County Manager or Human Resources Director, at their discretion, may approve limited telework outside of Minnesota or Wisconsin to meet County business needs.

Equipment

Dakota County, at its sole discretion, may provide equipment and related supplies for use by the teleworker or permit the use of employee-owned equipment. Any equipment supplied by the County for the use at a telework location may not be used for personal purposes by the employee or non-County employees as outlined in policies 3011 and 6001. When using personally owned equipment for telework purposes, the employee shall keep all County data and information secure and not accessible by others.

Personally-owned electronic devices (e.g., printers, scanners, web cameras, etc.) or hardware must meet minimum standards for security and performance as determined by the IT department. The County is not responsible for any loss of, damage to, or maintenance of employee-owned equipment or hardware.

In the event of delay in repair or replacement of equipment or any other circumstance under which it would be impossible for the employee to telework, the employee will be assigned to do other work and/or return to the County workplace.

Work Site Inspection

Teleworkers who work at their residence, or other approved location, will have a designated telework location approved by the supervisor and maintained by the employee. Prior to approval of telework, the telework location may be assessed for compliance with applicable requirements.

During the term of the arrangement, inspections of telework locations by the supervisor, or another representative of the County, may be conducted to ensure that the telework arrangement is being followed including, but not limited to, employee and work site suitability, protection of data, the assurance that safe working conditions exist, and to maintain, repair, inspect, or retrieve County owned equipment as necessary.

Teleworkers must allow access to their remote workspace for the purpose of performing work site inspections as requested without prior notice.

Disclaimer

Teleworking may be terminated by the County at any time. Failure of the teleworker to comply with all relevant laws, policies, provisions, requirement or expectations, or the terms of the telework arrangement may result in the loss of telework privileges and/or disciplinary action as necessary or appropriate.

Procedures

The Human Resources Department will maintain procedures and forms relating to this policy.

History

Version	Revision Date
1.0	Established
2.0	9/24/2019
3.0	08/10/2021
4.0	02/24/2025

Related Policies

- Policy 3200 Pay Practices
- Policy 3340 Travel on County Business
- Policy 1011 Personal Use of County Property
- Policy 1013 Data Practices
- Policy 6001 Acceptable Use of Technology Resources

Contact

Andy Benish
Human Resources

Andrew.Benish@dakota.mn.us

Approval

Heidi Welsch, 2/25/2025



Policy 3241 Flex Leave

Version: 6.00

Effective Date: 1/2/2024

Board or Administrative: Board

Policy Statement

It is the goal of Dakota County to provide equity, consistency, and flexibility in the delivery of all benefits programs. Flex Leave, in addition, also incorporates employee tenure to recognize and reward years of service to the County.

This policy provides all eligible County employees paid time off from work while ensuring departmental coverage by requiring advance notice so that planning can occur. The provisions of this policy provide cash and savings incentives. Flex Leave can be used for any purpose, including, but not limited to, safe and sick time as required by law, subject only to non-intrusive request/approval procedures consistent with law, policy, and labor contracts.

Definitions

- ~~Donated Flex Leave Bank: a bank of donated Flex Leave converted to available wages that is maintained by the County for use by eligible employees.~~
- ~~Donated Flex Leave Wages: wages that are produced from donated Flex Leave which are available to be paid to eligible recipients.~~
- *Earned sick and safe time ("ESST"):* Leave, including paid time off, that is paid at the same hourly rate earned from employment that may be used for the same purposes and under the same conditions as provided under Minnesota Statutes Section 181.9447, but in no case shall this hourly rate be less than that provided under Minnesota Statute Section 177.24 or an applicable local minimum wage.
- *Employee:* any person who is employed by Dakota County and not independent contractors.
- *Flex Leave:* Paid Time Off – a combination of vacation/sick leave/bereavement leave/earned safe and sick time.
- *Limited-Term Position:* This term is defined in Policy 3060.
- *Non-Limited Term Position:* This term is defined in Policy 3060.

- *Tenure*: the total length of continuous employment with Dakota County, including approved leaves of absence and aggregate time served in limited positions since the most recent date of hire.

Source

Dakota County Benefits Program; Minn. Stat. § 181.9446 *et seq.*

General

This policy encourages advance planning of absences from work. To ensure necessary departmental coverage, non-emergency (planned) use of Flex Leave should be requested in advance. For non-emergency (planned) use of Flex Leave, employees should give their supervisor advance notice equal to the amount of requested time off, up to five days. Emergency (unplanned) use of Flex Leave may require documentation. Established department rules and requirements concerning employees' absences from work will be applied.

ELIGIBILITY REQUIREMENTS

All County employees are eligible to participate in the County's Flex Leave Plan.

ACCRUAL RATES

In compliance with Minnesota Statutes § 181.9447, subdivision 10, the County considers the first 48 hours of Flex Leave earned and Flex Leave used annually by any employee as ESST, unless otherwise designated by management and approved by the Human Resources Department.

Employees are not eligible to utilize leave for the purposes listed under the Earned Sick and Safe Time Act, Minn. Stat. 181.9447, subd. 1, clause (4), if the employee's preassigned or foreseeable work duties during a public emergency or weather event would require the employee to respond to such an emergency or event.

The documentation provisions referenced in the Earned Sick and Safe Time Act, Minn. Stat. 181.9447, subd. 3, shall not apply to paid leave available to an employee for absences from work in excess of the minimum amount required by ESST, as such absences are governed by the County Flex Leave Plan.

Non-Limited, Special Limited-Term and Grant Funded positions

County employees in non-limited term, special limited-term, and grant-funded positions are eligible to accrue Flex Leave as listed in the chart below.

- Flex Leave accrues on a per pay period basis based on hours worked. [For purposes of this policy, the use of flex leave, paid County holidays, and in all other circumstances as required by law will be](#)

considered hours worked.

- Eligible new employees start accruing Flex Leave immediately.
- Flex Leave may be used after the pay period in which it was earned.
- Part-time employees earn Flex Leave on a pro-rated basis based on actual hours paid.

Non-Limited, Special Limited-Term and Grant Funded Flex Leave Accrual Rates (based on 1.0 FTE)

Years of Service	Annual Accrual Rate	Pay Period Accrual Rate
0-5 Years	160 hours or 20 days per year	6.13 hours
6-10 Years	192 hours or 24 days per year	7.36 hours
11-15 Years	240 hours or 30 days per year	9.20 hours
16 or More Years	304 hours or 38 days per year	11.65 hours

Temporary, Emergency Temporary and Trainee positions

Employees in Temporary, Emergency Temporary, and Trainee positions are eligible to accrue Flex Leave at a rate of 1 hour for every 30 hours worked, regardless of tenure or experience.

USE OF FLEX LEAVE

An employee may use accrued Flex Leave to receive paid time off of work for any reason as long as such use complies with the terms of this policy.

CREDIT FOR PRIOR EXPERIENCE (Non-Union positions)

New employees hired into Non-Limited, Special Limited-Term, and Grant Funded, non-union positions with a minimum of ten (10) years relevant recent work experience will be eligible to begin employment at the six (6) year Flex Leave accrual rate with approval of the Human Resources Director.

Employees hired into Division Director, Deputy Division Director, Department Director, Deputy Department Director, Elected Department Head's Chief Deputy, or similar positions will be eligible for Flex Leave credit and an advanced accrual rate upon hire with the approval of the Human Resources Director and County Manager.

ADVANCEMENT OF FLEX LEAVE

The Human Resources Director may approve an advancement of Flex Leave to an employee who does not have sufficient available accrued Flex Leave for the purpose of recovering away from work following a traumatic event experienced through the course of performing their duties on behalf of Dakota County. Requests for an advance of Flex Leave will be made to the Human Resources Director

by the responsible Department Director, Division Director, or similar. Advances will not generally exceed two working days (up to 16 hours). Flex Leave earned in subsequent pay periods will be credited against the advanced Flex Leave.

CARRY OVER OF ACCRUED FLEX LEAVE AND CONVERSION OPTIONS

Employees in Non-Limited, Special Limited-Term, and Grant Funded positions may carry forward a balance of unused Flex Leave. The maximum carryover from one payroll year to the next is 1,000 hours. Employees who are eligible to participate in the County's Post Employment Health Care Savings Plan will have the cash equivalency of hours in excess of 1,000 deposited in the Minnesota State Health Care Savings Plan (HCSP) according to the applicable union contract and/or the Plan's plan provisions. Employees have the option to convert their accrued Flex Leave into deferred compensation or wages. Employees will make elections for conversion during the annual Open Enrollment period.

Employees in Temporary, Emergency Temporary, and Trainee positions may carry forward a balance of unused Flex Leave. The maximum carryover from one payroll year to the next is 80 hours.

CONVERSION OF FLEX LEAVE TO DEFERRED COMPENSATION AND WAGES

To be eligible to participate in the annual conversion of Flex Leave to deferred compensation or wages, employees must meet the following criteria:

- Employees must have used 60 hours of Flex Leave during the first three payroll quarters
- Employees must have 60 hours of Flex Leave accrued at the last payroll preceding open enrollment
- Employees must have a balance of 40 hours of Flex Leave after conversion

Limitations

The maximum amount of Flex Leave that can be converted to deferred compensation is 20 percent (subject to maximum deferral regulations as stated in IRC Section 457 and state salary statute limitations if applicable) of the total Flex Leave balance. Conversion of Flex Leave to deferred compensation will be effective the following year. Employees may convert to wages up to 100 Flex Leave hours in order to offset the cost of benefits enrollments, provided they meet the conversion requirements above.

An employee who has terminated Dakota County employment and qualifies as a Dakota County retiree may convert Flex Leave to deferred compensation, subject to maximum deferral regulations as stated in IRC Section 457, on their final paycheck prior to receiving their severance payment.

EMPLOYEE TENURE RESTORATION

The accumulation of those benefits related to years of service (such as eligibility for service awards and

Flex Leave accrual rates) is based on tenure.

Employees who previously worked for the County in Non-Limited Term positions and were terminated in good standing may request to have their previous County tenure restored. All such requests will be approved at the discretion of the Human Resources Director. General considerations relating to tenure restoration are as follows:

1. The length of the employee's previous service;
2. The length of the employee's separation from employment;
3. Whether tenure restoration would be consistent with previous decisions regarding tenure restoration.

Upon written approval of tenure restoration by the Human Resources Director or designee, the benefit accrual date is adjusted to include the length of previous continuous service.

Employees in Limited-Term positions are not eligible for tenure restoration.

Employees who separate employment from the County and are rehired by the County within 180 days of the Employee's separation from employment with the County are not entitled to have their Flex Leave balance that was paid out by the County upon separation reinstated unless the County is required to do so by law.

~~FLEX LEAVE DONATION PROGRAM~~

~~The County administers a Flex Leave donation program that enables qualifying employees to donate Flex Leave to or receive Donated Flex Leave Wages from the Donated Flex Leave Bank.~~

~~Recipient Eligibility~~

~~To be eligible to receive wages from the Donated Flex Leave Bank, an employee must:~~

- ~~1. Experience a medical emergency of own or family member as defined under general program rules;~~
- ~~2. Need additional time off for bereavement in the event of the death of a parent, spouse, child, grandparent or employee defined family member for up to five days;~~
- ~~3. Have been continuously employed by the County in a position that is eligible to accrue and use Flex Leave for at least six (6) months immediately prior to receiving donated Leave wages;~~
- ~~4. Experience a qualifying event after six consecutive months of employment with the County;~~
- ~~5. Be eligible to accrue and use Flex Leave;~~
- ~~6. Have exhausted their own accrued Flex Leave, sick leave, floating holiday, and/or compensatory time off prior to receiving donated Leave wages;~~
- ~~7. Be approved for a leave of absence under the Family and Medical Leave Act, Americans with Disabilities Act, or a personal leave of absence for a Medical Emergency or bereavement;~~

- ~~8. Expect to resume employment with the County after their leave of absence ends; and~~
- ~~9. Request and be approved to receive Donated Flex Leave wages.~~
- ~~10. This program is to run concurrently with FMLA or other unpaid leaves, which employees are entitled to under federal or state law or as otherwise required by the County.~~

Donor Eligibility

~~To be eligible to donate Flex Leave to the Donated Flex Leave Bank, an employee must:~~

- ~~1. Have been continuously employed with the County for at least six (6) months immediately prior to donating Flex Leave;~~
- ~~2. Have a combined balance of at least 80 hours of Flex Leave, sick leave, and/or compensatory time off remaining post donation; and~~
- ~~3. Request and be approved to donate Flex Leave.~~

General Program Rules

- ~~1. The program is intended to provide additional flex to deal with a medical emergency involving a medical condition of an employee or an employee's parent, spouse, child or someone the employees provides care for that will require the prolonged absence of the employee and will result in a substantial loss of income to the employee because the employee will have exhausted all sources of paid leave up to 30 days.~~
- ~~2. Flex Leave cannot be donated to a particular employee(s), only to the Donated Flex Leave Bank.~~
- ~~3. Eligible recipients who are part-time employees may receive a pro-rated amount of donated flex leave wages per calendar year based on their FTE status.~~
- ~~4. Donated Flex Leave wages must be used by the recipient within a reasonable time after a Medical Emergency or death of a parent, spouse, or child, grandparent or other employee defined family member for up to five days.~~
- ~~5. Employees applying for or receiving short or long term disability benefits, PERA disability benefits, or other income replacement benefits are eligible to receive Donated Flex Leave wages for elimination periods only, as set out in applicable plan documents.~~
- ~~6. Employees applying for or receiving worker's compensation benefits are not eligible to receive Donated Flex Leave wages.~~
- ~~7. Donated Flex Leave wages used by the recipient do not count toward hours worked for the purposes of overtime calculation.~~
- ~~8. Eligible donors may donate up to 80 hours of Flex Leave per calendar year in one hour increments.~~
- ~~9. Flex Leave donations are irrevocable; donated Flex Leave will not be returned to the employee who donated it.~~
- ~~10. For employment tax and wage-based benefit purposes, donated Flex Leave is considered wages of the recipient and not the donor.~~
- ~~11. Recipients do not accrue additional Flex Leave when receiving Donated Flex Leave wages.~~

~~12. The value of donated Flex Leave is calculated dollar for dollar based on the recipient's and donor's respective rates of pay at the time of use and is not eligible for retroactive or back pay.~~

TERMINATION BENEFIT

An employee's Flex Leave balance becomes available upon termination. The County's post-employment healthcare savings plan provisions will apply if the terminating employee is eligible to participate.

Procedures

Procedures and forms relating to this policy will be maintained by the Human Resources Department.

History

Version	Revision Date
1.0	10/1/2013
2.0	4/21/2015
3.0	8/1/2017
4.0	11/30/2021
5.0	7/19/2022
6.0	1/2/2024
7.0	12/3/2024

Related Policies

- [Policy 3060 Employee and Position Types](#)
- [Policy 3242 Leaves of Absence](#)

Contact

Andy Benish
Human Resources Director
Andrew.Benish@co.dakota.mn.us

Approval

Resolution No. 24-005; 1/2/2024



Policy #3242 Leaves of Absence

Version: 0.00

Effective Date: MM/DD/YYYY

Board or Administrative: Board

Policy Statement

It is the policy of Dakota County to provide employees temporary leaves of absence for a variety reasons. This policy is designed to offer reasonable flexibility during these times, while also ensuring continuity of operations and compliance with all applicable federal, state, and local laws and regulations. ~~from work without severing the employment relationship. Because these leaves are typically provided as a convenience to employees at some additional expense and inconvenience to the employer, employees, except where otherwise provided by law, assume any and all risks related to such leaves. These risks include the elimination, reallocation or reassignment of their duties which may result in employees being reassigned, demoted or terminated upon completion of their leaves.~~

Definitions

- "The County" refers to the officers, employees, agencies, and facilities of Dakota County government.
- "Paid leave" refers to time away from work during which the employee uses paid time off, or other form of paid leave as defined in this policy. Employees on paid leaves of absence receive the same compensation and benefits they would receive if the leave day(s) had been covered by accrued paid time off.
- "Unpaid Leave" refers to any unpaid time away from work. For purposes of this policy, employees receiving wage replacement benefits will be regarded as being on an unpaid leave. For Non-FMLA leaves, employees must use all accrued paid time off before unpaid time off will be approved. Employees on a continuous unpaid leave of absence are not compensated for any workday which occurs during their leave of absence, nor do they earn any other benefit, privilege, or right on an unpaid leave day.
- "Paid time off" refers to flex leave, observed holidays, floating holidays, extended sick leave, and comp time.

Source

Minn. Stat. § 192.26 and Minn. Stat. § 192.261, State and Municipal Officers and Employees not Lose Pay while on Authorized Leave for Military Duty

Minn. Stat. § 204B.195, Time off from work to serve as election judge

Minn. Stat. § 204C.04, Employees; time off to vote

[Minn. Stat. § 203B.081, Locations and Methods for Absentee Voting in Person](#)

Minn. Stat. § 593.50, Protection of Jurors' Employment

Minn. Stat. § 181.9456, Leave for Organ Donation

[Minn. Stat. § 268B, MN Paid Leave Law](#)

[Minn. Stat. § 181.941, Pregnancy and Parenting Leave](#)

[29 CFR Part 825, The Family Medical Leave Act of 1993](#)

[20 CFR Part 1002 Uniformed Services Employment and Reemployment Rights Act](#)

General

All requests for leaves of absence are granted or denied on the basis of the following factors:

1. Applicable state and federal laws and regulations.
- ~~2. The County will not approve any leave of absence in excess of 12 months unless required by law (for example USERRA 38 U.S.C. 4301-4335).~~
- ~~3.2.~~ The current and projected workload of the affected department.
- ~~4.3.~~ The expense and availability of required replacement.
- ~~5.4.~~ Any other legitimate business needs of the County, including, but not limited to, whether the requested leave would cause an undue hardship to the County

If, after a consideration of the above factors, the County grants a leave, except where otherwise controlled by state or federal laws or regulations, the following stipulations apply:

- Whenever possible, employees return to their previous positions upon completion of their leaves. If their positions are no longer available, the County offers any other available positions for which they are eligible.
- If, during a leave of absence, permanent replacements are needed, the County notifies the employees on leave and gives them the opportunity to return early if they are able to do so.

NOTICE REQUIREMENTS

A formal leave of absence request must be submitted to the Human Resources Department for any reason covered under this policy. Employees are required to provide timely notice when requesting leave:

- Foreseeable Leave: If the need for leave is foreseeable, employees must provide at least 30 days' advance notice before leave is required to begin. In those cases where the employee is required to provide at least 30 days' notice of foreseeable leave and does not do so, the employee must explain the reasons why notice was not practicable upon request from the County.
- Unforeseeable Leave: If 30 days' notice is not practicable because of a lack of knowledge of approximately when leave will be required to begin, a change in circumstances, or a medical emergency, notice must be given as soon as practicable. "As soon as practicable" means as soon as both possible and practical, considering all the facts and circumstances in the individual case. When an employee becomes aware of a need for leave under this chapter less than 30 days in advance, it should be practicable for the employee to provide notice of the need for leave either the same day or the next day, unless the need for leave is based on a medical emergency.

Employees must follow established leave request and call-in or notification procedures.

Failure to provide timely notice may result in a delay or denial of leave, unless the delay is due to circumstances beyond the employee's control.

PAID TIME OFF USAGE

Once an employee transitions to unpaid leave, they may not interrupt that period by using paid time off, unless otherwise required by this policy or the law. Additionally, employees are not permitted to use paid time off to supplement wage replacement benefits, such as disability insurance and/or Minnesota Paid Leave (MNPL).

UNPAID LEAVE

~~Documentation of an approved unpaid leave of absence exceeding five days must be forwarded to the Employee Relations Director in advance of such unpaid leave.~~

~~Employees may request a combination of leaves, including use of accrued paid time off and/or unpaid time off. However, any approved pay time must be used first and concurrently before unpaid leave.~~

BENEFIT ACCRUAL WHILE ON UNPAID LEAVE

Paid time off does not accumulate during any unpaid leave of absence, ~~but previously accrued balances remain~~except when otherwise provided by law. Accrual resumes upon the return of the

employee. ~~Except when otherwise provided by law T,~~ the County's contribution towards an employee's benefits ends at the end of the month that an unpaid leave of absence begins, except when otherwise provided by law. If an unpaid leave of absence continues into the following calendar month the employee will not receive the County's contribution while on unpaid leave status. Upon return to paid status the ~~e~~Employer contribution will resume and is prorated for unpaid time. If the unpaid leave of absence is greater than one month, employees may elect to continue their benefits by paying the total cost of their coverages. Benefits ~~s~~ coverage~~s~~, which have lapsed during an unpaid leave of absence, are reinstated on the first day of return to work with the ~~—~~exception of supplemental life and long-term disability coverage which may require evidence of insurability prior to reinstatement.

RETURN-TO-WORK REQUIREMENTS

Employees returning from medical leave due to their own disability/medical condition must submit medical documentation to the Human Resources Department at least two (2) business days prior to their anticipated return date. The medical documentation should specify the date the employee is cleared to return as well as any work restrictions and their duration. The County reserves the right to require that employees returning from disability leaves submit additional medical documentation or undergo a medical examination by a physician selected by the County (at the County's expense).

TYPES OF ~~PAID AND UNPAID~~ LEAVES

MINNESOTA PAID LEAVE (MNPL) LAW

Eligible employees may qualify for leave under the MNPL, Minnesota Statutes Chapter 268B, which is administered by the State.

An employee may choose to use available paid time off hours as substitution for MNPL wage replacement during a leave, including while waiting for adjudication of their claim by the State. Use of paid time off hours as substitution will reduce or eliminate MNPL wage replacement benefit for such leave periods but will not delay the start of the leave timeframe. ~~Employees may choose to use accrued paid time off in lieu of receiving wage replacement benefits through MNPL. However, If the leave qualifies under MNPL and the employee is eligible for job protection, the leave will be designated as MNPL-covered and will run concurrently with the paid time off and. In such cases, the paid time used will count against the employee's total MNPL entitlement.~~

The County may require that an employee taking MNPL to provide a copy of any required certification under MNPL.

MILITARY LEAVE ~~(paid and unpaid)~~

Employees who are members of any military reserve or National Guard component of the military forces of the United States are granted military leave to go on active duty. The County provides 15-days of paid military leave per cannot exceed 15 days in one calendar year. Additional unpaid military leave is granted for the duration provided under law. Employees may ~~also~~ choose to use accrued paid time off for military leaves.

All requests for military leave require four weeks' notice, unless military necessity prevents the giving of notice or is otherwise impossible or unreasonable. Copies of military orders and approved Military Leave Request Form are submitted to the Human Resources Department~~Employee Relations Director~~ prior to commenced leave.

All existing state and federal statutes pertaining to the rights of employees on leaves of absence for military service are applicable under this policy~~manual~~.

ELECTION JUDGE LEAVE ~~(paid)~~

Employees who are selected to serve as an election judge, after giving at least 20 days written notice, are granted paid election judge leave. Employees must remit to the County compensation received for election judge service. The employee keeps pay for expenses.

COURT DUTY LEAVE ~~(paid)~~

Employees subpoenaed as witnesses arising from the performance of official duties or called and selected for jury duty are granted paid court duty leave. Employees must remit to the County compensation received for jury or such witness duty. The employee keeps reimbursement for expenses.

ELECTION DAY LEAVE ~~(paid)~~

Employees may be absent from work without a deduction in pay for the time necessary to vote in a State ~~or~~ Federal, or regularly scheduled local election during the day of the election or during the time allowed under Minn. Stat. § 203.B.081 for voting in person before election day-election during the day of the election. The employee must make prior arrangements for the absence with their immediate supervisor.

ORGAN DONATION LEAVE ~~(paid)~~

Employees who seek to undergo a medical procedure to donate an organ or partial organ to another person are granted forty (40) hours of paid leave. Dakota County requires verification by

a physician of the purpose and length of the request leave. If there is medical determination that the employee does not qualify as an organ donor, the paid leave of absence granted to the employee prior to the medical determination is not forfeited.

LEAVE UNDER THE AMERICANS WITH DISABILITIES ACT (ADA) MEDICAL LEAVE (unpaid)

An employee with a qualifying disability may be entitled to leave as a reasonable accommodation under the ADA.

The County will not provide indefinite leave, meaning an employee cannot say whether or when they will be able to return to work.

Employees are required to use any accrued paid time off for approved leave under the ADA, unless the employee is receiving wage replacement benefits.

~~Employees may request medical leaves if any mental or physical illness, injury or condition (including pregnancy) renders them disabled and unable to safely perform their normal duties. Requests must be accompanied by a physician's statement which:~~

~~Identifies the disability;~~

~~Indicates the date on which the employee will become or became unable to perform regular duties; and~~

~~The date on which the employee will be able to return to work. The County reserves the right to require that employees on or requesting a medical leave submit additional medical documentation or undergo a medical examination by a physician selected by the County (at the County's expense).~~

~~Except in unusual circumstances, medical leaves may not extend beyond the period of an employee's actual disability or the maximum of 12 months, whichever is less. Employees must regularly advise their supervisor of their status and expected return to work date. Failure to return to work following the actual time of medical disability will be considered a voluntary resignation.~~

~~Employees returning from medical leaves must submit a physician's statement establishing the duties they are safely able to perform. The County reserves the right to require that employees returning from disability leaves submit additional medical documentation or undergo a medical examination by a physician selected by the County (at the County's expense).~~

~~For the purposes of this policy, employees receiving disability-related compensation will be regarded as being on an unpaid leave.~~

PERSONAL LEAVE ~~(unpaid)~~

~~Employees may request personal leaves subject to approval by the responsible authority. The County may provide employees who do not qualify for other forms of leave personal leave for a period generally not to exceed 12 months to allow employees to take time away from work for personal reasons that are not covered under other types of leave. Documentation may be required to support a request for personal leave. The County reserves the right to deny, postpone, or cancel approved personal leave if unforeseen operational needs arise or if staffing levels cannot support the absence.~~

~~Employees are required to use any accrued paid time off for approved personal leave.~~

FAMILY AND MEDICAL LEAVE ACT (FMLA) ~~(unpaid)~~

~~An employee who meets the requirements of eligibility under the FMLA has been employed for at least one (1) year and who has worked at least 1,250 hours during that time may be eligible for unpaid mandatory job-protected a leave of absence under pursuant to the FMLA. The terms regarding such leave are governed by the provisions of the County's FMLA Plan.~~

~~FMLA leave maybe paid and/or unpaid leave. FMLA leave whether paid or unpaid is a way to designate qualifying leaves protected under the law. FMLA is not a separate bank of leave for employees to use. An Employees on FMLA leave may choose to use utilize accrued paid time off, unless they are receiving wage replacement benefits, such as MNPL and/or disability insurance. Flex Leave, vacation, or sick leave. FMLA Leave will run concurrently with all available paid time and unpaid time including short term or long term disability.~~

MINNESOTA PREGNANCY AND PARENTING LEAVE

Under the MN Pregnancy and Parenting Leave Act, eligible employees may take mandatory job-protected unpaid leave if they qualify under the law. This leave runs concurrently with all other paid and unpaid family or parenting leave to which employees are entitled under the

law or County policy.

Employees may choose to use accrued paid time off, unless they are receiving wage replacement benefits, such as MNPL and/or disability insurance.

PARENTAL LEAVE ~~(paid)~~

The County provides eligible employees paid parental leave following a qualifying event, to allow parents time to bond with a child. A qualifying event is the live birth of an employee's child, the placement of a child in the employee's home for adoption, or the placement of a child in the employee's home (in cases of surrogacy) to adjudicate parentage when the employee is intended to be the permanent legal parent of the child. For purposes of this policy, the birth of multiples (twins, triplets, etc.) or the concurrent placement of more than one child constitutes a single qualifying event.

To be eligible for paid parental leave, an employee must: (1) hold a position with a full-time equivalent (FTE) of .5 or greater; (2) have been continuously employed with the County for at least six consecutive months; and (3) experience a qualifying event after six consecutive months of employment with the County. Paid parental leave is available to both parents if each meets these eligibility criteria.

Eligible full-time employees are entitled to up to three consecutive weeks (120 hours) of paid parental leave for one qualifying event per calendar year. Eligible part-time employees are entitled to a prorated amount of consecutive paid parental leave based on their FTE status for one qualifying event per calendar year (i.e., an eligible employee who holds a .5 FTE position is entitled to 60 consecutive hours of paid parental leave). In no event will an employee be eligible for multiple paid parental leaves in the same calendar year.

Paid parental leave must be taken consecutively (i.e., in one continuous block) within 12 weeks after a qualifying event, including when the employee is receiving MNPL. In instances where an employee is receiving MNPL, the County's paid Parental Leave will supplement the employees' MNPL wage replacement benefit. Employees not receiving MNPL wage replacement benefits may still receive the full County-provided parental leave benefit. When an employee is receiving MNPL wage replacement, the County's paid parental leave will provide the difference between the MNPL benefit and the employee's base pay to ensure the employee receives 100% of their base pay. If an employee is not receiving MNPL wage replacement, they may still receive the full County-paid parental leave benefit at 100% of their base pay.

It cannot be used prior to a qualifying event. Any unused paid parental leave will be forfeited. Paid parental leave runs concurrently with all other ~~paid and unpaid~~ family or parenting leave to which employees are entitled under ~~the law or County policy~~ federal or state law or is otherwise required by the County.

~~In instances where an employee intends to apply for or is receiving MNPL, the County's paid Parental Leave will supplement the employees' MNPL wage replacement benefit. Employees not receiving MNPL wage replacement~~

~~benefits may still receive the full County provided parental leave benefit.~~

~~Employees must submit a request for paid parental leave at least 30 days before the qualifying event for which leave is requested, unless 30 day notice is not possible, in which case a request must be submitted as soon as practical.~~ The County may require an employee requesting paid parental leave to provide documentation substantiating a qualifying event. ~~Paid parental leave is treated like other forms of paid leave for Flex Leave accrual and benefits purposes.~~

INVOLUNTARY UNPAID LEAVE OF ABSENCE DUE TO EMERGENCY CIRCUMSTANCES

In the event of unforeseen emergency circumstances adversely impacting the County's budget, funding, or ability to provide County services the County, the County may need to temporarily reduce employees' work hours. In such an event, affected employees may be placed on an involuntary leave of absence for up to sixty (60) days. Employees shall be given advance notice of not less than five (5) days of such action. Such a leave may be extended for additional sixty (60) day periods as needed.

In implementing such an involuntary leave of absence, seniority within the employee's current classification will govern. Due to the exigent circumstances involved, the employee will not be permitted to bump another employee in a prior job classification in which the employee previously worked.

Affected employees may use accumulated Flex Leave, compensatory time, or vacation hours to replace lost income.

Employees who are placed on an involuntary unpaid leave of absence will continue to receive the Employer contribution toward insurance benefits. The employee portion of insurance contributions shall be repaid through payroll deduction upon return to regular pay status. If an employee on an involuntary unpaid leave of absence chooses not to return to County employment when notified to do so, the employee portion of insurance contributions during the period of the unpaid leave will be deducted from the severance benefits to be received upon termination of employment. If such employee has insufficient severance funds for this purpose, the employee will be responsible to pay back to the County within three (3) months the employee's portion of insurance contributions paid during the period of unpaid leave.

Procedures

Procedures will be maintained by [the Human Resources Department.](#)

History

Version	Revision Date
1.0	Second Result
1.1	Sixth Result
1.2	Tenth Result
2.0	Fourteenth Result

Related Policies

- [Policy 3241 Flex Leave](#)
- [Policy 3243 Workplace Accommodations/Americans with Disabilities Act](#)

Contact

[Andy Benish, Human Resources Director](#)

Approval

Resolution No. and Date (Board Policies)

OR

/s/ County Manager Name and Date (Administrative Policies)



Board of Commissioners

Request for Board Action

Item Number: DC-4349

Agenda #: 9.1

Meeting Date: 11/18/2025

DEPARTMENT: Social Services-Children & Family Services

FILE TYPE: Consent Action

TITLE

Ratification Of Child Protection Opiate Epidemic Response Allocation From Minnesota Department Of Children, Youth, And Families And Amend 2025 Social Services Budget

PURPOSE/ACTION REQUESTED

Ratify the 2025 child protection Opiate Epidemic Response (OER) allocation from the Minnesota Department of Children, Youth, and Families (DCYF) and amend the 2025 Social Services Budget.

SUMMARY

In 2019, the Minnesota Legislature passed a bill which established an OER account, Minn. Stat. § 256.043. Annually, the state appropriates funds to DCYF to distribute proportional funding to county and tribal social service accounts based on intake data from the previous three calendar years related to substance use and out-of-home placement episodes where parental drug abuse is a reason for the out-of-home placement.

Current funding is designated for a three-year term (2025 through 2027) and is distributed to counties as an annual allocation. In 2025, Dakota County received \$116,726 from DCYF (Attachment: 2025 Allocations). This is a \$2,744 (2.3%) increase from the 2024 allocation. Ratification to the Board was delayed due to uncertainty in the budget forecast that required additional clarification prior to proceeding.

The OER funds must not be used to supplant current state or local funding received for child protection services for children and families affected by addiction. Use of the funds should promote optimal health, safety, and well-being for families and their children. Counties can target prevention interventions and work with at-risk families, which may include the following program areas: child protection, child welfare, Pathways to Prosperity, Parent Support Outreach Program (PSOP), prenatal exposure cases, minor parents, truancy, children's mental health, and juvenile justice.

Dakota County's plan includes, but is not limited to, the following services: prevention, conventional, flexible spending, additional staff, and training. DCYF has approved this plan. Conventional services are services for families impacted by substance use disorder which may include, but are not limited to family recovery programs, Family Dependency Treatment Court, Family Group Decision Making, culturally specific services, parent support groups, and family out-of-pocket expenses related to treatment services.

OUTCOMES

How much?

The 2025 Opioid Allocation Plan includes funding to support Dakota County's Child Protection Services (CPS) program by funding the salary for Social Services staff; funding for prevention services to Pathways to Prosperity and PSOP families; flexible spending funds for relative/kin emergency licensing and licensing incentives; flexible spending funds to meet housing and transportation needs for families; and flexible spending funds to support families in Family Dependency Treatment Court.

How well?

- 47% of funds for a child protection case management social worker
- 11% of funds for preventative services to Pathways to Prosperity and PSOP families
- 11% of funds for relative/kin foster care providers
- 11% of funds for housing and transportation needs for families
- 6% of funds to support families in Family Dependency Treatment Court

Is anyone better off?

Child protection case management staff provides case management services to families experiencing out-of-home placement as a result of parental substance use or abuse. Neglect due to parental substance use is a common reason for out-of-home placement.

Flexible spending funds used for:

- Pathways to Prosperity and PSOP families as an early intervention measure prevents child protection reports related to substance use concerns.
- Relative/kin emergency foster care providers to address barriers that delay or prevent children from placement with relative/kin. Additionally, incentives for relative/kin providers to increase the likelihood that licensing is completed timely, providing permanency to children sooner.
- Families experiencing housing barriers and transportation needs because of substance use disorder. Assistance with housing stabilizes housing for families, reducing and preventing homelessness and evictions.
- Families in the Family Dependency Treatment Court program need additional assistance and support around substance use disorder to stabilize families and help motivate families to complete the program and be reunified with their children.

Opioid allocation funds will be used to help stabilize low-income and Black, Indigenous, and people of color (BIPOC) families who are disproportionately more likely to be reported to child protection and/or experience out-of-home placement.

RECOMMENDATION

Staff recommends the Dakota County Board of Commissioners ratify the 2025 allocation from DCYF for Child Protection Opioid Services in the amount of \$116,726 and amend the 2025 Social Services Budget.

EXPLANATION OF FISCAL/FTE IMPACTS

Authorization is requested to amend the 2025 Social Services Budget by \$116,726 to reflect the revenues and expenses associated with the appropriation.

☐ None ☐ Current budget ☐ Other
☒ Amendment Requested ☐ New FTE(s) requested

RESOLUTION

WHEREAS, in 2019, the Minnesota Legislature passed a bill which established an Opiate Epidemic Response (OER) account, Minn. Stat. § 256.043; and

WHEREAS, annually, the state appropriates funds to the Minnesota Department of Children, Youth, and Families (DCYF) to distribute proportional funding to county and tribal social service accounts based on intake data from the previous three calendar years related to substance use and out-of-home placement episodes where parental drug abuse is a reason for the out-of-home placement; and

WHEREAS, current funding is designated for a three-year term (2025 through 2027) and is distributed to counties as an annual allocation; and

WHEREAS, in 2025, Dakota County received \$116,726 from DCYF; and

WHEREAS, this is a \$2,744 (2.3%) increase from the 2024 allocation; and

WHEREAS, ratification to the Board was delayed due to uncertainty in the budget forecast that required additional clarification prior to proceeding; and

WHEREAS, the OER funds must not be used to supplant current state or local funding received for child protection services for children and families affected by addiction; and

WHEREAS, use of the funds should promote optimal health, safety, and well-being for families and their children; and

WHEREAS, counties can target prevention interventions and work with at-risk families, which may include the following program areas: child protection, child welfare, Pathways to Prosperity, Parent Support Outreach Program (PSOP), prenatal exposure cases, minor parents, truancy, children's mental health, and juvenile justice; and

WHEREAS, Dakota County's plan, which DCYF has approved, includes, but is not limited to, the following services: prevention, conventional, flexible spending, additional staff, and training; and

WHEREAS, conventional services are services for families impacted by substance use disorder which may include, but are not limited to family recovery programs, Family Dependency Treatment Court, Family Group Decision Making, culturally specific services, parent support groups, and family out-of-pocket expenses related to treatment services; and

WHEREAS, staff recommends the Dakota County Board of Commissioners ratify the 2025 allocation from DCYF for Child Protection Opioid Services allocation in the amount of \$116,726 and amend the 2025 Social Services Budget.

NOW, THEREFORE, BE IT RESOLVED, That the Dakota County Board of Commissioners hereby ratifies the Child Protection Opioid Services 2025 allocation in amount not to exceed \$116,726 ; and

BE IT FURTHER RESOLVED, That unless the program requirements change, the Community Services Director is hereby authorized to accept the 2026 and 2027 annual allocations, and continue grant-funded full-time equivalents, consistent with County contracting policies, and inclusion of grant funds in future yearly Recommended and Approved Budgets; and

BE IT FURTHER RESOLVED, That the Dakota County Board of Commissioners hereby amends the 2025 Social Services Budget as follows:

Expense

Program Expense	<u>\$116,726</u>
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Total Expense	\$116,726
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Revenue

Opiate Epidemic Response	<u>\$116,726</u>
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Total Revenue	\$116,726
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PREVIOUS BOARD ACTION

None.

ATTACHMENTS

Attachment: 2025 Allocations

BOARD GOALS

- | | |
|---|---|
| ☒ Thriving People | ☐ A Healthy Environment with Quality Natural Resources |
| ☐ A Successful Place for Business and Jobs | ☐ Excellence in Public Service |

CONTACTS

Department Head: Nikki Conway

Author: Lawrence Dickens

Child Protection Opioid Epidemic Response Account Calendar Year 2025 Allocation Invoice Field Code: 71.CPOPIOIDRESP06QXXX.R.STATE			
Agency	Allocation	Agency	Allocation
Aitkin	\$13,386	Mahnomen	\$3,052
Anoka	\$123,505	Marshall	\$14,187
Becker	\$28,591	McLeod	\$13,201
Beltrami	\$39,680	Meeker	\$40,052
Benton	\$28,565	Mille Lacs	\$49,343
Big Stone	\$2,969	Morrison	\$31,812
Blue Earth	\$37,010	Mower	\$29,077
Brown	\$15,792	Nicollet	\$21,898
Carlton	\$36,582	Nobles	\$6,796
Carver	\$27,346	Norman	\$5,923
Cass	\$17,025	Olmsted	\$51,699
Chippewa	\$19,131	Otter Tail	\$31,551
Chisago	\$24,545	Pennington	\$5,324
Clay	\$51,356	Pine	\$25,390
Clearwater	\$5,274	Polk	\$18,226
Cook	\$3,494	Ramsey	\$194,681
Crow Wing	\$66,939	Red Lake	\$1,512
Dakota	\$116,726	Renville	\$15,107
Des Moines Valley HHS	\$11,208	Rice	\$42,164
Douglas	\$30,141	Roseau	\$8,911
Faribault-Martin	\$23,683	Scott	\$27,876
Fillmore	\$4,787	Sherburne	\$51,359
Freeborn	\$21,717	Sibley	\$3,690
Goodhue	\$24,615	Southwest HHS	\$54,941
Hennepin	\$346,756	St. Louis	\$190,385
Houston	\$4,826	Stearns	\$69,616
Hubbard	\$24,887	Stevens	\$9,831
Isanti	\$26,231	Swift	\$10,663
Itasca	\$38,877	Todd	\$16,268
Kanabec	\$11,062	Traverse	\$4,360
Kandiyohi	\$51,416	Wabasha	\$8,039
Kittson	\$509	Wadena	\$19,207
Koochiching	\$12,525	Washington	\$56,365
Lac qui Parle	\$3,533	Watsonwan	\$8,158
Lake	\$4,940	Western Prairie Human	
Lake of the Woods	\$2,929	Services	\$17,558
Le Sueur	\$18,165	Wilkin	\$4,180
MN Prairie	\$12,293	Winona	\$26,406
		Wright	\$42,170
		Yellow Medicine	\$9,077
This Grant is 100% State Funded.			\$2,573,072

Payments will be distributed quarterly at 80% the value of the allocation, with the remaining 20% reimbursed at the end of the allocation period provided all reporting requirements are met



Board of Commissioners

Request for Board Action

Item Number: DC-5001

Agenda #: 9.2

Meeting Date: 11/18/2025

DEPARTMENT: Social Services-Housing & Community Resources

FILE TYPE: Consent Action

TITLE

Authorization To Execute Contract With Dakota Woodlands For Emergency Shelter Services

PURPOSE/ACTION REQUESTED

Authorize execution of a contract with Dakota Woodlands for emergency shelter services.

SUMMARY

The Social Services Department manages a continuum of housing services. Services are operated through direct service delivery, contracts and joint powers agreements. Contracted services include street outreach, emergency shelter, permanent supportive housing, apartment services and services at eviction court. Dakota County conducts a Request for Proposal (RFP) process every four years for contracted housing services. Housing continuum services are funded by various funding sources including levy, state grants, federal grants, and Affordable Housing Aid (AHA).

In 2025, staff issued an RFP for emergency shelter services. A review committee from Social Services reviewed and scored proposals. See attached for service descriptions and determination of success for each contractor (Attachment: Solicitation Summary - Emergency Shelter Services).

Dakota Woodlands currently receives funding from three Dakota County sources: Emergency Assistance through Dakota County Employment and Economic Assistance, a pass-through grant from the Minnesota Department of Human Services, and county levy through Dakota County Social Services.

Dakota County leadership received a request from Dakota Woodlands for additional operating funding. Ehlers Public Finance Advisors completed an analysis of the Dakota Woodlands finances and determined that it costs \$213 per family per day for Dakota Woodlands to provide shelter in addition to transportation, childcare, food, etc. The annual revenues support \$166 per family per day. Providing an additional \$300,000 per year from Local Affordable Housing Aid (LAHA) will help fill that gap while Dakota Woodlands pursues additional foundation support.

Dakota County staff recommend executing a contract with Dakota Woodlands for emergency shelter services for the term and amount listed below:

- Term of contract: January 1, 2026 through December 31, 2027
- Not to exceed amount \$915,000 (190% increase from previous contract period)
- Funding Source: \$315,000 from County Levy and \$600,000 from LAHA
- In 2024, served 69 households

Staff will continue to review Dakota Woodlands services and their funding situation on an ongoing basis to ensure they are providing the support requested and are on stable financial footing.

OUTCOMES

All Contractors will report the following information to Dakota County on a quarterly basis, based on the specific requirements of the contract:

1. **How much?** Number of households served
2. **How well?** Demographics of households served
3. **Is anyone better off?** Number of households exited to permanent housing

RECOMMENDATION

Staff recommends that the Board of Commissioners authorizes the Community Services Director to execute a contract with Dakota Woodlands for emergency shelter services in a not to exceed amount of \$915,000 for the period January 1, 2026 through December 31, 2027.

EXPLANATION OF FISCAL/FTE IMPACTS

This contract is a General Fund expenditure and is funded by levy and Local Affordable Housing Aid and will be included in the 2026 and 2027 County Manager's Recommended Budgets. The contract shall contain a provision that allows the County to immediately terminate the contract in the event sufficient funds from county, state, or federal sources are not appropriated at a level sufficient to allow payment of the amounts due.

- | | | |
|--|---|---|
| ☐ None | ☐ Current budget | ☒ Other |
| ☐ Amendment Requested | | ☐ New FTE(s) requested |

RESOLUTION

WHEREAS, the Social Services Department manages a continuum of housing services; and

WHEREAS, Services are operated through direct service delivery, contracts and joint powers agreements; and

WHEREAS, contracted services include street outreach, emergency shelter, permanent supportive housing, apartment services and services at eviction court; and

WHEREAS, services are funded by various funding sources; and

WHEREAS, to ensure continued high-quality services, Dakota County conducts a routine Request for Proposal (RFP) process every four years; and

WHEREAS, in 2025, staff issued an RFP for emergency shelter services; and

WHEREAS, a review committee from Social Services reviewed and scored proposals; and

WHEREAS, Dakota Woodlands currently receives funding from three Dakota County sources: Emergency Assistance through Dakota County Employment and Economic Assistance, a pass-through grant from the Minnesota Department of Human Services, and county levy through Dakota

County Social Services; and

WHEREAS, Dakota County leadership received a request from Dakota Woodlands for additional operating funding; and

WHEREAS, Ehlers Public Finance Advisors completed an analysis of the Dakota Woodlands finances and determined that it costs \$213 per family per day for Dakota Woodlands to provide shelter in addition to transportation, childcare, food, etc.; and

WHEREAS, the annual revenues support \$166 per family per day; and

WHEREAS, providing an additional \$300,000 per year from Local Affordable Housing Aid (LAHA) will help fill that gap while Dakota Woodlands pursues additional foundation support; and

WHEREAS, staff recommends executing a contract with Dakota Woodlands for emergency shelter services for the term and amount listed below:

- Term of contract: January 1, 2026 through December 31, 2027
- Not to exceed amount \$915,000 (190% increase from previous contract period)
- Funding Source: \$315,000 from County Levy and \$600,000 from LAHA
- In 2024, served 69 households

; and

WHEREAS, staff will continue to review Dakota Woodlands services and their funding situation on an ongoing basis to ensure they are providing the support requested and are on stable financial footing.

NOW, THEREFORE, BE IT RESOLVED, That the Dakota County Board of Commissioners hereby authorizes the Community Services Director to execute a contract for emergency shelter services with Dakota Woodlands in a not to exceed amount of \$915,000 for the period of January 1, 2026 through December 31, 2027, subject to approval by the County Attorney's Office as to form; and

BE IT FURTHER RESOLVED, That the Community Services Director is hereby authorized to amend said contract, consistent with the amount budgeted, to alter the contract amount and the contract term up to one year after initial expiration date, consistent with County contracting policies, subject to approval by the County Attorney's Office as to form; and

BE IT FURTHER RESOLVED, That the contract shall contain a provision that allows the County to immediately terminate the contract in the event sufficient funds from county, state, or federal sources are not appropriated at a level sufficient to allow payment of the amounts due.

PREVIOUS BOARD ACTION

None.

ATTACHMENTS

Attachment: Solicitation Summary - Emergency Shelter Services

BOARD GOALS

- ☒ Thriving People ☐ A Healthy Environment with Quality Natural Resources
☐ A Successful Place for Business and Jobs ☐ Excellence in Public Service

CONTACTS

Department Head: Emily Schug

Author: Madeline Kastler

Solicitation Summary

Date of Solicitation: January 21, 2025

Number of Proposals Received: 1

Review Team Agencies: Dakota County Social Services

Services Description:

Provide emergency shelter services for children (“clients”) in County who reside with their mothers at Contractor’s shelter and are ineligible or not covered by other funding sources.

Primary Deliverables:

- Provide emergency shelter for children in Dakota County who reside with their mothers at Contractor’s shelter and are ineligible by other funding sources.
- Coordination with County staff.

Solicitation Selection Criteria: (scoring based on responses below and submitting all required documents)

Description of program approach/design with details on proposed goals

Describe how you would provide the program services you are proposing.

Describe your experience providing these services and successes & challenges you have had.

Describe how your agency will meet the proposed outcome measures.

Describe your proposed staffing plan to deliver the services. Will you need to hire additional staff if awarded the contract? If so, what qualifications would your agency seek in hiring for this service?

List other creative ideas to expand or enhance the value of your services.

Evaluation Results:

After a thorough review, the review panel recommended to award a contract with: Dakota Woodlands to provide Emergency Shelter services for families experiencing homelessness.

Rationale of Recommended Vendor:

Dakota Woodlands has many years of experience providing emergency shelter services in Dakota County, lots of approaches to providing these services, strong relationship working with County staff. Successful partner is providing the services in Dakota County.



Board of Commissioners

Request for Board Action

Item Number: DC-4438

Agenda #: 10.1

Meeting Date: 11/18/2025

DEPARTMENT: Environmental Resources

FILE TYPE: Consent Action

TITLE

Authorization For Second Amendment To Joint Powers Agreement With City Of Mendota Heights To Operate Residential Food Scraps Drop-Off Site

PURPOSE/ACTION REQUESTED

Authorize execution of a second joint powers agreement (JPA) amendment with the City of Mendota Heights for continued operations of the residential food scraps drop-off site located at Mendakota Park (Attachment: Second Amendment to JPA).

SUMMARY

Metropolitan counties are responsible for waste management policy and programs (Minn. Stat. § 115A.551). By Resolution No. 25-456 (September 23, 2025), the County Board adopted the 2024-2044 Solid Waste Management Plan (Solid Waste Management Plan). The Solid Waste Management Plan includes a tactic for continued collaboration and assistance with municipalities for residential food scraps drop-off sites. The plan also includes a strategy for residential curbside organics collection to be available in suburban areas by 2030 and a tactic to expand food scrap drop-off sites to areas not served by residential curbside organics collection (e.g., apartments).

Dakota County receives Select Committee on Recycling and the Environment (SCORE) funds from the State of Minnesota to implement landfill abatement programs. The County is required to expend a portion of State funds on organics programming (Minn. Stat. § 115A.557). Since 2016, using allocated SCORE funds, residential food scraps drop-off sites have been successfully implemented at 11 locations in the county with over 11,800 registered households.

Dakota County and the City of Mendota Heights executed a JPA in 2021 for a six-year term to operate a residential food scraps drop-off site at Mendakota Park, 2171 Dodd Road, Mendota Heights. The JPA provides reimbursements to the City of Mendota Heights for recurring operational costs (compostable bag costs, organics hauling). A First Amendment to the JPA was approved by the County Board on September 24, 2024, to account for increased costs (\$29,000) over the initial agreement period, bringing the total to \$57,500. The JPA expires December 31, 2027.

The Environmental Resources Department (Department) and the City of Mendota Heights have expressed mutual interest in amending the JPA for continued operations for an additional three years (2028-2030), making the drop-site available until residential curbside organics is required. The Department will look at a phased approach for future drop-off site needs, balanced with the availability of curbside organics collection to residents.

A second amendment to the JPA is necessary to provide funding for an additional three years of reimbursable operational costs, including increased hauler services to address participation growth and for the construction of an enclosure to comply with city code. Over 18 percent of households in Mendota Heights have registered for the drop-off program, which is higher than the countywide sign-up rate of seven percent. In September 2025, a second collection container was added to the Mendota Heights drop-off site to manage the added food scraps from increased resident participation.

Amending the JPA requires County Board approval. The proposed \$81,100 will increase the budget to \$138,600 over the nine-year term (2021-2030) (Attachment: Allocated JPA Funding).

RECOMMENDATION

Staff recommends executing a budget and term amendment to the JPA with the City of Mendota Heights in the amount of \$81,100, for a maximum amount of \$138,600 over the nine-year term (2021-2030), for a dedicated drop-off enclosure and continued operations of the residential food scraps drop-off site at Mendakota Park.

EXPLANATION OF FISCAL/FTE IMPACTS

Dakota County's total share of the cost of the JPA with the amendment is projected to be \$138,600. The Environmental Resources Operating Budget, which is included in the Environmental Legacy Fund (ELF), includes budget for the County's food scraps drop-off program and is funded by SCORE grant funds from the State of Minnesota.

☐ None ☒ Current budget ☐ Other
☐ Amendment Requested ☐ New FTE(s) requested

RESOLUTION

WHEREAS, Minn. Stat. § 471.59 authorizes local governmental units to jointly or cooperatively exercise any power common to the contracting party; and

WHEREAS, Dakota County and the City of Mendota Heights are governmental units as that term is defined in Minn. Stat. § 471.59; and

WHEREAS, Metropolitan counties are responsible for waste management policy and programs (Minn. Stat. § 115A.551); and

WHEREAS, by Resolution No. 25-456 (September 23, 2025), the County Board adopted the 2024-2044 Dakota County Solid Waste Management Plan (Solid Waste Management Plan); and

WHEREAS, the Solid Waste Management Plan includes a tactic for continued collaboration and assistance with municipalities for residential food scraps drop-off sites; and

WHEREAS, the Solid Waste Management Plan includes a tactic to continue to provide food scrap drop-off sites and expand to areas not served by curbside organics collection (e.g., apartment complexes); and

WHEREAS, the Solid Waste Management Plan includes a strategy for curbside organics collection to be available in suburban areas by 2030; and

WHEREAS, the County receives Select Committee on Recycling and the Environment (SCORE) funds from the State of Minnesota to implement landfill abatement programs; and

WHEREAS, Minn. Stat. § 115A.557 requires the County to use a portion of the State SCORE funds on organics programming; and

WHEREAS, State-allocated SCORE funds are used for residential food scraps drop-sites at 11 locations in the County; and

WHEREAS, by Resolution No. 21-264 (May 18, 2021), Dakota County and the City of Mendota Heights executed a joint powers agreement (JPA) to operate a residential food scraps drop-off site until December 31, 2027; and

WHEREAS, by Resolution No. 24-457 (September 24, 2024), due to several factors, including increased costs for compostable bags and organics hauling, Dakota County and the City of Mendota Heights amended the JPA; and

WHEREAS, due to several additional factors, including initial JPA term limits and increased operational costs due to continued growth in residential participation levels, a second amendment to the JPA is necessary; and

WHEREAS, the original JPA with the City of Mendota Heights was signed for \$28,500; and

WHEREAS, the first amendment to the JPA with the City of Mendota was signed for an additional \$29,000, for a JPA maximum total of \$57,500; and

WHEREAS, the proposed second amendment to the JPA in the amount of \$81,100 requires County Board approval and will bring the amended JPA maximum to a total of \$138,600 over the nine-year term (2021-2030); and

WHEREAS, staff recommends executing a second amendment to the existing JPA with the City of Mendota Heights for continued operations at the residential food scraps drop-off site, including for construction of an enclosure, until December 31, 2030, for a maximum total of \$138,600; and

WHEREAS, the Environmental Resources Operating Budget includes funds to provide the County's food scraps drop-off program using State of Minnesota SCORE grant funds.

NOW, THEREFORE, BE IT RESOLVED, That the Dakota County Board of Commissioners hereby authorizes the Physical Development Director to execute a joint powers agreement amendment with the City of Mendota Heights for residential food scraps drop-site operations through December 31, 2030, in an amount not to exceed \$138,600 for the total joint powers agreement, subject to the approval of the County Attorney's Office to form.

PREVIOUS BOARD ACTION

21-264; 8/18/21

24-457; 9/24/24

25-456; 9/23/25

ATTACHMENTS

Attachment: Second Amendment to JPA

Attachment: Allocated JPA Funding

BOARD GOALS

- ☐ Thriving People ☒ A Healthy Environment with Quality Natural Resources
☐ A Successful Place for Business and Jobs ☐ Excellence in Public Service

CONTACT

Department Head: Nikki Stewart

Author: Renee Burman

SECOND AMENDMENT TO
JOINT POWERS AGREEMENT
BETWEEN THE COUNTY OF DAKOTA AND
THE CITY OF MENDOTA HEIGHTS
TO CONSTRUCT AND OPERATE A RESIDENTIAL FOOD SCRAPS DROP-OFF SITE

WHEREAS, effective June 1, 2021, the County of Dakota (County) and City of Mendota Heights (Municipality) entered in a JOINT POWERS AGREEMENT (JPA) for the operation of a residential food scraps drop-off site (formally known as organics drop-off site); and

WHEREAS, effective September 24, 2024, the County and the Municipality amended the JPA to account for increased costs over the JPA term; and

WHEREAS, on September 23, 2025, the Dakota County Board of Commissioners adopted the 2024-2044 Dakota County Solid Waste Management Plan, which includes as a goal the continued collaboration with municipalities for operation of residential food scrap drop-off sites; and

WHEREAS, the parties desire to further amend the JPA to provide for additional three (3) year term and reimbursement for the Municipality to continue operating the residential food scraps drop-off site throughout the term of the JPA; and

WHEREAS, the JPA provides that any amendments shall be valid only when expressed in writing and duly signed by authorized representatives of both parties.

NOW, THEREFORE, in consideration of the mutual covenants contained herein the parties agree as follows:

1. To amend Section 3 TERM to continue in effect until December 31, 2030, or until termination in accordance with the provisions herein.
2. To add Section 5.2 (P) as follows:
 - P. Construct or cause to be constructed an enclosure and related necessary infrastructure to facilitate proper food scraps collection and removal at the drop-off site.
3. To amend Section 6.1 FUNDING AMOUNT to increase the allocated reimbursement funding for the Municipality by \$81,100.00, for a total amount not to exceed \$138,600 as set forth in Exhibit 1, as amended.
4. To replace Exhibit 1 with the following:

Exhibit 1
Allocated Funds
Nine (9) – Year Term

Anticipated reimbursement amount for the City of Mendota Heights Food Scraps Drop-Off Site

Item	<i>Original JPA Allocation (2021 – 2027)</i>	<i>First Amendment Increase (2021 – 2027)</i>	Proposed Second Amendment Increase (2021 – 2030)	Total Cost (2021 – 2030)
Enclosure Construction	\$0	\$0	\$15,000	\$15,000
Certified Compostable Bags	\$13,370	\$10,827	\$23,038	\$47,235
Hauling – Collection & Disposal	\$15,130	\$18,173	\$43,062	\$76,365
Total Reimbursement Amount	\$28,500	\$29,000	\$81,100	138,600

5. All other terms of the JPA between the County and City shall remain in full force and effect unless otherwise amended or terminated in accordance with law or the terms of the Contract.
6. In any case where this Amendment conflicts with the original JPA or the First Amendment to JPA, this Amendment shall govern.

Remainder of this page intentionally left blank. Signature page follows.

DAKOTA COUNTY

DRAFT

Georg T. Fischer, Director
Physical Development Division

Date of Signature: _____

CITY OF MENDOTA HEIGHTS

DRAFT

Stephanie Levine, Mayor

Date of Signature: _____

Attest: _____

Nancy Bauer, City Clerk

Date of Signature: _____

County Board Resolution
No. 25-XXX
Date: November 6, 2025

Attachment: Allocated JPA Funding

Joint Powers Agreement Amendment Allocated Funds
Nine (9) – Year Term

Anticipated reimbursement amount for the City of Mendota Heights Food Scraps Drop-Off Site

Item	<i>Original JPA Allocation (2021 – 2027)</i>	<i>First Amendment Increase (2021 – 2027)</i>	Proposed Second Amendment Increase (2021 – 2030)	Total Cost (2021 – 2030)
Enclosure Construction	\$0	\$0	\$15,000	\$15,000
Certified Compostable Bags	\$13,370	\$10,827	\$23,038	\$47,235
Hauling – Collection & Disposal	\$15,130	\$18,173	\$43,062	\$76,365
Total Reimbursement Amount	\$28,500	\$29,000	\$81,100	138,600

**Joint Powers Agreement Amendment Allocated Funds
Nine (9) – Year Term**

**Anticipated Reimbursement Amount for
City of Mendota Heights Food Scraps Drop-Off Site**

Items for Reimbursement	Original JPA Allocation (2021 – 2027)	First Amendment Increase (2021 – 2027)	Proposed Second Amendment Increase (2021 – 2030)	Total Amendment Allocation (2021 – 2030)
Enclosure Construction	\$0	\$0	\$15,000	\$15,000
Certified Compostable Bags	\$13,370	\$10,827	\$23,038	\$47,235
Hauling – Collection & Disposal	\$15,130	\$18,173	\$43,062	\$76,365
Total Reimbursement Amount	\$28,500	\$29,000	\$81,100	138,600



Board of Commissioners

Request for Board Action

Item Number: DC-4982

Agenda #: 10.2

Meeting Date: 11/18/2025

DEPARTMENT: Environmental Resources

FILE TYPE: Consent Action

TITLE

Certification Of Property Assessed Clean Energy Charges For Energy Improvements On Property In City Of Hastings

PURPOSE/ACTION REQUESTED

Certify Property Assessed Clean Energy (PACE) charges for an energy improvement project on the Hastings Senior Living LLC Property in the City of Hastings.

SUMMARY

By Resolution No. 17-144 (March 21, 2017), the Dakota County Board of Commissioners approved a joint powers agreement (JPA) with the Port Authority of the City of Saint Paul (Port Authority) for the implementation of the PACE program within Dakota County. Through the JPA, the Port Authority is responsible for implementing and administering the PACE program in Dakota County and providing financing for energy improvements to eligible applicants. The County provides for the imposition of special assessments pursuant to Minn. Stats. §§ 216C.435 and 216C.436 and Chapter 429 as needed in connection with that program. To facilitate and encourage the financing of energy improvements on the property so benefitted, the Port Authority has approved the application of and has requested PACE special assessments on the following property (Attachment: Location Map) in Dakota County:

Property Owner:	Hastings Senior Living, LLC
Parcel Number:	198145001010
Assessment:	\$7,560,000
Interest Rate:	7.85%
Finance Period:	24 years
Accrual Date:	1/1/2028

The Board previously approved an assessment for this property in 2022 in connection with an earlier PACE loan. The property owner has requested, and the Port Authority has approved a new loan for this property to take advantage of statutory changes in 2024 that allow for a larger loan amount and a longer loan term. The existing loan and assessment will be fully paid when the property owner closes on the new PACE loan.

After the imposition of special assessments for the new loan, the County will collect the assessment payments twice a year and remit them to the Port Authority for use in the repayment of the loan(s) or bond(s). The County will take all actions permitted by law to recover the assessments, including, without limitation, reinstating the outstanding balance of assessments when the land returns to

private ownership, in accordance with Minn. Stat. § 429.071, subd. 4.

The special assessment will be certified to the County Treasurer-Auditor and entered into the tax lists for the following year. The annual installment and interest will be collected at the same time and in the same manner as real property taxes. The special assessment, with accruing interest, is a lien upon the benefited property until paid.

RECOMMENDATION

Staff recommends authorizing the Dakota County Treasurer-Auditor to extend the proposed special assessment plus accruing interest on the properties set forth and listed above.

EXPLANATION OF FISCAL/FTE IMPACTS

None.

- | | | |
|--|---|--------------------------------|
| ☒ None | ☐ Current budget | ☐ Other |
| ☐ Amendment Requested | ☐ New FTE(s) requested | |

RESOLUTION

WHEREAS, the Dakota County Board of Commissioners approved the joint powers agreement (JPA) with the Port Authority of the City of Saint Paul (Port Authority) by Resolution No. 17-144 (March 21, 2017), designating the Port Authority to implement and administer Property Assessed Clean Energy (PACE) improvement financing on behalf of the County and providing for the impositions of special assessments pursuant to Minn. Stats. §§ 216C.435 and 216C.436 and Chapter 429 and as needed in connection with that program; and

WHEREAS, the County understands that the Port Authority will issue its PACE special assessment revenue bonds to finance the improvements and that the sole security for the bond will be special assessments imposed by the other cities and/or counties participating in PACE; and

WHEREAS, the County understands that the existing special assessments levied in connection with an earlier PACE loan for the property will be fully prepaid pursuant to Minn. Stat. § 429.061 when the property owner closes on the new loan to be issued by the Port Authority; and

WHEREAS, after imposition of the special assessments to be levied pursuant to this Resolution, the County will collect the assessment payments twice a year and remit them to the Port Authority for use in the repayment of the loan(s) or bond(s); and

WHEREAS, the County will take all actions permitted by law to recover the assessments, including, without limitation, reinstating the outstanding balance of assessments when the land returns to private ownership, in accordance with Minn. Stat. § 429.071, subd. 4; and

WHEREAS, the special assessment will be certified to the County Treasurer-Auditor and entered into the tax lists for the following year; and

WHEREAS, the annual installment and interest for current and delinquent collections or payoffs will be collected and disbursed at the same time and in the same manner as real property taxes, in accordance with Minn. Stats. §§ 276.11 and 276.111; and

WHEREAS, the special assessment, with accruing interest, is a lien upon the benefited property until paid.

NOW, THEREFORE, BE IT RESOLVED, That the Dakota County Board of Commissioners hereby authorizes the County Treasurer-Auditor to extend the proposed special assessment plus accruing interest on the property set forth and listed below:

Property Owner:	Hastings Senior Living, LLC
Parcel Number:	198145001010
Assessment:	\$7,560,000
Interest Rate:	7.85%
Finance Period:	24 years
Accrual Date:	1/1/2028

; and

BE IT FURTHER RESOLVED, That the Dakota County Board of Commissioners authorizes the County Treasurer-Auditor to extend the proposed special assessment plus interest on the properties identified herein and record this assessment against the properties with the Dakota County Recorder.

PREVIOUS BOARD ACTION

17-144; 3/21/17

ATTACHMENTS

Attachment: Location Map

BOARD GOALS

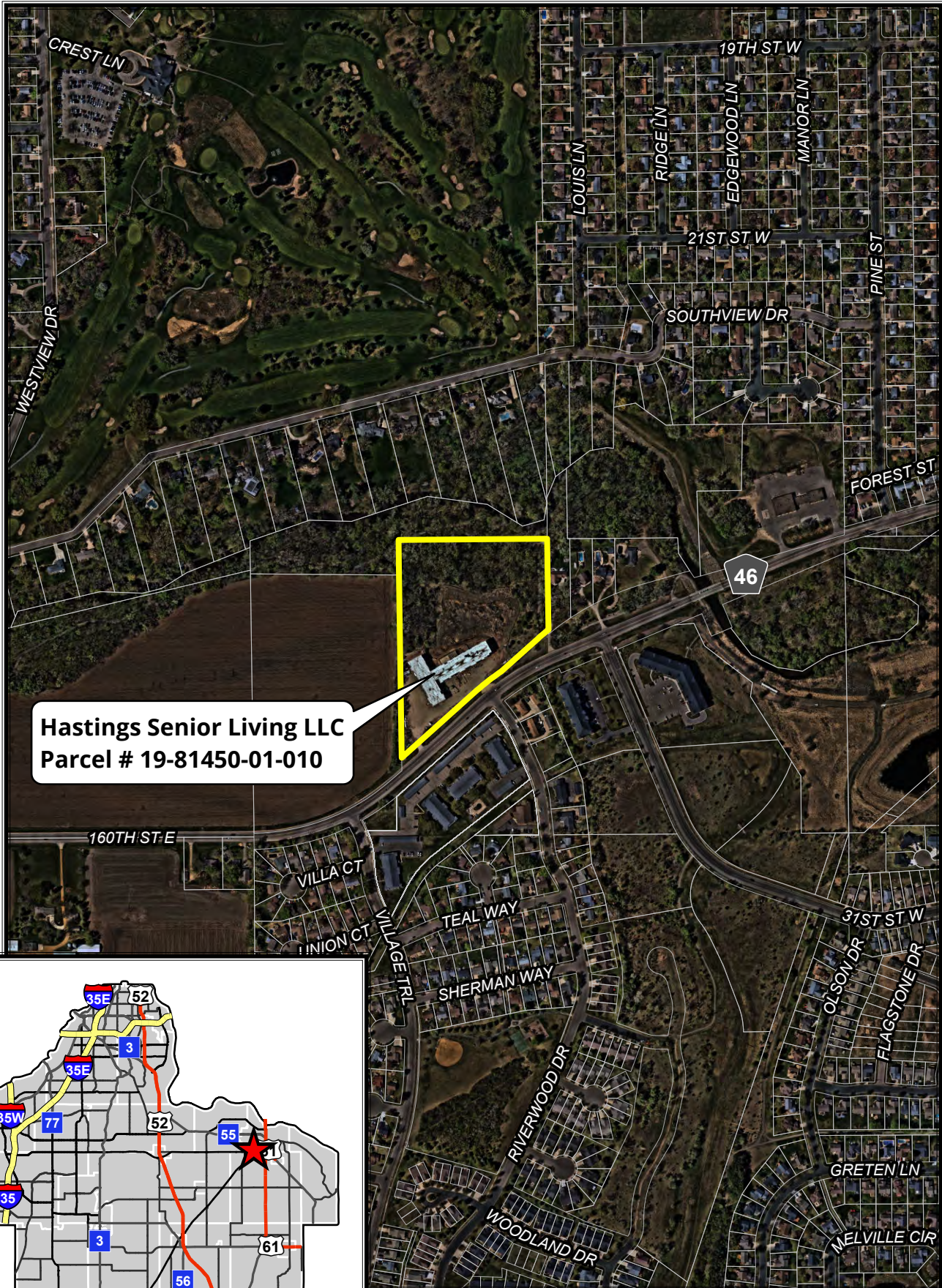
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|--|---|
| ☐ Thriving People | ☐ A Healthy Environment with Quality Natural Resources |
| ☒ A Successful Place for Business and Jobs | ☐ Excellence in Public Service |

CONTACT

Department Head: Nikki Stewart

Author: Nikki Stewart

Attachment: Location Map



Hastings Senior Living LLC
Parcel # 19-81450-01-010

Hastings Senior Living LLC
Hastings, MN 55033



Board of Commissioners

Request for Board Action

Item Number: DC-4948

Agenda #: 10.3

Meeting Date: 11/18/2025

DEPARTMENT: Parks

FILE TYPE: Consent Action

TITLE

Authorization To Execute Amendment Three With Max Steininger, Inc., For Veterans Memorial Greenway Construction In Inver Grove Heights, County Project P00147

PURPOSE/ACTION REQUESTED

Authorize the execution of construction contract amendment three with Max Steininger, Inc., to complete the greenway trail construction work for County Project (CP) P00147, Veterans Memorial Greenway (VMG) Phase I in Inver Grove Heights (Attachment: Project Location).

SUMMARY

To provide a safe and efficient greenway system, Dakota County is proceeding with the VMG Phase I segment, which is the construction of about two miles of shared-use trail. The construction included a 10-foot shared-use trail, tunnel under County Highway 71, earthwork, and elements of the basic and enhanced memorial nodes, Greenway Wayfinding, and a mid-block crossing of County Highway 73 into Rich Valley Park. The VMG Phase I project started in the spring of 2024, was substantially complete in November 2024, and scheduled to be fully complete by the end of the fall of 2025.

Additional landscaping and memorial node construction will be completed by separate construction contracts, which have started this fall of 2025 for Phase I.

By Resolution No. 24-188 (April 9, 2024), the County Board authorized execution of a contract with Max Steininger, Inc., for construction of VMG Phase I, CP P00147.

By Resolution No. 25-041 (January 21, 2025), the County Board authorized contract amendment one with Max Steininger, Inc., for additional costs for excavating, grading, hauling, and quantity overruns for the trail base for the construction of VMG Phase I, CP P00147.

Parties entered in a written contract amendment effective February 18, 2025, the first amendment, which contained an accounting error and incorrectly identified the total contract maximum as \$3,345,698.88 and the parties agreed that the total contract maximum for the work and services performed under the contract and first amendment should be \$2,992,577.45. This was administratively processed with a second amendment to the contract to adjust the accounting error for the total contract maximum.

Contract amendment three is needed to add additional project budget into the construction contract for construction activities which included a new guard rail along Rich Valley Boulevard adjacent to the new grade separated crossing, erosion control and slope armoring adjacent to wing walls for the

tunnel that have encountered regular erosion during heavy rain events, a concrete plaza, and other minor miscellaneous items to close out the construction contract. All of this work was completed by the end of October 2025.

RECOMMENDATION

Staff recommends authorizing a contract amendment with Max Steininger, Inc., in the amount of \$454,935.45 for costs associated with construction change orders and additional work completed related to guard rail installation, slope and erosion repairs, parking lot drainage improvements, and concrete plaza installation. The total contract amount will be \$3,447,512.90.

EXPLANATION OF FISCAL/FTE IMPACTS

The 2025 Parks Capital Improvement Program Budget contains sufficient funding, \$454,935.45, within the current project budget for the recommended contract amendment. The revenue source for the budget is utilizing 2020 State Bonding grant funding.

☐ None ☒ Current budget ☐ Other
☐ Amendment Requested ☐ New FTE(s) requested

RESOLUTION

WHEREAS, to provide high-quality recreational and educational opportunities in harmony with natural resource preservation and to honor Dakota County's more than 25,000 veterans, Dakota County is proceeding with the Veterans Memorial Greenway County Project (CP) P00147; and

WHEREAS, the Veterans Memorial Greenway Phase I is the first segment of regional trail to be secured, designed, and constructed in order to connect the Mendota to Lebanon Greenway in Eagan to the Mississippi River Greenway in Inver Grove Heights; and

WHEREAS, the Veterans Memorial Greenway Phase I includes construction of two miles of trail starting 500' west of the intersection of Alameda Path and Cliff Road in Inver Grove Heights and extending east along Cliff Road through Flint Hills property and then ending at Rich Valley Park; and

WHEREAS, by Resolution No. 24-188 (April 9, 2024), the County Board authorized the execution of a contract with Max Steininger, Inc., for the construction of Phase I of the Veterans Memorial Greenway, CP P00147; and

WHEREAS, by Resolution No. 25-041 (January 21, 2025), the County Board authorized contract amendment one with Max Steininger, Inc., for additional costs for excavating, grading, hauling, and quantity overruns for the trail base associated with the construction of Veterans Memorial Greenway Phase I; and

WHEREAS, the project is now substantially complete and ready for project closeout; and

WHEREAS, the construction contract has increased by \$454,935.45 over the first contract amendment amount; and

WHEREAS, the construction cost increases include additional costs for guard rail installation, erosion and slope stabilization adjacent to tunnel wing walls, concrete plaza installation, and other minor miscellaneous items for additional work completed; and

WHEREAS, staff recommends authorizing a contract amendment with Max Steininger, Inc., in the amount of \$454,935.45 for construction cost increases; and

WHEREAS, the 2025 Park's Capital Improvement Program Budget has sufficient funds to accommodate the construction contract.

NOW, THEREFORE, BE IT RESOLVED, That the Dakota County Board of Commissioners hereby authorizes the Physical Development Division Director, or their designee the Parks Director, to execute a third amendment to the contract with Max Steininger, Inc., in the amount of \$454,935.45 for increased costs, resulting in a total amount of \$3,447,512.90 for the construction work (County Project P00147) associated with the Veterans Memorial Greenway Phase I Segment, subject to approval by the County Attorney's Office as to form.

PREVIOUS BOARD ACTION

24-188; 4/9/24

25-041; 1/21/25

ATTACHMENTS

Attachment: Project Location

Attachment: Budget Adjustment Memo

BOARD GOALS

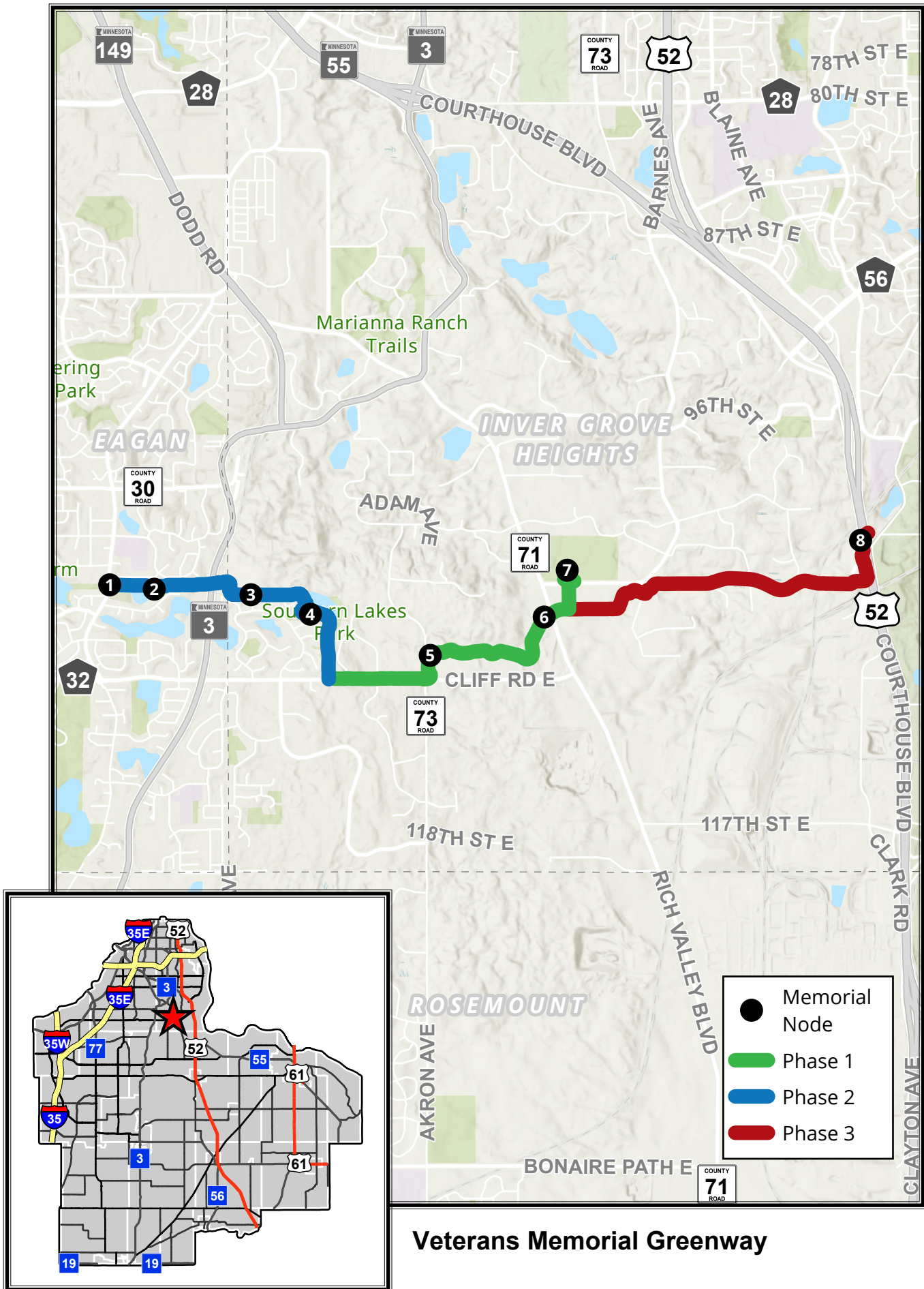
- ☒ Thriving People ☒ A Healthy Environment with Quality Natural Resources
☐ A Successful Place for Business and Jobs ☐ Excellence in Public Service

CONTACT

Department Head: Niki Geisler

Author: Tony Wotzka

Attachment: Project Location Map





MEMORANDUM

TO: Tony Wotzka, PLA

FROM: William Bauer, PE, ENV SP (Lic. IA, MN, SD)

DATE: November 11, 2025

RE: Veterans Memorial Greenway Construction Budget Adjustment
SEH No. DAKOT 157442 14.00

This memorandum summarizes the additional expenditures incurred on the construction of the Veterans Memorial Greenway and required adjustment to the project budget.

As of November 11, 2025, Max Steininger, SEH, and IMO Consulting staff met to review final quantities paid under existing pay items. After agreeing on many quantities, total work certified on the project was \$3,314,089.66.

Max Steininger has provided change orders for additional work completed. SEH and IMO Consulting staff have reviewed each change order to verify their accuracy and relevance and negotiate a final amount for each in case of discrepancy. Change orders 1 and 2 were previously approved and paid.

These change orders are summarized below:

Change Order Number	Description	Amount
3	Install bike rack	\$2,238.68
4	Rich Valley Blvd erosion repair	\$13,063.60
5	Rich Valley Park parking lot valley gutter	\$12,000.86
6	Rich Valley Blvd electric handhole adjustment	\$1,642.97
7	105 th St additional subcut and Class 5	\$3,462.27
8	Field engineering – alignment modification	\$1,425.88
9	Rich Valley Blvd geotextile fabric and geogrid	\$1,273.02
10	Rich Valley Blvd guard rail	\$98,316.00
	Change Order Total	\$133,423.28

This brings the total work certified on the project to **\$3,447,512.90**. Please request that the budget limit for the project be adjusted to this amount. Five bid items will require additional quantity verification. The grand total above reflects highest anticipated total cost for these items, but the actual amount may be lower.

wjb

Attachments

Change order summary

x:\ae\d\dakot\157442\7-const-svcs\7-constr field (phase 1 - cliff rd to rich valley park)\03 correspondence\dakota county\11.10.2025 budget adjustment\98-020 veterans memorial greenway budget adjustment memo.docx

Engineers | Architects | Planners | Scientists

Short Elliott Hendrickson Inc., 10650 Red Circle Drive, Suite 500, Minnetonka, MN 55343-9229

952.912.2600 | 800.734.6757 | 888.908.8166 fax | sehinc.com

SEH is 100% employee-owned | Affirmative Action–Equal Opportunity Employer

Quantities measured by IMO for relevant work. Agreed to meet in middle of measured quantities and requested amount to cover mobilization charge

Resolution
(11/11/2025)

Open CORs -- VMG						
COR 3	Install Bike Rack	1	LS	\$2,238.68	Total w. M/U	Entered under Bike rack item
COR 4	Slope Regrading & Install TRM	1	LS	\$13,063.60	Total w. M/U	CO4 in OneOffice
COR 5	Rich Valley Parking Lot Valley Gutter					
	Curb Masters	1	LS	\$3,630.00	\$3256.18	
	MPM	1	LS		Pending Invoice from MPM	
	MSI - Sawcut, Remove, Grade	1	LS	\$4,740.00	\$2933.30	Entered under ex bid items
	Pay \$5811.38 for measured quantity + 50% of mobilization (\$1,000 assumed)				Total w. M/U	
COR 6	Raise Electrical Handhole					
	Killmer	1	LS	\$1,493.61		Pay under Handhole item
				\$1,642.97	Total w. M/U	
COR 7	Incorrect X-Sections - Addl Subcut & Class 5	1	LS	\$3,462.27	Total w. M/U	Pay under Class 5
COR 8	Field Engineering-Survey - Trail Alignment Issues	1	LS	\$1,425.88	Total w. M/U	Pay under Common Laborer
COR 9	Fabric & Geogrid at Southern 100' of Rich Valley Rd	1	LS	\$1,600.50	Total w. M/U	Pay \$1,273.02 under geotextile unit price (CO1,
	Guardrail Along Box Culvert	1	LS	\$98,316.00	Total w. M/U	CO4 in OneOffice



Board of Commissioners

Request for Board Action

Item Number: DC-4960

Agenda #: 10.4

Meeting Date: 11/18/2025

DEPARTMENT: Transportation

FILE TYPE: Consent Action

TITLE

Authorization To Submit 2025 Local Road Improvement Program Funding Applications for CSAH 47 Reconstruction and Concrete Paving, County Projects 47-047 & 47-048, and CSAH 46 Roadway Expansion, County Project 99-013

PURPOSE/ACTION REQUESTED

Authorize staff to submit County Project (CP) 47-047, County State Aid Highway (CSAH 47) from Trunk Highway (TH) 50 to CSAH 86, CP 47-048, CSAH 47 from CSAH 86 to TH 3, and CP 99-013, CSAH 46 from TH 3 to US 52 in the cities of Rosemount, Coates, and Empire to the Minnesota Department of Transportation's 2025 Local Road Improvement Program (LRIP).

SUMMARY

The LRIP was established by the Minnesota legislature in 2002 and is defined in Minnesota Statute §174.52. In 2025, the legislature appropriated \$47,000,000 in general obligation bonds for the LRIP with a maximum request amount of \$1,500,000. The LRIP grant provides funding through three separate programs: the Trunk Highway Corridor Account, the Routes of Regional Significance Account, and the Rural Road Safety Account. Applications are due December 12, 2025.

Staff is proposing to submit CP 47-047 and CP 47-048 to the Rural Road Safety Account through the LRIP grant. The Rural Road Safety Account funds capital safety improvement projects on County State Aid Highways primarily to reduce traffic crashes, deaths, injuries, and property damage. Funds from this account are eligible for use on County State Aid Highways only.

Staff is also proposing to submit CP 99-013 to the Routes of Regional Significance account through the LRIP grant. The Routes of Regional Significance Account provides funds for the costs of constructing or reconstructing city streets, county highways, or town roads, with statewide or regional significance. See attachment for project locations.

RECOMMENDATION

Staff recommends submittal of CP 47-047, CP 47-048, and CP 99-013 to the Minnesota Department of Transportation's LRIP in an amount of \$1,500,000 for each project.

EXPLANATION OF FISCAL/FTE IMPACTS

If awarded, funding will be included in a future Transportation Capital Improvement Program budget.

☐ None ☐ Current budget ☒ Other

☐ Amendment Requested☐ New FTE(s) requested**RESOLUTION**

WHEREAS, the Minnesota Department of Transportation is requesting project submittals for the Local Road Improvement Program (LRIP); and

WHEREAS, the LRIP grant program funds up to 100 percent of project construction costs, up to a maximum amount of \$1,500,000; and

WHEREAS, state funding of projects reduces the burden on local taxpayers for regional improvements; and

WHEREAS, County Project (CP) 47-047 and CP 47-048 will remediate safety issues to reduce traffic crashes, deaths, injuries, and property damages; and

WHEREAS, CP 99-013 will expand County State Aide Highway 46 from a two-lane roadway to a four-lane divided roadway to reduce congestion and replace the ramp intersections at US 52 with two roundabouts to increase safety at an intersection with known safety issues; and

WHEREAS, the projects proposed are consistent with the adopted Dakota County 2040 Transportation Plan and are included in Transportation's 2025 to 2029 Capital Improvement Program; and

WHEREAS, project submittals are due on December 12, 2025.

NOW, THEREFORE, BE IT RESOLVED, That the Dakota County Board of Commissioners hereby authorizes the Transportation Director to submit County Project 47-047, County Project 47-048, and County Project 99-013 to the Minnesota Department of Transportation for the Minnesota Local Road Improvement Program.

PREVIOUS BOARD ACTION

None.

ATTACHMENTS

Attachment: Local Road Improvement Program Project Locations

BOARD GOALS

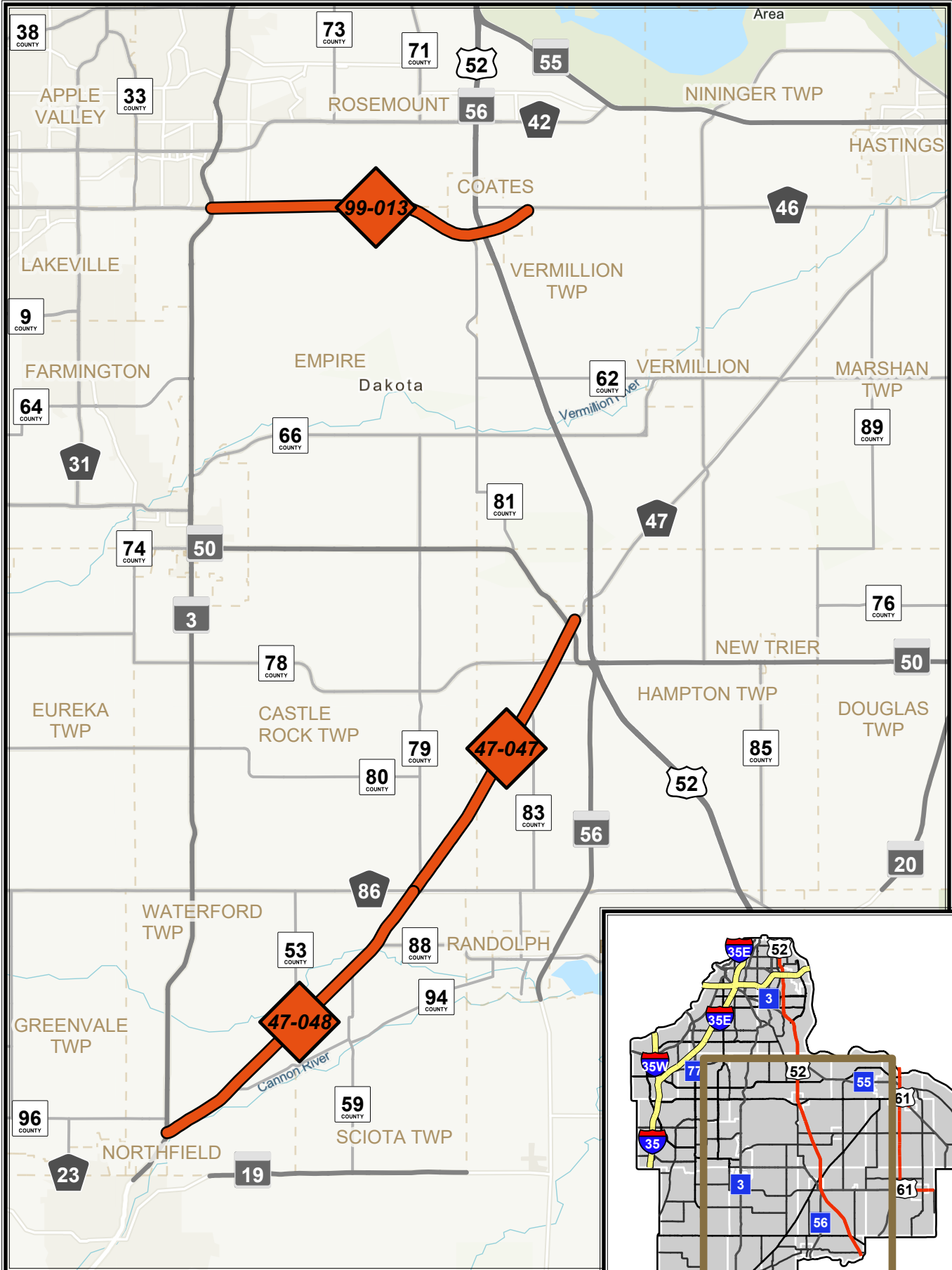
- ☐ Thriving People ☐ A Healthy Environment with Quality Natural Resources
☒ A Successful Place for Business and Jobs ☐ Excellence in Public Service

CONTACT

Department Head: Erin Laberee

Author: Barry Becker

Attachment: Local Road Improvement Program Project Locations





Board of Commissioners

Request for Board Action

Item Number: DC-5004

Agenda #: 10.5

Meeting Date: 11/18/2025

DEPARTMENT: Transportation

FILE TYPE: Consent Action

TITLE

Authorization To Initiate Quick-Take Condemnation For Replacement Of Four Retaining Walls Along County State Aid Highway 38 (McAndrews Road) From Garden View To Diamond Path In City Of Apple Valley, County Project 97-218

PURPOSE/ACTION REQUESTED

Authorize quick-take condemnation of right of way necessary for the replacement of four retaining walls along County State Aid Highway (CSAH) 38 (McAndrews Rd) from Garden View to Diamond Path in the City of Apple Valley, County Project (CP) 97-218.

SUMMARY

To provide a safe and efficient transportation system, Dakota County is proceeding with CP 97-218, which involves the analysis, repair, or replacement of retaining walls along county roadways. This project has evaluated 24 retaining walls to identify and prioritize repair/replacement to assist in capital planning needs.

Staff identified four priority retaining walls along County State Aid Highway 38 to proceed with final design (Attachment: Location Map). These walls, constructed in 1992, are deteriorating and require either full replacement or a solution with a similar service life.

The County Board previously approved the right of way acquisition for projects included in the 2025 Transportation Capital Improvement Program (CIP) by Resolution No. 25-052 (January 21, 2025). This board action included authorization to make first offers based on appraised values and delegated settlement authority to the County Manager.

Dakota County is the lead agency for CP 97-218 design and right of way acquisition. Acquisition of right of way for temporary easements from six parcels is needed to move forward with CP 97-218. Valbridge Property Advisers has completed appraisals with a total appraised value of \$23,300. Offers were sent to property owners on September 30, 2025. County staff is currently in ongoing direct negotiations with property owners to reach a settlement.

If timely acquisition by direct negotiation of all required parcels does not appear possible, staff recommends that the County Board authorize the County Attorney's Office to initiate quick-take condemnation of the remaining parcels. Efforts will be made to negotiate agreeable settlements before and after the start of the condemnation process.

RECOMMENDATION

Staff recommends authorization for potential condemnation for right of way necessary for CP 97-218.

EXPLANATION OF FISCAL/FTE IMPACTS

The 2025 Transportation CIP Adopted Budget includes \$1,300,000 for CP 97-218. This amount consists of \$800,000 in County State Aid (CSAH) and \$500,000 in use of Transportation Fund balance, allocated for engineering services, right of way acquisition, and construction. In accordance with the County's adopted policy for preservation projects, the project is fully funded by the County.

☐ None ☒ Current budget ☐ Other
☐ Amendment Requested ☐ New FTE(s) requested

RESOLUTION

WHEREAS, to provide a safe and efficient transportation system, Dakota County is proceeding with County Project (CP) 97-218; and

WHEREAS, CP 97-218 is the analysis, repair, or replacement of retaining walls showing signs of deterioration along County roadways in various locations throughout Dakota County; and

WHEREAS, the project has identified four retaining walls along County State Aid Highway (CSAH) 38 from Garden View to Diamond Path in the City of Apple Valley to proceed with construction in 2026; and

WHEREAS, acquisition of temporary easements from six parcels is necessary to proceed with construction in 2026; and

WHEREAS, Dakota County is the lead agency for CP 97-218; and

WHEREAS, the following acquisitions are necessary to proceed with CP 97-218:

PARCEL	OWNER	
1	City of Apple Valley	95 (TE)
2	Thomas R. Harris and Karen R. Harris	1,884 (TE)
3	Paul T. Rogne and Melanie P. Rogne	1,989 (TE)
4	Kelly Lynn Meehan	509 (TE)
5	Jose E. Ballejo	1,497 (TE)
6	David K. Larson and Patricia M. Larson	1,058 (TE)

Parcel 1: City of Apple Valley 07-17000-00-010

A temporary easement for highway purposes over that part of OUTLOT A, CHATEAU ESTATES, according to the recorded plat thereof, Dakota County, Minnesota, said temporary easement lying easterly and southerly of the following described line:

Commencing at the southwest corner of said OUTLOT A, thence North 85 degrees 25 minutes 03 seconds East a distance of 151.55 feet along the south line of said OUTLOT A also being the northerly right of way line of C.S.A.H. 38 (McAndrews Road) per said plat of CHATEAU ESTATES to the point of beginning of said line to be described; thence North 04 degrees 42 minutes 44 seconds West a distance of 4.87 feet; thence North 85 degrees 19 minutes 18 seconds East a distance of

7.64 feet to the southerly right of way line of 133RD Street West per said plat of CHATEAU ESTATES and said line there terminating.

Temporary Easement containing approximately 95 square feet.

Parcel 2: Thomas R. Harris and Karen R. Harris 01-17000-02-070

A temporary easement for highway purposes over that part of Lot 7, Block 2, CHATEAU ESTATES, according to the recorded plat thereof, Dakota County, Minnesota, said temporary easement lying southerly of the following described line:

Commencing at the southeast corner of said Lot 7, thence South 85 degrees 25 minutes 03 seconds West a distance of 33.30 feet along the south line of said Lot 7 also being the northerly right of way line of C.S.A.H. 38 (McAndrews Road) per said plat of CHATEAU ESTATES to the point of beginning of said line to be described; thence South 88 degrees 30 minutes 48 seconds West a distance of 118.67 feet; thence South 88 degrees 39 minutes 41 seconds West a distance of 30.57 feet; thence South 86 degrees 41 minutes 23 seconds West a distance of 25.28 feet; thence South 83 degrees 53 minutes 31 seconds West a distance of 91.43 feet; thence South 84 degrees 38 minutes 42 seconds West a distance of 53.49 feet to the southerly right of way line of 133RD Street West per said plat of CHATEAU ESTATES and said line there terminating.

Temporary Easement containing approximately 1884 square feet.

Parcel 3: Paul T. Rogne and Melanie P. Rogne 01-48200-02-010

A temporary easement for highway purposes over and across the north 10.00 feet of Lot 1, Block 2, MEADOWLARK GLEN, according to the recorded plat thereof, Dakota County, Minnesota, together with that part of said Lot 1 lying northerly of the following described line: Commencing at the northern most corner of said Lot 1, thence South 20 degrees 47 minutes 49 seconds East assumed bearing along the east line of said Lot 1, a distance of 22.00 feet to the point of beginning of the line to be described; thence South 81 degrees 42 minutes 49 seconds West a distance of 53.24 feet to the south line of the north 10.00 feet of said Lot 1 and said line there terminating.

Temporary Easement containing approximately 1989 square feet.

Parcel 4: Kelly Lynn Meehan 01-48200-02-050

A temporary easement for highway purposes over and across the north 10.00 feet of Lot 5, Block 2, MEADOWLARK GLEN, according to the recorded plat thereof, Dakota County, Minnesota.

Temporary Easement containing approximately 509 square feet.

Parcel 5: Jose E. Ballejo 01-48200-02-060

A temporary easement for highway purposes over and across the north 10.00 feet of Lot 6, Block 2, MEADOWLARK GLEN, according to the recorded plat thereof, Dakota County, Minnesota.

Temporary Easement containing approximately 1497 square feet.

Parcel 6: David K. Larson and Patricia Larson 01-48200-02-070

A temporary easement for highway purposes over and across the north 10.00 feet of Lot 7, Block 2, MEADOWLARK GLEN, according to the recorded plat thereof, Dakota County, Minnesota.

Temporary Easement containing approximately 1058 square feet.
; and

WHEREAS, the parcels have been appraised, and offers were prepared and sent for a total appraised value of \$23,300; and

WHEREAS, in the event that timely acquisition by direct negotiation of all required parcels does not appear possible, it may become necessary for the County Board to authorize the County Attorney's Office to initiate quick-take condemnation of the remaining parcels to allow for a spring 2026 start date; and

WHEREAS, parcels that have settled through negotiation prior to the date required for filing the condemnation petition will not be included.

NOW, THEREFORE, BE IT RESOLVED, That the Dakota County Board of Commissioners hereby authorizes the County Attorney's Office to initiate quick-take condemnation of the remaining parcels to allow a spring 2026 start date in the event that timely acquisitions by direct negotiations of all parcels do not appear possible.

PREVIOUS BOARD ACTION

25-052; 1/21/25

ATTACHMENTS

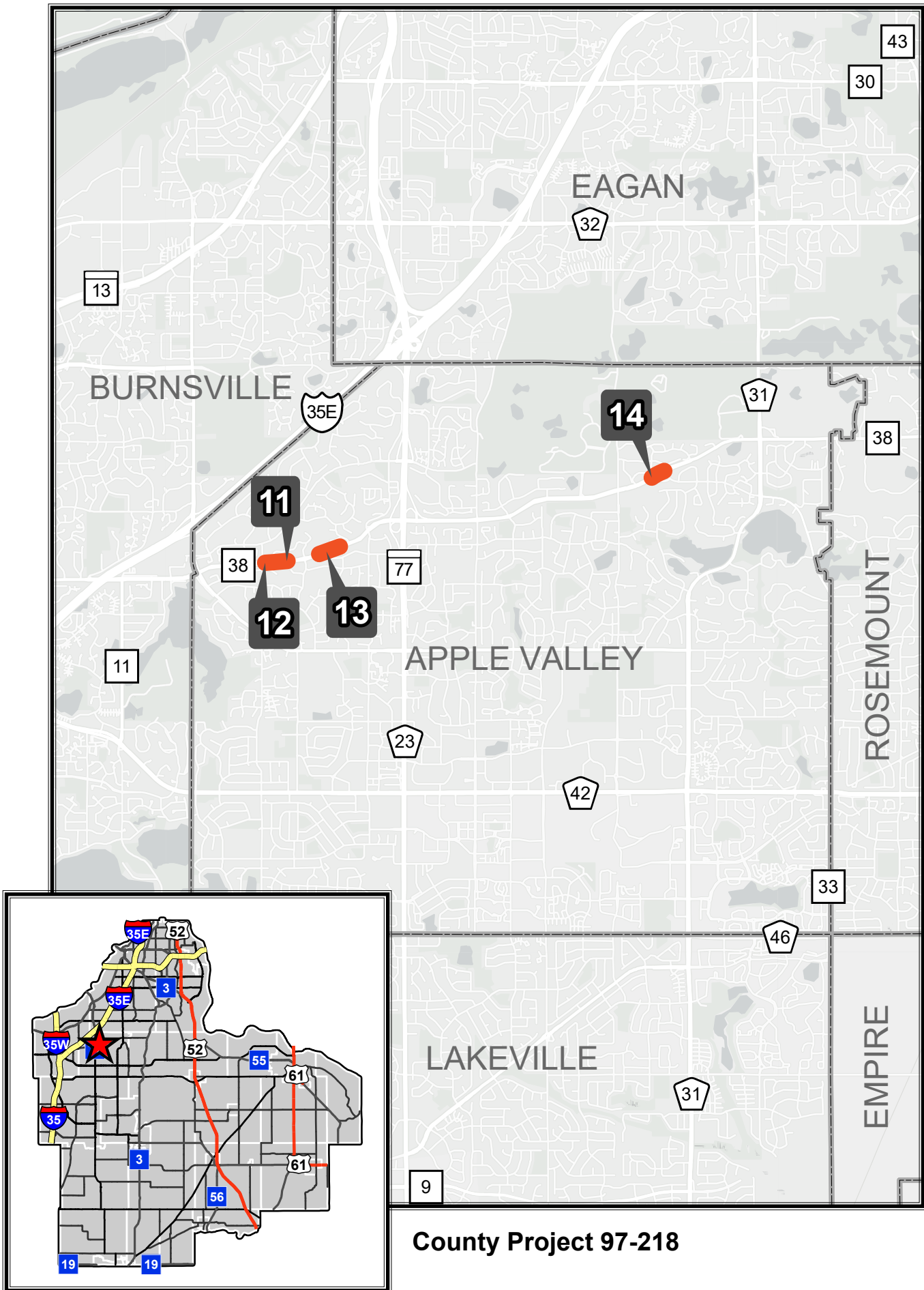
Attachment: Location Map of 4 Walls

BOARD GOALS

- ☐ Thriving People ☐ A Healthy Environment with Quality Natural Resources
☒ A Successful Place for Business and Jobs ☐ Excellence in Public Service

CONTACT

Department Head: Erin Laberee
Author: Imran Ahmed





Board of Commissioners

Request for Board Action

Item Number: DC-5011

Agenda #: 10.6

Meeting Date: 11/18/2025

DEPARTMENT: Transportation

FILE TYPE: Consent Action

TITLE

Approval Of Final Plats Recommended By Plat Commission

PURPOSE/ACTION REQUESTED

Approve final plats contiguous to County Roads as recommended by the Plat Commission.

SUMMARY

To provide for the orderly development of property in Dakota County, new subdivisions adjoining County highways are reviewed under the Dakota County Contiguous Plat Ordinance No. 108. The Ordinance requires new subdivisions adjoining County highways to comply with the County's access spacing and right of way guidelines in order that existing and future highway corridors are preserved to accommodate existing and forecasted traffic volumes safely and efficiently.

The Plat Commission examines plats prior to the time they are submitted for County Board approval. The Plat Commission has reviewed and recommends approval of the final plats by the County Board. The final plat approval by the County Board is subject to the conditions established by the Plat Commission review (Attachments: Meeting Notes and Location Maps).

RECOMMENDATION

Staff recommends approval of the final plats by the County Board as recommended by the Plat Commission.

EXPLANATION OF FISCAL/FTE IMPACTS

- ☒ None ☐ Current budget ☐ Other
☐ Amendment Requested ☐ New FTE(s) requested

RESOLUTION

WHEREAS, new subdivisions adjoining County highways are reviewed under the Dakota County Contiguous Plat Ordinance No. 108; and

WHEREAS, the Plat Commission examines plats prior to County Board approval; and

WHEREAS, the Plat Commission has reviewed and recommends approval of the final plats by the County Board; and

WHEREAS, the final plat approval by the County Board is subject to the conditions established by

the Plat Commission review; and

WHEREAS, the following plats below require approval by their respective City Council prior to the recording of the plats.

NOW, THEREFORE, BE IT RESOLVED, That the Dakota County Board of Commissioners hereby approves the following final plats:

GRAND SECOND ADDITION

Burnsville

PREVIOUS BOARD ACTION

None.

ATTACHMENTS

Attachment: Meeting Notes

Attachment: Location Map

BOARD GOALS

- ☐ Thriving People ☐ A Healthy Environment with Quality Natural Resources
☐ A Successful Place for Business and Jobs ☒ Excellence in Public Service

CONTACT

Department Head: Erin Laberee

Author: Todd Tollefson

DAKOTA COUNTY PLAT COMMISSION MEETING SUMMARY

October 22, 2025

The Plat Commission meeting began at 1:30 pm via Teams. Members present included: Todd Tollefson, Scott Peters, Jake Chapek, and Kurt Chatfield. Others present: Todd Bentley

Plat Name:	GRAND SECOND ADDITION
PID:	023086001010
City:	Burnsville
County Road:	CSAH 42 (County Rd. 42)
Current ADT (2021):	28,948
Projected ADT (2040):	34,000
Current Type:	6-lane, divided
Proposed Type:	6-lane, divided
R/W Guideline:	100 ft ½ ROW
Spacing Guideline:	¼ mi full access
Posted Speed Limit:	40 mph and 45 mph
Proposed Use:	Commercial
Status:	Preliminary
Location:	NW ¼, Sec. 30-115-20
In attendance (10/22/25):	Logan Vlasaty (city)

REVIEW 10/22/25:

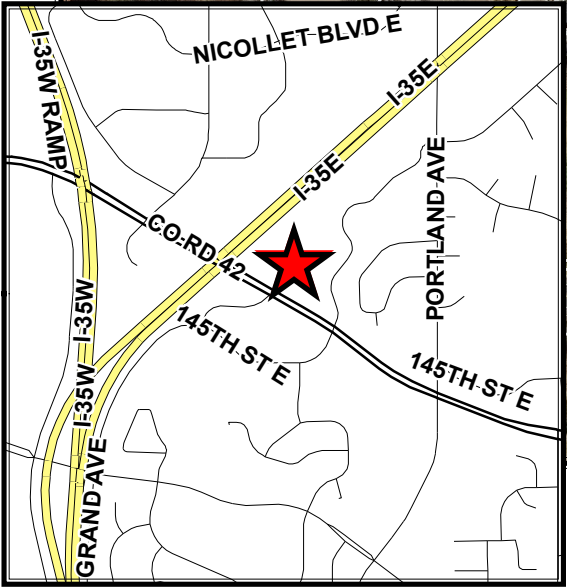
The proposed site is a replat of GRAND AVENUE to create two commercial lots. The right-of-way needs along CSAH 42 are 100 feet of half right of way for a future six-lane roadway. Restricted access should be shown along all of CSAH 42 per on the underlying plat of GRAND AVENUE. There were no other comments.

RECOMMENDATION 10/22/25:

The Plat Commission has approved the preliminary and final plat and will recommend approval to the County Board of Commissioners.

GRAND SECOND ADDITION

Prepared by Dakota County Physical Development Division



GRAND SECOND ADDITION

OWNER: The Home Depot U.S.A., Inc. ("Home Depot")

PROJECT: Grand Second Addition

LOCATION: Grand Ave, Burnsville, MN

DATE: 10/1/2018

SCALE: 1" = 100'

PROJECT NO: 18-001

PROJECT NAME: Grand Second Addition

PROJECT ADDRESS: Grand Ave, Burnsville, MN

PROJECT OWNER: The Home Depot U.S.A., Inc.

PROJECT CONTACT: [Redacted]

PROJECT PHONE: [Redacted]

PROJECT FAX: [Redacted]

PROJECT EMAIL: [Redacted]

PROJECT WEBSITE: [Redacted]

PROJECT DESCRIPTION: The Grand Second Addition is a new addition to the existing Grand Second Addition. The project consists of a new building, parking lot, and other improvements. The project is located on Grand Ave, Burnsville, MN.

PROJECT SCOPE: The project scope includes the construction of a new building, parking lot, and other improvements. The project is located on Grand Ave, Burnsville, MN.

PROJECT BUDGET: The project budget is approximately \$1,000,000.

PROJECT SCHEDULE: The project schedule is approximately 12 months.

PROJECT RISK: The project risk is low.

PROJECT STATUS: The project is currently in the planning phase.

PROJECT CONTACT: [Redacted]

PROJECT PHONE: [Redacted]

PROJECT FAX: [Redacted]

PROJECT EMAIL: [Redacted]

PROJECT WEBSITE: [Redacted]



Board of Commissioners

Request for Board Action

Item Number: DC-5013

Agenda #: 10.7

Meeting Date: 11/18/2025

DEPARTMENT: Physical Development Administration

FILE TYPE: Consent Action

TITLE

Ratification Of Quarterly Entitlement And Special Funding Requests To U.S. Department Of Housing And Urban Development

PURPOSE/ACTION REQUESTED

Ratify quarterly entitlement and special allocation funding requests to the U.S. Department of Housing and Urban Development (HUD).

SUMMARY

The Dakota County Community Development Agency (CDA) administers three federal entitlement programs on behalf of Dakota County: The Community Development Block Grant (CDBG) program, the HOME Investment Partnerships (HOME) program, and the Emergency Solutions Grant (ESG) program. Funds for the three federal entitlement programs are provided through HUD through the Treasury Letter of Credit process. Per an annual subrecipient agreement between the CDA and Dakota County, the CDA must prepare a listing of all claims certified and paid for by the CDA for the CDBG, HOME, and ESG programs. The listing must be submitted to the Dakota County Board of Commissioners for ratification on a quarterly basis. In 2020, Dakota County received special allocations of CDBG and ESG funds (CDBG-CV and ESG-CV) for activities that prevent, prepare for, and respond to the coronavirus. The ESG-CV funds are fully expended, and the remaining CDBG-CV funds will be expended when HUD authorizes the closeout of the CDBG-CV program. In 2021, the Dakota County HOME Consortium received a special allocation of HOME-American Rescue Plan Act (HOME-ARPA) funds. The attachment shows the entitlement and special allocation expenses for July 1, 2025-September 30, 2025.

The CDBG entitlement and special allocation expenses for July 1, 2025-September 30, 2025, totaled \$398,696.26. The HOME entitlement and special allocation expenses for the same period for all HOME Consortium members, including Dakota, suburban Ramsey, Washington, and Anoka counties and the City of Woodbury, totaled \$183,798.95. The ESG entitlement expenses for the same period totaled \$1,193.94. These funds were expended for previously approved projects from Fiscal Years 2021-2024.

RECOMMENDATION

Community Development Agency and County staff recommend the ratification of the quarterly expenditures for the Dakota County CDBG, HOME, and ESG federal entitlement and special allocation programs (total of \$583,688.94) for the period of July 1, 2025-September 30, 2025.

EXPLANATION OF FISCAL/FTE IMPACTS

These funds were expended for previously approved projects from Fiscal Years 2021-2024.

- ☐ None ☐ Current budget ☒ Other
☐ Amendment Requested ☐ New FTE(s) requested

RESOLUTION

WHEREAS, the Dakota County Community Development Agency (CDA) administers the entitlement funds of the Community Development Block Grant (CDBG) program, HOME Investment Partnerships (HOME) program, Emergency Solutions Grant (ESG) program for Dakota County, special allocations of the CDBG and ESG programs for activities that prevent, prepare for, and respond to the coronavirus, and a special allocation of HOME American Rescue Plan Act funds; and

WHEREAS, funds expended from previously approved projects for Fiscal Years 2021-2024 of the CDBG, HOME, and ESG programs and special allocations must be ratified by the Dakota County Board of Commissioners; and

WHEREAS, the CDBG entitlement and special allocation expenses from July 1, 2025-September 30, 2025, totaled \$398,696.26; and

WHEREAS, the HOME entitlement and special allocation expenses from July 1, 2025-September 30, 2025, totaled \$183,798.95; and

WHEREAS, the ESG entitlement allocation expenses from July 1, 2025-September 30, 2025, totaled \$1,193.73; and

WHEREAS, the CDA has paid the requests for payment associated with the CDBG, HOME, and ESG programs.

NOW, THEREFORE, BE IT RESOLVED, That the Dakota County Board of Commissioners hereby ratifies the requisitions to the U.S. Department of Housing and Urban Development for \$583,688.94 for July 1, 2025-September 30, 2025, as presented.

PREVIOUS BOARD ACTION

None.

ATTACHMENTS

Attachment: CDBG, HOME, and ESG Expenses - July 1, 2025-September 30, 2025

BOARD GOALS

- ☒ Thriving People ☐ A Healthy Environment with Quality Natural Resources
☐ A Successful Place for Business and Jobs ☐ Excellence in Public Service

CONTACT

Department Head: Erin Stwora

Author: Maggie Dykes

**COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG):
JULY - SEPTEMBER 2025**

2022

Eagan Public Service - Youth	\$	539.55		\$	539.55
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2023

Countywide Residential Rehab	\$	108,567.25			
Countywide Well Sealing		1,842.00			
Eagan Public Service - Youth		1,694.00			
Farmington Public Service - Seniors		350.00			
Hastings Assessment Abatement		591.67			
Inver Grove Heights Residential Rehab		13,000.00			
New Trier Planning		5,846.50			
West St. Paul Residential Rehab		33,290.00			
				\$	165,181.42

2024

Apple Valley Public Service - Seniors	\$	8,630.50			
Burnsville Residential Rehab		53,798.00			
Combined Cities Rehab Admin		23,049.02			
Countywide General Grant Administration		45,053.60			
Eagan Public Service - Youth		725.72			
Eagan Residential Rehab		35,000.00			
Hastings Assessment Abatement		1,921.60			
Housing Counseling		4,908.96			
Lakeville Public Service - Seniors		7,555.00			
Lakeville Public Service - Transportation		17,500.00			
Lakeville Residential Rehab		383.97			
West St. Paul Residential Rehab		11,496.90			
				\$	210,023.27

2025

Housing Counseling	\$	21,621.88		\$	21,621.88
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CDBG-CV 2020 (CARES ACT)

CDA Grant Administration	\$	1,330.14		\$	1,330.14
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			\$	398,696.26
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**HOME INVESTMENT PARTNERSHIPS (HOME):
JULY - SEPTEMBER 2025**

Dakota County

2021	ARPA Grant Admin	6,522.21	
2023	Grant Administration	25,253.31	
2024	Grant Administration	1,295.00	
			\$33,070.52

Ramsey County

2023	Grant Administration	10,782.06	
2024	Grant Administration	32,678.42	
			\$43,460.48

Anoka County

2020	Acquisition - Rehab	3,000.00	
2021	ARPA Grant Admin	8,607.47	
2023	Grant Administration	20,092.97	
			\$31,700.44

Washington County

2021	ARPA Grant Admin	8,911.34	
2021	ARPA Grant Supportive Services	66,656.17	
			\$75,567.51

Woodbury

2024	Grant Administration	-	
			\$0.00

GRAND TOTAL	<u><u>\$183,798.95</u></u>
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**EMERGENCY SOLUTIONS GRANT (ESG):
JULY - SEPTEMBER 2025**

2024 CDA Grant Administration	1,193.73	
2024 HMIS Component	-	
2024 Homelessness Prevention	-	
2024 Rental Assistance	-	
2024 Service Assistance	-	
		\$1,193.73
GRAND TOTAL		\$1,193.73

CDBG and CDBG-CV Total	\$398,696.26
HOME and HOME-ARPA Total	\$183,798.95
ESG Total	\$1,193.73
GRAND TOTAL	\$583,688.94



Board of Commissioners

Request for Board Action

Item Number: DC-5018

Agenda #: 10.8

Meeting Date: 11/18/2025

DEPARTMENT: Facilities Management

FILE TYPE: Consent Action

TITLE

Authorization To Execute Lease Agreement Between Dakota County And Pacifica Mall Burnsville LLC In Burnsville, Minnesota, For Burnhaven Library Renovation Project

PURPOSE/ACTION REQUESTED

Authorize execution of a lease agreement with the leasing agent for Burnsville Center (Pacifica Mall Burnsville LLC) in Burnsville, MN, for use of temporary library during construction renovations of the "Burnhaven Library Renovation" project. This project is included in the 2025-2029 Facilities Capital Improvement Program (CIP) Adopted Budget.

SUMMARY

Burnhaven Library serves the city of Burnsville and neighboring cities as Dakota County's westernmost branch library location. Burnhaven will be closed in the spring of 2026 for renovation. Staff have searched for temporary library spaces similar to past spaces leased for the same use during other library renovation projects. Staff have negotiated a space lease with the Burnsville Center just across Burnhaven Drive from the library. The proposed temporary library space is nearly 3,800 square feet within the prior Children's Place store and has ground-level access located near the southwest corner of the mall. The space will serve as the primary branch library location for the entire renovation timeframe.

Dakota County Real Estate Office, Capital Projects Management, the Library Department, Information Technology, and Burnsville Center's leasing agent (Pacifica Mall Burnsville LLC) have agreed to the lease terms listed within the attachment Draft Lease Agreement. Approximate rental rates are:

- January 1 through April 30, 2026 - \$4.77 per square foot, or \$6,318.32 for this period.
- May 1 through April 30, 2027 - \$14.32 per square foot, or \$56,865.00 per year.

To accommodate the County's alterations and relocation to the temporary library, the lease term runs from January 2026 through April 2027. Burnhaven's renovations will begin in April 2026 and are expected to take about a year, including furnishing and move-in. The renovated Burnhaven will reopen before the summer of 2027. The temporary library will be used during Burnhaven's closure.

RECOMMENDATION

Staff recommends the approval of a lease agreement with Pacifica Mall Burnsville LLC for a temporary library space in Burnsville, during the Burnhaven Library Renovation project.

EXPLANATION OF FISCAL/FTE IMPACTS

The amended 2025 Facilities CIP Adopted Budget for the Burnhaven Library Renovation project is \$1,720,000 and the proposed 2026 Facilities CIP for this project is \$6,480,000. That \$8,200,000 total project budget is funded entirely from the recent sale of County debt. The budget includes funds for the rental of a temporary library space, utilities, alterations to leased space and moving costs. The lease agreement includes costs for rent, taxes, insurance, common area maintenance and utilities. The estimated cost of the lease agreement is \$65,000. Sufficient funds are available for execution of this lease agreement and the associated costs.

☐ None ☒ Current budget ☐ Other
☐ Amendment Requested ☐ New FTE(s) requested

RESOLUTION

WHEREAS, the Dakota County Board of Commissioners must approve all leases; and

WHEREAS, the Burnhaven Library will be closed due to renovation for approximately one year; and

WHEREAS, staff has negotiated a space lease for a temporary library at the Burnsville Center with Pacifica Mall Burnsville LLC; and

WHEREAS, this temporary space will serve as the community library for Burnsville and neighboring cities during the renovation; and

WHEREAS, Dakota County Real Estate Office, Capital Projects Management, the Library Department, Information Technology, and Pacifica Mall Burnsville LLC have agreed to the terms listed within the lease agreement; and

WHEREAS, the rental rates are competitive with other local market leased retail spaces; and

WHEREAS, sufficient funds are available within the amended 2025-2029 Facilities Capital Improvement Program Adopted Budget for this lease agreement; and

WHEREAS, the County Board finds that the lease is consistent with the County's interest in providing ongoing community library services during a library renovation project.

NOW, THEREFORE, BE IT RESOLVED, That the Dakota County Board of Commissioners hereby authorizes the Facilities Management Director to execute a lease agreement for a temporary library space to support the Burnhaven Library project with Pacifica Mall Burnsville LLC, substantially as presented, for the use of 3,971 square feet of space, according to the following rental rates, subject to approval by the County Attorney's Office as to form:

January 1 through April 30, 2026 - \$4.77 per square foot, or \$6,318.32 for this period.
May 1 through April 30, 2027 - \$14.32 per square foot, or \$56,865.00 per year.

PREVIOUS BOARD ACTION

None.

ATTACHMENTS

Attachment: Draft Lease Agreement

BOARD GOALS

- ☐ Thriving People ☐ A Healthy Environment with Quality Natural Resources
☐ A Successful Place for Business and Jobs ☒ Excellence in Public Service

CONTACT

Department Head: Erin Stwora

Author: Mike Wiese

SHOPPING CENTER LEASE

I. BASIC LEASE DEFINITIONS AND IDENTIFICATION OF EXHIBITS

1.1 BASIC DEFINITIONS.

Terms appearing in capital letters are defined thereafter.

A. **SHOPPING CENTER:** Pacifica Mall Burnsville LLC, within the Burnsville Center Mall, Burnsville, Minnesota.

Landlord is the owner of a portion of Burnsville Center known as Lot 4 and depicted on Exhibit "A" ("Shopping Center"). Landlord reserves the right to change the number and location of buildings, building dimensions, the number of stores and tenancies, provided only that the size of the Premises (as hereinafter defined), and reasonable access to Premises and the parking facilities to be provided shall not be materially impaired. Any use of the term "Shopping Center" in this Lease shall be deemed to include the Premises and the Building. Any use of the term "Building" in this Lease shall be deemed to mean, individually or collectively as the context requires, the buildings comprising the Shopping Center.

B. **PREMISES:** The Premises is located at Shopping Center and currently known as Suite 2063, Burnsville, Minnesota, and is approximately 3,791 square feet of floor area space, as measured from the centerline of all common walls and to the outside of all exterior walls, as shown on the site plan attached hereto and made a part hereof as Exhibit "A". Also included in the Premises is an outdoor area, measuring approximately 30 square feet, located under the overhang of entrance 3 for the book return bin, as shown on Exhibit "A". The parties hereto agree that during the first month after the Commencement Date, Landlord's architect shall determine the actual square footage of the Shopping Center and the Premises by measuring from the outside of any exterior walls to the center of any demising walls, and if said measurement discloses a square footage different from those set forth above, the parties hereto agree to execute an amendment to this Lease setting forth the correct square footage and the Tenant's proportionate of Taxes, Common Area Maintenance and Insurance and the correct Base Rent shall be adjusted accordingly.

C.1. LANDLORD and Address:

Pacifica Mall Burnsville LLC, a Minnesota limited liability company

Landlord's Address:

4360 East New York Street, Aurora, Illinois, Attn: Judy Ni.

With a copy to:

Bazianos Law, LLC, Two North Riverside Plaza, Suite 1850, Chicago, Illinois 60606,
Attention: William S. Bazianos, Esq.

2. TENANT and Address: Dakota County, Real Estate Office

Tenant's Address: 14955 Galaxie Ave, Apple Valley, MN 55124.

"Tenant" includes Tenant's contractors, subcontractors, subtenants, licensees, concessionaires and their respective directors, shareholders, partners, agents and employees, or such of the foregoing as the context logically allows.

Tenant shall conduct business at the Premises under the store name of "Dakota County Public Library" and shall operate as a public library; Events · Books & Materials · Research Tools .

D. EXECUTION DATE of Lease: _____, 2025.

E. TERM of Lease: 15 MONTHS.

F. COMMENCEMENT DATE: January 1, 2026 or, if earlier, the date of delivery of the Premises to Tenant.

DELIVERY DATE: shall be January 1, 2026

G. OPENING DATE: The earlier of: (i) the date on which Tenant opens for business at the Premises, or (ii) **three** months after the date of delivery of the Premises to Tenant.

H. EXPIRATION DATE: The date which is 15 months after the date which the Rent Commencement Date falls.

I. RENT COMMENCEMENT DATE: April 1, 2026 or, if earlier, the date on which Tenant opens for business at the Premises.

J. FIXED MINIMUM RENT + UTILITIES:

YEAR	MONTHLY FIXED MINIMUM RENT + UTILITIES	ANNUAL TOTAL RENT + UTILITIES
January - April 2026	\$1,579.58 (Utilities Only)	\$6,318.32
May 2026 - April 2027	\$4,738.75 Gross (Rent+Utilities)	\$56,865.00

For purposes of this Section 1.01(J), the term "Year" shall mean each twelve (12) month period of the Term (and as applicable, the Extension Term), commencing on the Commencement Date, and expiring on the day before the anniversary of the Commencement Date (and thereafter, on each anniversary of the day before the Commencement Date anniversary).

- K. Security Deposit: \$4,738.75
- L. INITIAL MONTHLY ESTIMATED CAM, TAX AND INSURANCE PAYMENT: \$1,579.58.
(Note: this is a Gross Lease; Utility payment per month: \$1,579.58)
- M. Percentage Rent and Base - **NA** N. Utilities Charge- Monthly utility charge for the space will begin at business opening and will be Three Hundred Dollars (\$300.00) per month, which includes electricity, natural gas and water but does not include internet. Landlord has the right to audit usage and increase utilities charge if business utility use is over the monthly estimated charge based on use.
- O. RENTABLE AREA OF THE PREMISES: For purposes of this Lease and subject to Section 19.9, the Rentable Area of the Premises shall be deemed to be 1,322 square feet.
- P. TENANT'S PROPORTIONATE SHARE of the Shopping Center: Subject to the provisions of Section 3.6 and 19.9, Tenant's Proportionate Share of the Shopping Center at any time shall be the proportion that the Rentable Area of the Premises bears to the total Rentable Area of the Building and other improvements identified or designated by Landlord which from time to time constitute the Shopping Center and Tenant's Proportionate Share may be adjusted by Landlord from time to time accordingly.
- Q. **NA** [TENANT ALLOWANCE: \$0.00 per square foot of Rentable Area of the Premises.]
- R. TENANT'S BUSINESS: Public Library, all in strict conformance of any city and or state codes rules and regulations.
- S. BROKER OTHER THAN LANDLORD'S AGENT: N/A.
- T. COMMON AREAS: The term "Common Area" is defined for all purposes of this Lease as that part of the Center that is owned by Landlord and intended for the common use of all tenants, (as may be enlarged or otherwise altered) including among other facilities (as such may be applicable to the Center), parking areas, private streets and alleys, landscaping, curbs, loading area, sidewalks, malls and promenades (enclosed or otherwise), lighting facilities, drinking fountains, meeting rooms, public toilets, Center signage and the like, but excluding: (i) space in buildings (now or hereafter existing) designated for rental or commercial purposes, as the same may exist from time to time, (ii) streets and alleys maintained by a public authority, (iii) areas within the Center which may from time to time not be owned by Landlord (unless subject to a cross-access agreement benefiting the area which includes the Premises), and (iv) areas leased to a single-purpose user (such as a bank or a fast-food restaurant) where access is restricted. In addition, although the roof(s) of the building(s) in the Center are not literally part of the Common Area, they will be deemed to be so included for purposes of (a) Landlord's ability to prescribe rules and regulations regarding same and (b) their inclusion for purposes of Tax, Insurance and CAM Costs.
- U. Intentionally omitted.

1.2 ENUMERATION OF EXHIBITS

The exhibits described below are attached to and incorporated into this Lease by this reference.

EXHIBIT A	—	Premises.
EXHIBIT B	—	Rules and Regulations.
EXHIBIT C	—	Existing Tenant Exclusives.
EXHIBIT D	—	Tenant's Work.
EXHIBIT E	—	Landlord's Design Criteria for Tenant's Signs.
EXHIBIT F	—	Gross Sales.
EXHIBIT G	—	Financial Statements of Tenant.
EXHIBIT H	—	Guaranty of Lease.
EXHIBIT I	—	Mutual Termination Agreement.

II. GRANT

2.1 LEASE. This Lease, dated as of the Execution Date, is made by and between Landlord or Landlord's Agent and Tenant. In consideration of the covenants and agreements hereinafter set forth and other good and valuable consideration, Landlord leases the Premises to Tenant and Tenant leases the Premises from Landlord, together with the right to the nonexclusive use in common with others of all Common Areas from time to time designated by Landlord.

2.2 COMMENCEMENT OF USE AND RENTAL. Tenant's obligation to occupy and use the Premises shall commence on the Commencement Date. After the Commencement Date, upon the request of Landlord or Landlord's mortgagee, Tenant shall execute and deliver written certification to Landlord or its mortgagee (i) that this Lease is in full force and effect; (ii) of the Commencement Date and the Expiration Date; (iii) that all work to be completed by Landlord for the Premises, if any, has been accepted by Tenant; and (iv) other requested information. Tenant's obligation to pay Rent (as defined in Article III) shall commence on the Rent Commencement Date.

If Landlord fails to deliver possession of the Premises on the date specified in Section 1.1(F), Landlord shall not be liable for any damages caused thereby, nor shall this Lease become void or voidable, nor shall the Term be in any way extended, but the Commencement Date shall be postponed by the number of days of such delay except that any delay which is in any part caused by any delay of or default by Tenant shall not delay the Commencement Date.

2.3 EXTENSION OF TERM. Subject to the terms and conditions set forth hereinbelow, the Term may be extended for three additional consecutive periods of one (1) month each (the "Extension Term;") upon the same terms and conditions then applicable to the initial Lease Term, except that (i) Tenant shall pay Fixed Minimum Rent for the Extension Terms in the amounts specified in Section 1.01(J), (ii) Tenant shall have no right to any abatement of Fixed Minimum Rent as contemplated in Section 3.2 hereof; and (iii) Tenant shall accept the Premises on the first day of each Extension Term in their then-current "as-is, where is" condition. With respect to each Extension Term, in order for the Term to be extended, Tenant must notify Landlord, in writing, of its election to extend the Term at least one hundred fifty (150) days prior to the expiration of the initial Lease Term or the previous Extension Term, as the case may be. If Tenant does not notify Landlord in writing within said time, this Lease shall expire at the end of the Lease term. If Tenant does notify Landlord in writing within said time, Tenant's election to extend the Term shall be irrevocable. The extension of the Term set forth herein shall be voidable by Landlord, if Tenant is in breach (beyond any applicable notice or cure period) under any of the covenants and obligations contained in this Lease, either at the time of exercise or at the commencement of the applicable Extension Term. The terms and conditions governing the Extension Term and Tenant's rights under this Section 2.3 may not be assigned, transferred, or otherwise conveyed by Tenant to any other individual or entity or to any successor, assignee or sublessee.

2.4 ADJUSTMENT YEAR; PROPORTIONATE SHARE ADJUSTMENTS. "Adjustment Year" means each full calendar year during the Term and any partial calendar year falling within the Term and containing the Commencement Date or the Expiration Date. All obligations and computations shall be prorated during any Adjustment Year consisting of a partial calendar year on the basis of the proportion which that portion of the calendar year during which this Lease is in effect bears to the full calendar year.

2.5 USE. Tenant shall use the Premises to conduct the business specified in Section 1.1(R) and shall not use nor permit the Premises to be used for any other purpose. Further, in no event shall Tenant use the Premises (or permit the use of the Premises) for any of the uses set forth on Exhibit C attached hereto and made a part hereof. Tenant shall at all times conduct its business in accordance with the highest business standards and in a manner which will not injure or detract from the reputation of the Shopping Center or its other tenants. Tenant will secure and maintain in good standing all governmental permits, licenses and the like required to conduct its business and shall immediately apply for the same upon execution of this Lease. No auction, fire, bankruptcy, liquidation or similar sale shall be conducted in or from the Premises. Tenant will use a minimum of space for office, storage, and nonretail selling purposes. Tenant shall not install or permit on the Premises any pay telephones, video games, vending machines or other coin-operated or token-operated machines, nor occupy or use the Premises (nor permit the use or occupancy of the Premises) for any purpose which: (a) may be dangerous to person or property; (b) may invalidate or increase the amount of premium for any policy of insurance affecting the Building or Shopping Center, (and if any additional amounts of insurance premiums are so

incurred, Tenant shall pay such additional amounts to Landlord on demand); or (c) may create a nuisance, disturb any other tenant of the Shopping Center or any occupant of neighboring property; or (d) may be unlawful. If any particular use, activities or operations of Tenant in the Premises should at any time be prohibited by law or ordinance or other governmental regulation, or prevented by injunction or governmental order, this Lease shall not be thereby terminated, nor shall Tenant be entitled by reason thereof to surrender the Premises or to any abatement or reduction in rent, nor shall the respective obligations of the parties hereto be otherwise affected, and this Lease shall continue, but Tenant shall cease such use.

Tenant, at its sole cost and expense, shall comply with all present and future applicable building codes and other laws, ordinances and regulations of all public authorities or quasigovernmental authorities (including the Board of Fire Underwriters) now or hereafter affecting the Premises or any alterations or additions thereto or the business conducted therein or the common areas adjacent thereto. Without limiting the generality of the foregoing, Tenant shall comply, to the extent that the same may be applicable to the Premises, with the Williams Steiger Act (PL 91596), known as the "Occupational Safety and Health Act of 1970," even if Tenant is otherwise exempted from its provisions and the American Disabilities Act of 1990 ("ADA"). Tenant shall, at its own cost and expense, comply with all federal, state and municipal laws, ordinances, codes, rules, regulations and other governmental requirements issued by any governmental authority. Tenant shall comply promptly with all Laws affecting the Premises and the cleanliness, safety, occupancy and use of same.

2.6 RULES AND REGULATIONS. Tenant shall observe the rules and regulations contained in Exhibit B and such further rules and regulations as Landlord may from time to time prescribe including the rules and regulations of the Burnsville Center Mall. Landlord shall not be responsible for the nonperformance of any rule or regulation by any other tenant or occupant of the Shopping Center.

2.7 LANDLORD'S AND TENANT'S WORK. On or before the Commencement Date, Landlord shall deliver to Tenant possession of the Premises in its then current, "as is, where is" condition, with the exception that Landlord shall complete the following work:

- Perform a general cleaning of the space.
- Clean floors and restroom.
- Repair wall holes and any damaged sheetrock in the back area.
- Remove the ladder.
- Inspect the fire-rated access panel, determine why it was left open, and correct any related issue.
- Remove existing shelving and racking.

which condition shall not be materially worse than the condition of the Premises on the Execution Date, reasonable wear and tear excepted. Subject to the foregoing sentence, Tenant expressly acknowledges and agrees that Tenant shall accept the Premises in its "as

is" condition, with all faults, if any, and that neither Landlord nor Landlord's Agent makes any representation or warranty to Tenant about the condition of the Premises or the ability of Tenant to conduct business thereat. No later than five (5) business days prior to the Opening Date, Tenant shall complete, at its sole cost and expense, all work necessary to prepare the Premises for the conduct of Tenant's Business therein (collectively, the "Tenant's Work"), all to be completed in accordance with the description of Tenant's Work set forth in Exhibit D attached hereto, and the Landlord's Design Criteria for Tenant's Signs set forth in Exhibit E attached hereto. In no event shall Tenant modify, change or otherwise alter or deviate from Tenant's Work in any material manner, or the description of same set forth on Exhibit D without Landlord's prior written consent, which consent may be withheld in Landlord's sole and absolute discretion.

When Tenant's Work is complete, Tenant shall submit to Landlord a certificate (the "Certificate") certifying to Landlord, in detail satisfactory to Landlord: (i) the cost to Tenant to complete Tenant's Work; (ii) the nature of such costs; (iii) the names and addresses of all of the parties to whom such amounts have been paid and all of the parties performing, or providing the materials for, any portion of Tenant's Work (collectively, the "Tenant's Contractors"); and (iv) that the Tenant's Work is complete and free and clear of all mechanic's and materialmen's liens and other encumbrances relating thereto. The Certificate shall be certified by Tenant's principal financial officer as being accurate and complete in all material respects, and shall be accompanied by a final Certificate of Occupancy issued by the City of Burnsville, Minnesota, and full and final mechanic's lien waiver documentation and paid invoices from all of Tenant's Contractors satisfactory to Landlord and indicating that all labor and material included in Tenant's Work has been paid for in full.

If Tenant has not commenced Tenant's Work within thirty (30) days after of the date upon which Landlord tenders possession of the Premises and Tenant's delay is not due to Landlord's actions or as a result of a fire or casualty not caused by Tenant, Landlord shall, at any time before issuance of the Certificate, have the right to cancel this Lease.

Subject to the conditions hereafter provided and those set forth in Exhibit D, and provided Tenant shall not be in default beyond any applicable cure period of any of its covenants and obligations hereunder, Landlord shall pay the Tenant's Allowance by reimbursing Tenant for its actual, out-of-pocket cost of completing Tenant's Work, as follows: (i) [0.00] of the Tenant Allowance (as defined in Section 1.1(Q) above) within ten (10) days following the date Tenant receives necessary permits and approvals required to permit Tenant to perform Tenant's Work; and (ii) the balance of the Tenant Allowance within twenty (20) days following the Opening Date, only upon fulfillment of all of the following conditions: (i) all of Tenant's Work is substantially complete and in accordance with Tenant's Plans and Specifications approved by Landlord; (ii) Landlord has received the Certificate and the required mechanic's lien waiver documentation satisfactory to Landlord (including without limitation, sworn statements, affidavits and final lien waivers from all contractors, sub-contractors and material suppliers); (iii) the final Certificate of Occupancy with respect to

the Premises has been issued, and Tenant has delivered a copy of same to Landlord; (iv) the Premises are opened for business to the public.

2.8 **CONDITION OF PREMISES.** Tenant has examined and knows the condition of the Premises (including, without limitation, the condition of all improvements thereat and building systems serving same). Subject to the provisions of Section 2.7 above, Tenant shall accept the Premises on the Commencement Date in their "AS-IS, WHERE-IS" physical condition. Tenant's taking possession of the Premises shall be conclusive evidence that the Tenant accepted the Premises in the condition existing on the date Tenant took possession, and that Tenant has waived all claims relating to the condition of the Premises. No agreement of Landlord to alter, remodel, or decorate the Shopping Center or the Premises, and no representation regarding the Premises, the Building, or the Shopping Center or the Premises has been made by or on behalf of Landlord, except as stated in this Lease, if at all, and Tenant shall accept same in its "as is, where is" condition.

Neither Landlord nor any agents or employees of Landlord have made any representations or warranties, except as otherwise set forth herein, direct or indirect, oral or written, express or implied, to Tenant or any agents or employees of Tenant with respect to the condition of the Premises, its fitness for any particular purposes, or its compliance with any laws, and Tenant is not aware of and does not rely upon any such representation to any other party. Tenant acknowledges that it either has had or will have before the Commencement Date the opportunity to make such inspections as it desires of the Premises and all factors relevant to its use, including but not limited to, the interior, exterior, and structure of all improvements, and whether Tenant's Business (and all uses in connection therewith) are permitted uses within the municipal zoning district in which the Premises are located. Without limitation, Tenant acknowledges that no representation as to the condition and repair of the Premises or the uses permitted within the municipal zoning district in which the Premises are located have been made by or on behalf of Landlord prior to or at the execution of this Lease that is not herein specifically expressed, if any. Tenant's taking possession shall be conclusive evidence that the Premises were suitable for Tenant's intended purpose in all respects, and that, except for any latent defects, Tenant has waived all claims relating to the condition of the Premises and the suitability of same (including, without limitation, all matters relating to zoning and the uses permitted within the municipal zoning district in which the Premises are located) for the lawful operation of Tenant's Business thereat.

2.9 **QUIET ENJOYMENT.** So long as Tenant shall not be in default under this Lease, Tenant shall be entitled to peaceful and quiet enjoyment of the Premises, subject to the terms of this Lease.

2.10 **HAZARDOUS MATERIALS.** Landlord and Tenant agree as follows with respect to the existence or use of "Hazardous Material" in the Premises, the Building or otherwise at the Shopping Center.

(a) Tenant, at its sole cost and expense, shall comply with all laws, ordinances, rules, regulations and orders of any governmental authority having jurisdiction concerning environmental, health and safety matters ("Environmental Laws"), including, but not limited to, any discharge by Tenant, its agents, employees, contractors or invitees into the air, surface water, sewers, soil or groundwater of any Hazardous Material (as defined in Subsection 2.10(h)), whether within or outside the Premises, the Building or otherwise at the Shopping Center.

(b) On or before each anniversary of the Commencement Date, Tenant shall provide Landlord with written certification that it is in compliance with all Environmental Laws or shall otherwise specify the extent of Tenant's noncompliance, including Tenant's intended course of action and time frame for coming into compliance.

(c) Tenant shall, within ten (10) days of its receipt, provide Landlord with: (i) copies of any notice of alleged violations, or other claims, relating to Environmental Laws, (ii) any changes to its emergency preparedness and response plans, and (iii) all reports or analyses conducted by Tenant or its contractors to determine whether Hazardous Materials at the Premises are present, or have been released or threaten to be released. Landlord shall have access to the Premises at reasonable times and upon reasonable notice to inspect the Premises to determine Tenant's compliance with Environmental Laws. Tenant will cooperate with Landlord in any such inspection, and will provide Landlord with access to such relevant documents or records in Tenant's possession which Landlord may request.

(d) Tenant, on its own behalf and on behalf of its successors and assigns, hereby releases and forever discharges Landlord, its beneficiaries and their respective officers, directors, partners, employees and agents, both in their capacities as representatives and as individuals, from any and all claims, actions or liabilities of any manner whatsoever, whether in law or equity, whether now or hereafter claimed or known, which Tenant now has or may have in the future against the Landlord arising from or relating in any way to releases or threatened releases of Hazardous Materials to the environment which may occur as a result of Tenant's activities on the Premises, or which arise from Tenant's failure or alleged failure to comply with all Environmental Laws.

(e) Tenant shall not install any underground storage tanks of any kind whatsoever on the Premises. "Underground Storage Tank" as used herein shall have the meaning ascribed to it by the Solid Waste Disposal Act, 42 U.S.C. §6901 et seq., as it may be amended from time to time, except that tanks specifically excluded from the statutory definition shall nonetheless be encompassed within the definition for purposes of this Subsection 2.10(e).

(f) Tenant shall not cause or permit any Hazardous Material to be brought upon, kept or used in or about the Premises, the Building or otherwise at the Shopping Center by Tenant, its agents, employees, , without the prior written consent of Landlord, which consent may be withheld in Landlord's sole and absolute discretion. If Tenant breaches the obligations stated in the preceding sentence, or if the presence of Hazardous Material in the Premises, the Building or otherwise at the Shopping Center caused or permitted by Tenant

results in contamination of the Premises, the Building or the Shopping Center, or other property, then Tenant shall indemnify, defend (with counsel acceptable to Landlord in its sole and absolute discretion) and hold Landlord (and each of Landlord's officers, directors, partners, shareholders, agents, affiliates, employees, successors and assigns) harmless from any and all claims, judgments, damages, penalties, fines, costs, liabilities or losses (including without limitation, diminution in value of the Premises, the Building or the Shopping Center, damages for the loss or restriction in use of rentable or usable space or of any amenity of the Premises, the Building or the Shopping Center, damages arising from any adverse impact on marketing of space at the Shopping Center, and sums paid in settlement of claims, attorneys' fees, consultants' fees and expert fees) which arise during or after the Term as a result of such contamination. This indemnification by Tenant includes, without limitation, costs incurred in connection with any investigation of site conditions or any cleanup, remediation, removal or restoration work required by any federal, state or local governmental agency or political subdivision because of Hazardous Material present in the soil or ground water on or under the Premises, the Building or otherwise at the Shopping Center. The obligations of Tenant under this Subsection 2.10(f) shall survive the expiration or earlier termination of this Lease.

(g) Without limiting Subsection 2.10(f), if the presence of any Hazardous Material in the Premises, the Building or otherwise at the Shopping Center caused or permitted by Tenant results in any contamination of the Premises, the Building or the Shopping Center, Tenant shall promptly take all action, at its sole expense, as is necessary to return the Premises, the Building or the Shopping Center to the condition existing prior to the introduction of any such Hazardous Material to the Premises, the Building or the Shopping Center; provided that Landlord's approval of such action shall first be obtained, which approval shall not be withheld so long as such actions, in Landlord's sole and absolute discretion, would not potentially have any materially adverse long-term or short-term effect on the Premises, the Building or the Shopping Center.

(h) As used herein, the term "Hazardous Materials" means any hazardous or toxic substance, material or waste which is or becomes regulated by any local governmental authority, the laws of the state where the Premises are located or the United States Government. The term "Hazardous Materials" includes, without limitation, any material or substance which is: (i) designated as a "hazardous substance" pursuant to Section 311 of the Federal Water Pollution Control Act, as amended, (33 U.S.C. Section 1317), (ii) defined as a "hazardous waste" pursuant to Section 3004 of the Federal Resource Conservation and Recovery Act, as amended (42 U.S.C. Section 6901 et seq.), (iii) defined as a "hazardous substance" pursuant to Section 101 of the Comprehensive Environmental Response, Compensation and Liability Act, as amended (42 U.S.C. Section 9601 et seq.), or (iv) petroleum or petroleum derivatives.

(i) Any increase in the premiums for necessary insurance on the Premises, the Building or the Shopping Center which arises from Tenant's use and/or storage of Hazardous Materials shall be solely at Tenant's expense. Tenant shall procure and maintain at its sole

expense such additional insurance as may be necessary to comply with any requirement of any Federal, State or local government agency with jurisdiction.

(j) Tenant, on its own behalf and on behalf of its successors and assigns hereby covenants and agrees to indemnify, defend (with counsel acceptable to Landlord in its sole and absolute discretion) and hold Landlord, its officers, directors, partners, shareholders, employees, agents, successors, affiliates and assigns harmless from any and all claims, judgments, damages, penalties, fines, costs, liabilities or losses contingent or otherwise which Landlord, its officers, directors, partners, shareholders, employees, agents, successors, assigns or affiliates may incur arising out of contamination of real estate or other property not part of the Shopping Center which contamination arises as a result of the presence of Hazardous Material in the Premises, the Building or at the Shopping Center, the presence of which is caused or permitted by Tenant. The obligations of this Subsection 2.10(j) shall survive the expiration or earlier termination of this Lease and shall be coextensive with the defense, indemnification and hold harmless rights of Landlord with respect to the Premises, the Building and the Shopping Center.

(k) Notwithstanding any other provision in this Lease, Tenant, for its own behalf and on behalf of its agents, employees, contractors, successors and assigns, hereby covenants and agrees that Tenant shall not undertake or perform any environmental test, survey, report, analysis, sampling or other environmental investigation or remediation at the Premises or the Shopping Center at any time without the prior written consent of Landlord, which consent may be withheld in Landlord's sole and absolute discretion. Further, Tenant shall not directly or indirectly, by act, omission or otherwise cause any third party (including, but not limited to, governmental entities) to investigate or assert a claim for remedial action, damages, penalties, response costs, clean-up costs or injunctive or other relief regarding the existence or alleged existence of Hazardous Materials over, beneath, in, upon or emanating from the Premises or any other portion of the Shopping Center. Any breach of this Section 2.10(k) shall be deemed a Deliberate Event of Default under this Lease (as defined in Section 14.2 below).

2.11 LANDLORD'S RIGHT TO RELOCATE TENANT.

Landlord shall have the right, at any time during the Term, upon not less than sixty (60) days' prior written notice to Tenant, to relocate Tenant from the Premises to other premises within the Shopping Center (the "Relocation Premises") designated by Landlord.

Comparable Space.

The Relocation Premises shall be of reasonably comparable size, utility, and visibility to the original Premises, and suitable for Tenant's Permitted Use. If the Relocation Premises is smaller than the original Premises, Fixed Minimum Rent shall be proportionately reduced based on rentable square footage.

Amendment of Lease.

Upon relocation, Exhibit A (Premises) shall be deemed amended to substitute the Relocation Premises, and all other terms of this Lease shall remain in full force and effect.

Limitations

Relocation shall not materially interfere with Tenant's conduct of its Permitted Use. Landlord shall not be obligated to relocate Tenant more than once during the Term.

III. RENT

3.1 RENT PAYMENTS. Tenant agrees to pay to Landlord at the office of Landlord's Agent or at such other place as Landlord may from time to time designate Rent as defined in this Lease, all without offset or deduction and without notice or demand. The term "Rent" means Fixed Minimum Rent, Tax, Insurance and CAM Costs (including Estimated CAM, Tax and Insurance Payments) (as defined hereinafter), and all other sums of money which Tenant shall become obligated to pay to Landlord hereunder. Tenant's covenant to pay Rent is independent of every other covenant of this Lease.

3.2 FIXED MINIMUM RENT. Commencing on the Rent Commencement Date, Tenant shall pay monthly Fixed Minimum Rent in the amount specified in Section 1.1(J). For all other months or partial months of the Term, monthly Fixed Minimum Rent shall be paid in advance, on or before the first day of each and every calendar month during the Term. If the Rent Commencement Date is not the first day of a month, Tenant's first payment of Fixed Minimum Rent shall be prorated for the fractional month between the Rent Commencement Date and the first day of the first full month of the Term, on a per diem basis, and Tenant shall pay such prorated Fixed Minimum Rent on or before the Rent Commencement Date.

3.3 INTENTIONALLY OMITTED.

3.4 FAILURE OF TENANT TO OPEN, OPERATE. The Fixed Minimum Rent is not in itself adequate rental for the Premises. Therefore: (a) except for business closing for repairs, remodeling, or renovations of no more than ten (10) consecutive days or acts of God, Tenant shall continuously conduct and carry on Tenant's Business in the Premises during the usual business hours of each and every business day as is customary for businesses of like character in the market area in which the Premises are located to be open for business;; and (b) if Tenant fails to open for business and vacates the Premises prior to the Expiration Date, Landlord will suffer damages in an amount which is not readily ascertainable, and Landlord may collect as liquidated damages, and not as a penalty, in addition to Fixed Minimum Rent, all other charges which are due under this Lease, plus an amount equal to one thirtieth (1/30th) of the then applicable Fixed Minimum Rent for each day which Tenant fails to operate, and, in addition, Landlord may treat any of the aforesaid events as a "Deliberate Event of Default" pursuant to Section 14.2.

3.5 INTENTIONALLY OMITTED.

3.6 TAX, INSURANCE AND COMMON AREA MAINTENANCE RENT. In addition to Fixed Minimum Rent, Tenant shall pay to Landlord Tenant's CAM Proportionate Share of all Common Area Maintenance Costs (as defined below) for the Shopping Center, Tenant's Insurance Proportionate Share of all Insurance Costs (defined below) for the Shopping Center, and Tenant's Tax Proportionate Share of all Taxes (defined below) levied and assessed against the Shopping Center (collectively, "Tax, Insurance and CAM Costs"). Landlord and Tenant acknowledge Tenant's CAM Proportionate Share (as set forth in Section 1.1(P)(i)), Tenant's Proportionate Share of Insurance Costs (as set forth in Section 1.1(P)(ii)) and Tenant's Tax Proportionate Share (as set forth in Section 1.1(P)(iii)) are determined based on the current rentable space in the Shopping Center. Landlord and Tenant acknowledge that Tenant's CAM Proportionate Share, Tenant's Tax Proportionate Share and Tenant's Insurance Proportionate Share are each currently determined by dividing the Rentable Area of the Premises by the total Rentable Area of the Shopping Center. In the event additional improvements are added to the Shopping Center thereby increasing the Rentable Area of the Shopping Center, or the Rentable Area of the Shopping Center is decreased, then Tenant's CAM Proportionate Share shall be recomputed by dividing the total Rentable Area of the Premises by the total Rentable Area of the Shopping Center (as adjusted for any modifications to the Shopping Center) as same shall exist from time to time, and Tenant's Tax Proportionate Share and Tenant's Insurance Proportionate Share shall each be recomputed by dividing the total Rentable Area of the Premises by the total Rentable Area of the Shopping Center (as adjusted for any modifications to the Shopping Center) as same shall exist from time to time. Notwithstanding the foregoing, Landlord reserves the right to exclude from calculation of the Rentable Area of the Shopping Center any tenant space that may be assessed separately and relative to which the tenant leasing such space pays its taxes directly to the assessing authority, and any other exclusions from the Rentable Area of the Shopping Center (e.g., equipment rooms) which Landlord may, in its sole discretion, specify including without limitation the exclusion of rentable space from one or more of the calculations for Tenant's CAM Proportionate Share, Tenant's Insurance Proportionate Share and Tenant's Tax Proportionate Share.

Notwithstanding any provision in this Lease to the contrary, Landlord reserves the right to modify, expand, reduce, eliminate, improve, develop, redevelop, reconfigure, remeasure, recalculate, lease and otherwise alter the total Rentable Area of the Shopping Center (or any portions thereof) and/or the Common Areas of the Shopping Center (or any portions thereof) at any time and from time to time during the Term, and to adjust Tenant's Proportionate Shares accordingly.

Except as otherwise expressly provided herein, commencing on the date Tenant opens for business at the Premises, Tenant shall make monthly estimated payments of CAM, Tax and Insurance Rent (each, an "Estimated CAM, Tax and Insurance Payment") in an initial amount equal to the total of the Initial Monthly Estimated CAM, Tax and Insurance Payment, specified in Section 1.1(L). The first full month's Estimated CAM, Tax and Insurance, and Monthly Fixed Minimum Rent payable hereunder shall be paid on the Execution Date. For all other months or partial months of the Term, each monthly Estimated CAM, Tax and

Insurance Payment shall be paid in advance, on or before the first day of each and every calendar month during the Term. If the Commencement Date is not the first day of a month, Tenant's first payment of Estimated CAM, Tax and Insurance Payment shall be prorated for the fractional month between the Commencement Date and the first day of the first full month of the Term, on a per diem basis, and Tenant shall pay such prorated Estimated CAM, Tax and Insurance Payment on or before the Commencement Date. Landlord may, from time to time, adjust the amount of Tenant's Estimated CAM, Tax and Insurance Payments based upon Landlord's projections, and in the event Landlord is required under any mortgage encumbering part or all of the Shopping Center to escrow Taxes, Insurance Costs or CAM Costs. On or about April 1st following the end of each Adjustment Year, or at such later time as Landlord is able to determine the actual amounts of Tax, Insurance and CAM Costs increases for the Adjustment Year last ended, Landlord shall notify Tenant in writing of such actual amounts. If the total of Estimated Tax, Insurance and CAM Payments paid by Tenant during such Adjustment Year is less than the actual amounts payable for such year, then Tenant shall, within thirty (30) days after the date of Landlord's notice, pay to Landlord an amount equal to the excess of the actual Tax, Insurance and CAM Costs payable for the Adjustment Year last ended over the total of Estimated Tax, Insurance and CAM Payments paid by Tenant during such Adjustment Year. Except as provided in Section 3.9, if the total of Tenant's Estimated Tax, Insurance and CAM Payments for any Adjustment Year exceeds the actual amount payable by Tenant and Tenant is not in breach of any provision of this Lease or otherwise indebted to Landlord, Landlord shall either refund such excess to Tenant within thirty (30) days or, at Landlord's option, credit such excess to the next payments of Rent due. The foregoing notwithstanding, under no circumstance shall Landlord increase Tenant's Estimated CAM Costs more than twenty (20) percent on an annual basis.

Notwithstanding the foregoing, Landlord reserves the right to exclude from calculation of the Rentable Area of the Shopping Center any tenant space that may be assessed separately and relative to which the tenant leasing such space pays its taxes directly to the assessing authority, and any other exclusions from the Rentable Area of the Shopping Center (e.g., equipment rooms) which Landlord may, in its sole discretion, specify.

"Taxes" shall include all taxes attributable to improvements now or hereafter made to or upon the Shopping Center, the Building or the Land, or attributable to any present or future installation in the Shopping Center or the Building of fixtures, machinery or equipment; all real estate taxes, assessments; water and sewer rents; and other governmental impositions and charges of every kind and nature whatsoever, nonrecurring as well as recurring; special or extraordinary as well as ordinary; foreseen and unforeseen; and each and every installment thereof, which are levied, assessed or imposed, or become due and payable or become liens upon, or arise in connection with the use, occupancy or possession of, or any interest in, the Shopping Center, or any underlying land, building or other improvement thereon during the Term. If Landlord retains any attorney or consultant to negotiate the amount of taxes, or any factor influencing the amount of any taxes or institutes any proceeding challenging any factor influencing the amount of any taxes, whether or not such

action results in a reduction in the amount of taxes, "Taxes" shall include all such fees, attorneys' and appraisers' costs and fees and all disbursements, court costs and other items paid or incurred by Landlord during the applicable Adjustment Year regarding such negotiations or proceedings.

"Insurance Costs" shall mean all costs, expenses, premiums and disbursements of every kind and nature which Landlord shall pay or become obligated to pay for rent interruption and all other insurance policies as Landlord shall, from time to time, maintain in connection with the management, operation and ownership of the Building, the Shopping Center, the Common Areas and related real estate.

"Common Area Maintenance Costs" or "CAM Costs" shall mean all costs, expenses and disbursements of every kind and nature which Landlord shall pay or become obligated to pay in connection with the management (including management/administrative fees), ownership, operation, maintenance, replacement and repair of the Shopping Center, and related real estate, including the Common Areas and all improvements from time to time existing, and of the personal property, fixtures, machinery, equipment, systems and apparatus located in or used in connection with the Shopping Center or related real estate, including without limitation: utility expenses; removal of snow, ice, rubbish and debris; rental and depreciation (over a period not exceeding sixty (60) months) of machinery and equipment and other nonreal estate assets used in the operation and maintenance of the Shopping Center; repairing or replacing of components of the Building and Shopping Center, paving, curbs, walkways, landscaping, seating areas and seats, drainage, retention ponds, water lines, sanitary and storm sewer lines, electrical lines and other equipment serving the land on which the Shopping Center or any part thereof is constructed; heating, ventilating and air conditioning enclosed Common Areas; uniforms and replacement of uniforms; the rental of music programs, services and loudspeaker systems including the cost of electricity therefor; all costs of from time to time providing any parking areas inside or outside the Shopping Center for the use of Tenants, their employees, customers, and invitees, including costs of fencing, paving, rentals, and other costs of operation, maintenance, repair and improvement of any outside parking areas; all parking surcharges that may result from any environmental or other laws, rules, regulations, guidelines or orders; the cost of obtaining and operating public transportation or shuttle bus systems used to transport customers to or within the Shopping Center; assessments and expenses charged by Burnsville Mall under reciprocal easement agreements and maintenance agreements; and the cost of improvements, systems, fixtures, apparatus, machinery and/or equipment obtained to reduce the Common Area Maintenance Costs. In the event of any dispute as to whether an item represents a CAM Cost, Landlord's accounting practices shall be determinative and binding on the parties.

If for reasons other than Tenant's breach of any provision of this Lease terminates on a date other than the last day of an Adjustment Year, or begins on a date other than January 1, Tenant's Tax, Insurance and CAM Costs shall be prorated based on the proportion which

that part of the calendar year during which this Lease is in effect bears to the full calendar year.

Provided Tenant is not then in breach of any of the provisions of this Lease, if, after Tenant has made the required annual payment of Tax, Insurance and CAM Costs, Landlord receives a refund of any portion of the Taxes included in the computation of such Tax, Insurance and CAM Costs, then upon receipt by Landlord of such refund Landlord shall apply as a credit against Tenant's monthly rental obligations due hereunder the percentage of the difference between such net refund less all costs and expenses (including, but not limited to, attorneys' and appraisers' fees and costs) expended or incurred in obtaining such refund (and not otherwise included in prior payments of Tax, Insurance and CAM Costs) and the amount originally paid by Landlord for the Taxes in question, which is the same as the percentage of the Taxes in question which were paid by Tenant; provided, however, that the application of any such refund against Tenant's monthly rental obligations shall not reduce, alter or modify Tenant's obligation to pay the Estimated Tax, Insurance and CAM Payments as provided herein but such credit shall be applied by Landlord at such time as Landlord shall determine the Estimated Tax, Insurance and CAM Costs payable by Tenant. Tenant shall not institute any proceeding with respect to the assessed valuation of the Shopping Center or any part thereof for the purpose of securing a tax reduction.

If during the Term, under the laws of any jurisdiction in which the Shopping Center is located, a tax, imposition, charge, assessment, excise or license fee is levied on, imposed against or computed in whole or in part, by reference to: (a) any rent payable hereunder or under any other lease within the Shopping Center; or (b) the value of any lien placed against the Shopping Center or against the Land or any obligations secured thereby; or if any other tax (except income tax), imposition, charge, assessment, excise or license fee which is not referred to above, shall be levied or imposed by any such jurisdiction, then to the extent that the cost of any of the foregoing shall be imposed, either directly or indirectly, on Landlord then such tax, imposition, charge, assessment, excise or license fee, shall constitute "Taxes."

3.7 INTENTIONALLY OMITTED.

3.8 COLLECTION OF ACTUAL TAX RENT. Landlord has the right to bill Tenant for any excess in Tenant's Tax Proportionate Share of the actual amount of any Tax for each Adjustment Year over the amount of that part of Tenant's Estimated Tax, Insurance and CAM Payments theretofore made and allocable to such Tax, and for any separable part thereof, after Landlord receives the respective bill, assessment, levy, notice of imposition or other evidence that such Tax is due or payable, all of which are hereinafter collectively referred to as a "Tax Bill" (whether such bill is a final bill, an estimate of annual taxes or represents a tax bill based upon a final or partial assessment or determination). Tenant shall pay the balance of Tenant's Proportionate Tax Share within thirty (30) days of Landlord's statement setting forth the Taxes for which Landlord has received a Tax Bill, Tenant's Tax Proportionate Share, and Tenant's payments theretofore made and allocable to the respective Tax. A Tax Bill or photocopy thereof submitted to Tenant shall be conclusive evidence of the amount of the Taxes included in the computation of the Tax in

question. Landlord shall have the right to bill Tenant for Tenant's share of Taxes for the last Adjustment Year whether or not Landlord shall theretofore have received a Tax Bill covering the period including the Expiration Date. If Landlord has not received a Tax Bill for such period, Landlord may estimate the amount of such last installment of Tenant's Tax Proportionate Share on the basis of information contained in the Tax Bill most recently received by Landlord, subject to adjustment when Landlord receives the actual Tax Bill. Tenant shall pay such adjusted amount upon billing. Landlord shall make commercially reasonable efforts to cause an appeal of the real estate taxes assessed against the Shopping Center at least once every three (3) years during the Term, in connection with the reassessment of the Shopping Center by DuPage County; however, in each instance Landlord reserves the right to discontinue any such appeal at any time if Landlord determines, in its sole discretion, that such appeal is not expected to be successful.

3.9 REFUNDS IN LAST ADJUSTMENT YEAR; INTEREST. Landlord shall not be obligated to refund to Tenant any amount otherwise refundable during the last Adjustment Year until Tenant has fully performed all of its obligations under this Lease and is not indebted to Landlord. If Tenant is indebted to Landlord for any reason whatsoever, Landlord may deduct the amount owed from such refund, but such deduction shall not relieve Tenant from paying to Landlord all amounts otherwise due Landlord.

3.10 TENANT AUDIT. Tenant shall have the right, upon reasonable prior written notice to Landlord and at Tenant's sole cost and expense, to inspect Landlord's accounting records ("Tenant Audit") relative to CAM Costs and Taxes related to a particular calendar year during normal business hours at any time within thirty (30) days following the date Landlord furnishes to Tenant the annual report of Tax, Insurance and CAM Costs for such particular calendar year in accordance with Section 3.6 above, provided that (i) Tenant does not engage any auditor or accountant on a "contingent fee" basis to conduct or participate in such inspection; (ii) Tenant shall keep the results of any such inspection strictly confidential and Tenant shall at no time disclose to any party (except as expressly permitted herein) any information contained in any such report; and (iii) unless Tenant shall take written exception to any item in such report within such 30 day period, such report shall be considered final and accepted by Tenant. Notwithstanding anything to the contrary contained herein, if any Tenant Audit of Tax, Insurance and CAM Costs conducted reveals that Tenant has overpaid Tax, Insurance and CAM Costs for the audited year because Landlord has overstated Tax, Insurance and CAM Costs for such year by more than five percent (5%), and such overstatement is confirmed by an independent certified public accountant mutually selected by Landlord and Tenant, then Landlord shall reimburse Tenant for Tenant's reasonable third-party, out-of-pocket costs incurred to conduct such Tenant Audit.

3.11 SURVIVAL. Tenant's obligation and liability to pay Rent accrued and/or due and payable during the Term (and any extension thereof) shall survive the expiration or earlier termination of this Lease.

IV. GROSS SALES NA

V. UTILITIES

From and after the date on which Landlord tenders possession of the Premises to Tenant, Tenant shall pay for all utility service provided to the Premises including, but not limited to, water, gas, heat, light, sewer, and telephone service, and all taxes thereon. For any utility service not separately metered and directly billed to Tenant by the local utility provider, Tenant shall pay Landlord, in monthly installments at the time for payment of Fixed Minimum Rent, an annual amount, ("Utility Charges") as estimated by Landlord from time to time, and billed to Tenant at such utility provider's then current rates, which Tenant would pay for such service if it were separately metered to the Premises.

If Landlord elects to furnish any such services, Landlord shall not be liable to Tenant in damages, or otherwise, should the furnishing of any service be inadequate, interrupted or be terminated because of necessary repairs or improvements for any cause beyond Landlord's reasonable control. Upon not less than thirty (30) days' notice, Landlord may cease to furnish any or all of said services without any responsibility to Tenant except to connect the service facilities with another available alternate source of supply.

If Landlord at any time elects to separately meter the Premises for any utility service, then for all utilities supplied directly to the Tenant by the respective utility provider, Tenant shall pay upon demand all reasonable costs of metering, including the cost of all meters and the installation and maintenance thereof, and Tenant shall be billed directly by such utility provider and shall pay each bill in accordance with its terms. If for any reason Tenant cannot be billed directly, Landlord shall forward each bill to Tenant and Tenant shall pay it in accordance with its terms.

In no event shall Tenant have any right to directly or indirectly procure any utility service not currently provided to the Shopping Center.

VI. COMMON AREAS

6.1 USE OF COMMON AREAS. Use of the Common Areas as from time to time constituted and provided shall be subject to the following Landlord's rights: (a) Landlord's right, at any time and from time to time, to make all changes in the Common Areas and other portions of the Shopping Center except the Premises as will, in Landlord's sole judgment, be in the best interests of the Shopping Center tenants, including the right to relocate, remove, construct and install any and all improvements, additions and alterations in the Shopping Center, the right to alter, remove, relocate, diminish, or make additions to any such improvements, additions and alterations, or entrances, exits, passageways, doors, elevators, stairs, toilets, loading docks, traffic lanes, parking areas, and other common areas, and the boundaries and locations and entrances and exits of any parking area or areas and the right to enclose, heat, ventilate and air condition the malls (if any); (b) the right to keep all or any of the Common Areas open only during the hours when the Shopping Center is open for business and to temporarily close any or all of the Common Areas at any time to make repairs or changes, to prevent the acquisition of public rights, or to discourage

parking not in conformity with Landlord's regulations, and to do such other acts in and to the Common Areas as in Landlord's judgment may be desirable; (c) the right to determine the manner in which the Common Areas shall be maintained, operated, equipped, lighted and surfaced, (d) notwithstanding anything to the contrary in this Lease, the right to institute such programs and measures as Landlord may deem necessary or desirable, to conserve or preserve energy or energy related services, or as Landlord may deem necessary or required to comply with any applicable codes, rules and regulations; and (e) the right at any time and from time to time to dedicate to public use part or all of the utility lines, together with all easements required to effectuate such dedications, as Landlord may see fit.

6.2 LANDLORD'S RIGHTS WITH RESPECT TO COMMON AREAS AND OUTLOTS.

Notwithstanding any provision in this Lease to the contrary, Landlord reserves the right at any time and from time to time to modify, expand, reduce, relocate, eliminate, reconfigure, lease and otherwise alter the total rentable square area of the Shopping Center and/or size, shape, location, configuration and presence of the Shopping Center and/or the Common Areas of the Shopping Center (or any portion thereof) at any time and from time to time during the Term, and to adjust Tenant's Proportionate Share accordingly, as necessary.

Further, Tenant hereby agrees and acknowledges that Landlord shall be permitted to improve or cause to be improved or to convey or lease to third parties for improvement, and to take such actions as may be necessary to effect the foregoing (all without the necessity of obtaining Tenant's consent), the out lots, if any, depicted on Exhibit A, or any other existing or future out lots developed or established by Landlord at the Shopping Center from time to time, or any lots contiguous or adjacent to the Shopping Center to which legal or equitable title is acquired by Landlord at any time during the Term (individually, an "Out lot," and collectively, the "Out lots"), as separate and independent developments from the remainder of the Shopping Center, with the understanding that the Out lots and the remainder of the Shopping Center shall nevertheless constitute an integrated shopping center and, the same may, at Landlord's election, form part of the Shopping Center. The foregoing rights shall also include, without limitation, Landlord's right to redevelop and reconfigure any Out lot from time to time. In the event of a sale, transfer or other conveyance of any of the Out lots, Landlord may enter into an agreement with the transferee granting appropriate easement and other rights, and containing such other matters as Landlord and such transferee may agree (without the necessity of obtaining Tenant's consent). Further, Landlord and Tenant hereby agree and acknowledge that Landlord shall be permitted to sell, transfer or otherwise convey any portion of the Shopping Center as a separate and independent development from the remainder of the Shopping Center (without the necessity of obtaining Tenant's consent) with the understanding that any such portion and the remainder of the Shopping Center shall nevertheless constitute an integrated shopping center and the same may not, at Landlord's election, form part of the Shopping Center. In the event of a sale, transfer or other conveyance of any portion of the Shopping Center (separate from the balance of the Shopping Center), Landlord may enter into an agreement with the transferee granting appropriate easement and other rights, and containing such other matters as Landlord and

such transferee may agree (without the necessity of obtaining Tenant's consent). In no event shall this Lease be deemed to confer upon Tenant or the Premises any rights of visibility to or for the benefit of the Shopping Center, the Premises or the operation of Tenant's Business thereat.

VII. MAINTENANCE AND REPAIR

7.1 LANDLORD'S REPAIRS. Landlord shall maintain (i) the foundations, exterior walls (excluding all glass doors, windows and store fronts) and the roof of the Building in which the Premises are located, (ii) the electrical, plumbing and mechanical systems serving the Shopping Center (except for those systems that are to be maintained by Tenant or other tenants of the Shopping Center) and (iii) the Common Areas in good condition and repair, except that Landlord shall not be required to make any repairs which become necessary or desirable by reason of any act or omission of Tenant. Tenant has no right to make any alterations or to affix any chattels or perform any other work which affects any structural portion or the roof of the Building, or the structural integrity of the Building. If, without Landlord's prior written consent, Tenant performs any alteration, affixes any chattels or performs other work which affects any structural portion or the roof of the Building or that portion of the exterior of the Premises which Landlord is obligated to repair pursuant to this Section or which affects the structural integrity of the Building, such action by Tenant shall release and discharge Landlord as of the commencement of such alteration, affixation or other work of and from Landlord's repair obligation and shall, at Landlord's election, be deemed a Deliberate Event of Default by Tenant hereunder. Thereafter, Tenant shall be solely responsible for the cost of maintaining, repairing and replacing all such structural portions thereof, the exterior of the Premises or the Building which have been so affected. If Tenant performs any such alterations, affixations or other work in a manner not consistent with Landlord's consent thereto, such work shall be deemed to have been performed without Landlord's consent. Nothing contained in this Section 7.1 shall limit Landlord's right to include costs incurred hereunder in CAM Costs, to the extent deemed applicable by Landlord.

7.2 TENANT'S REPAIRS. Tenant shall, at Tenant's expense, maintain, repair, and replace all parts of the Premises, so that the same shall at all times be in good order and repair, and in a clean, sanitary and safe condition and in accordance with all applicable governmental laws and regulations, including all equipment, fixtures and plate glass, the fire protection and sprinkler systems, the store front, and the heating, cooling, ventilating, electrical, plumbing and mechanical systems within the Premises, subject to the terms of Section 7.1 above. Notwithstanding anything to the contrary herein, Landlord shall maintain in force throughout the Term and any extension(s) thereof, at Tenant sole cost and expense (in addition to Rent and CAM Costs), which shall not exceed \$250.00 per calendar quarter and per HVAC unit, a maintenance contract requiring at least quarterly maintenance by a company of recognized experience and standing, reasonably acceptable to Landlord, covering the heating, ventilation and air conditioning systems serving the Premises throughout the Term and any extension(s) thereof. Tenant must operate heating and

cooling equipment to maintain such store temperatures as will prevent the freezing or bursting of pipes and the draining of heated or chilled air from any enclosed Common Areas.

7.3 TENANT'S ALTERATIONS. Tenant shall not, without Landlord's prior written consent (which consent may be withheld in Landlord's sole and absolute discretion), do any Tenant's Work or any other work, painting or decorating, or erect any partitions, make any alterations or repairs in or additions to the Premises or do any nailing, boring, or screwing into the ceiling, walls or floors. Landlord's refusal of consent shall be conclusive. If Landlord so consents, before commencement of any such work or delivery of any materials into the Premises, the Building or the Shopping Center, Tenant shall furnish to Landlord for approval architectural plans and specifications, names and addresses of all contractors, and contracts, necessary permits and licenses, and certificates of insurance and instruments of indemnification against any and all claims, costs, damages and liabilities which may arise in connection with such work, all in such form and amount as may be satisfactory to Landlord. All of Tenant's contracts for such work shall provide that no lien shall attach to or be claimed against the Land or any interest in the Shopping Center other than Tenant's leasehold interest in the Premises. In addition, prior to commencement of any such work or delivery of any materials into the Shopping Center, the Building or the Premises, Tenant shall deposit with Landlord such security for the payment for said work and materials as Landlord may require. Tenant shall defend (with counsel acceptable to Landlord in Landlord's sole and absolute discretion), indemnify and hold Landlord forever harmless against all claims and liabilities of every kind, nature and description which may arise out of or in any way be connected with such work, as performed by Tenant or under Tenant's express direction. Tenant's obligations herein shall not however extend to the acts, conduct, or lack thereof, of third-party contractors operating outside of Tenant's directive or without reasonable care. Tenant's obligations as set forth in this sentence shall expressly survive the expiration or earlier termination of this Lease. All such work shall be done only by contractors approved by Landlord and at such times and in such manner as Landlord may from time to time designate. Tenant shall pay the cost of all such work and the cost of decorating the Premises and restoring and decorating the Building and Shopping Center occasioned thereby. Tenant shall furnish Landlord with contractor's affidavits and full and final waivers of lien and receipted bills covering all labor and materials expended or used in connection therewith. All such work shall be done in a good and workmanlike manner and with the use of good grades of materials. All such work shall be coordinated with all work being performed by Landlord and other occupants of the Shopping Center and shall be accomplished in a manner which will not disturb or interfere with the other occupants of the Shopping Center.

All alterations, improvements, and installations to or on the Premises (including all carpeting and floor covering) shall, unless Landlord requests their removal, remain in the Premises at the expiration or termination of this Lease or of Tenant's right of possession, without compensation to Tenant. If, upon Landlord's request, the Tenant does not affect removal, Landlord may remove the same and the Tenant shall pay the cost of such removal to the Landlord upon demand. Tenant shall not pledge, mortgage, hypothecate or in any

way create a security interest in and to any of the alterations and improvements provided for herein to any third party. Tenant shall be allowed to take floor coverings and any other fixtures of Tenant that are not affixed permanently to the Premises; provided, however, Tenant repair any damage to the Premises prior to the end of the term.

7.4 MECHANIC'S LIENS. Tenant agrees to pay promptly for any labor performed and materials furnished by Tenant or with Tenant's knowledge or permission in or about the Premises, and Tenant shall not permit any lien or claim for lien of any mechanic, laborer or supplier or any other lien to be filed against the Shopping Center or the Land arising out of work performed, or alleged to have been performed by Tenant or with its knowledge. If any such lien or claim for lien is filed or received by Landlord, Tenant shall immediately either have such lien or claim for lien released of record or shall deliver to Landlord a bond in form, content, amount, and issued by a surety, satisfactory to Landlord indemnifying Landlord and others designated by Landlord against all costs and liabilities resulting from such lien or claim for lien and the foreclosure or attempted foreclosure thereof. If Tenant fails to have such lien or claim for lien so released or to deliver such bond to Landlord, Landlord may, without investigating the validity of such lien, pay or discharge the same, and Tenant shall reimburse Landlord upon demand for the amount so paid by Landlord, including Landlord's expenses and attorneys' fees and costs.

7.5 SURRENDER. On the Expiration Date, or other date of termination of Tenant's right to possession of the Premises or any part thereof, Tenant shall surrender the Premises to Landlord in good order, repair and condition, and shall, at Landlord's option, restore the Premises to the condition existing on the Commencement Date or the Opening Date, whichever Landlord elects, ordinary wear and tear excepted. Upon any termination which occurs other than by reason of Tenant's default, Tenant shall be entitled to remove from the Premises all movable personal property of Tenant, provided Tenant shall immediately repair all damage to the Premises, the Building and the Shopping Center resulting from such removal and shall restore the Premises to the condition existing on the Commencement Date or the Opening Date, whichever Landlord elects, ordinary wear and tear excepted. If possession of the Premises is not immediately delivered to Landlord or if Tenant fails to remove all of Tenant's movable personal property, as aforesaid, Landlord may remove any of such property therefrom without any liability to Tenant, and at Tenant's expense. All movable personal property which Tenant fails to remove from the Premises shall be conclusively presumed to have been abandoned by Tenant, and title thereto shall pass to Landlord without any cost or credit therefor, and Landlord may retain such property on the Premises or, at its option and at Tenant's expense, store or dispose of such property, all without incurring any liability to Tenant or any other person.

VIII. INSURANCE

8.1 TENANT'S INSURANCE. Tenant is a self-insured, political subdivision of the State of Minnesota and shall be governed by the provisions of Minnesota Statutes, Section 466.04. Tenant agrees to acquire and maintain, at its sole expense, commercial general liability insurance (or comparable coverage under a program of self-insurance), with a limit

of coverage equal to or greater than the liability limits under Minnesota Statutes Chapter 466.

8.2 WAIVER OF SUBROGATION. Neither Landlord nor Tenant shall be liable to the other or to any insurance company (by way of subrogation or otherwise) insuring the other party for any loss or damage to any building, structure, or other tangible property or any resulting loss of income and benefits (even though such loss or damage might have been occasioned by the negligence of such party, its agents, or employees) if such loss or damage is covered by insurance benefiting the party suffering such loss or damage or was required to be covered by insurance pursuant to this Lease. Landlord and Tenant shall require their respective insurance companies to include a standard waiver of subrogation provision in their respective policies.

8.3 INDEMNITY. Tenant hereby defends, indemnifies and saves harmless Landlord from and against any and all liability, claims, demands, damages, expenses, fees, fines, suits, actions, and causes of action of any and every kind arising out of, resulting from, or in any way connected with: (a) the negligence of Tenant, its employees and others in Tenant's direct control; or (b) Tenant's failure to perform, satisfy or comply with any obligation under this Lease, including legal and investigatory fees and costs, and all other costs, expenses and liabilities. If any proceeding based on any such claim is brought against Landlord, Tenant shall defend such proceeding at its sole cost by legal counsel satisfactory to Landlord. Tenant's obligations contained in this Section 8.3 shall expressly survive the expiration or earlier termination of this Lease. Except to the extent caused by the negligence or willful misconduct of Tenant, Landlord agrees to indemnify, defend and hold harmless Tenant, and Tenant's officers, agents, directors, representatives, shareholders, members and employees ("Tenant's Indemnitees"), from and against any and all claims, demands, actions, liabilities, losses, injuries, fines, penalties, liens, damages (direct or otherwise), costs and expenses (including attorneys' fees) incurred by Tenant or Tenant's Indemnitees, for injuries to any persons and damage to or theft or misappropriation or loss of property occurring in or about the common areas of the Building and arising from any breach or default of Landlord in the performance of any covenant or agreement to be performed by Landlord under this Lease. If any proceeding is filed against Tenant or any of Tenant's Indemnitees in connection with any of the foregoing, Landlord agrees to defend Tenant or such party in such proceeding at Landlord's sole cost by legal counsel reasonably satisfactory to Tenant and Tenant's Indemnitees, if requested by Tenant.

8.4

IX. DAMAGE

9.1 RENT ABATEMENT. If all or any portion of the Premises is damaged by fire or occurrence covered by extended coverage insurance and not caused by the fault or neglect of Tenant, and if this Lease is not terminated, and provided Tenant is not conducting business in the Premises during such period, Tenant's obligation to pay monthly Fixed Minimum Rent and Tax, Insurance and CAM Costs shall abate from the date of the

occurrence until the date the damaged portion of the Premises shall have been rebuilt or repaired, in the proportion that the area of the portion of the Premises rendered unusable bears to the entire area of the Premises. If the fire or other casualty is caused by the fault or neglect of Tenant, Fixed Minimum Rent shall not abate.

9.2 OPTION TO CANCEL. Either Landlord or Tenant shall have the option to cancel this Lease if forty percent (40%) or more of the Premises or of the Building shall be damaged by fire or other occurrence, or if, during the last twelve (12) months of the Term, any part of the Premises or Building are so damaged by fire or other occurrence. This option may be exercised upon giving notice of cancellation to the other party within sixty (60) days following the occurrence and cancellation shall be effective on the date specified in the notice, but not later than ninety (90) days after the occurrence

9.3 OBLIGATION TO REBUILD. Subject to the rights of mortgagees and provided that this Lease is not terminated, in the event of a fire or other casualty affecting the Premises, Landlord, with reasonable diligence, shall use commercially reasonable efforts to restore the Premises to the condition which existed on the Commencement Date, prior to the start of Tenant's Work. Notwithstanding the foregoing, if fifty percent (50%) or more of the Premises or the Building is rendered untenable by reason of fire or other casualty, Landlord may, at its option, either restore the Premises and the Building subject to the availability of insurance proceeds, or terminate this Lease effective as of the date of such fire or other casualty. Landlord agrees to give Tenant written notice within sixty (60) days after the occurrence of any such fire or other casualty designating whether Landlord elects to so restore or terminate this Lease and, if Landlord has elected to restore, an estimate of the period required to restore the Premises. If Landlord elects to terminate this Lease, Rent shall be paid through and apportioned as of the date of such fire or other casualty. If Landlord elects to restore the Premises, Landlord's obligation to restore the Premises shall be limited to restoring those improvements in the Premises existing as of the date of such fire or other casualty which were made at Landlord's expense. However, Landlord shall not be obligated to expend any sums for repair or rebuilding which are greater than the proceeds of Landlord's fire and casualty insurance policies. Sums applied by Landlord's mortgagee to sums due under a mortgage loan shall not be deemed received by Landlord. Notwithstanding the foregoing, in no event shall Landlord have any obligation to rebuild the Premises if Tenant shall be in breach or default of any of Tenant's obligations hereunder.

9.4 TENANT FURNISHINGS, NO OTHER ABATEMENT. If Landlord is required or elects to repair or rebuild the Premises, then Tenant shall diligently and as soon as feasible repair and replace Tenant's Work, its merchandise, trade fixtures, furnishings, equipment and permitted alterations, additions and improvements in a manner and to at least a condition equal to that which existed prior to its damage or destruction. Except as expressly provided in this Article to the contrary, this Lease shall not terminate nor shall there be any abatement of any Rent as the result of any fire or other occurrence.

X. ASSIGNMENT AND SUBLETTING

10.1 Tenant shall neither sublet the Premises nor assign, mortgage, pledge, hypothecate or otherwise transfer or permit the transfer of this Lease or any interest of Tenant in this Lease, in whole or in part, by operation of law or otherwise. If Tenant, or the beneficiary of Tenant is a limited liability company, a withdrawal or change, voluntary or involuntary or by operation of law, of any member or members owning in the aggregate an interest of 50% or more, whether by single transaction or event or by cumulative transactions or events, or a dissolution of the limited liability company shall be deemed an assignment of this Lease. If Tenant is a partnership, a withdrawal or change, voluntary, involuntary or by operation of law, of any partner or partners owning in the aggregate an interest therein of fifty percent (50%) or more, whether by a single transaction or event or by cumulative transactions or events, or a transfer of any general partnership interest by any person or entity who owns a general partnership interest at the date of the execution of this Lease, or the dissolution of the partnership shall be deemed an assignment of this Lease. If Tenant is a trust, a change of fifty percent (50%) of the beneficial ownership shall be deemed an assignment of this Lease. If Tenant is a corporation, any dissolution, merger, consolidation, or reorganization of Tenant or of a parent corporation of which Tenant is the direct or indirect subsidiary, or the sale or transfer of a controlling percentage of the capital stock of Tenant or of a parent corporation of which Tenant is the direct or indirect subsidiary, whether by a single transaction or event or by cumulative transactions or events, shall be deemed an assignment of this Lease; except that this provision shall not apply if, at the date of execution of this Lease, over fifty percent (50%) of the voting power of such corporation or its corporate parent is held by fifty (50) or more unrelated shareholders or distributed to such number of unrelated shareholders in a public distribution of securities. If Tenant consists of more than one person, then a purported assignment, voluntary, involuntary, or by operation of law by one or more of them, whether by single transaction or event or by cumulative transactions or events, and whether to one or more such persons already a part of Tenant or to one or more third parties, or to any combination thereof, shall be deemed an assignment of this Lease.

10.2 Notwithstanding anything contained herein to the contrary, Tenant may assign its interest in this Lease to the purchaser of all or substantially all of Tenant's business assets, provided Landlord consents to said assignment. If Tenant shall desire Landlord's consent to any assignment, Tenant shall notify Landlord in writing, which notice ("Assignment Notice") shall include (i) the proposed effective date of the assignment, which shall not be less than thirty (30) days nor more than one hundred eighty (180) days after the date of delivery of the Assignment Notice, and (ii) all of the terms of the proposed assignment and the consideration therefor, including a calculation of the "Transfer Premium," as that term is defined in Section 10.4 below, in connection with such assignment, the name and address of the proposed assignee, and a copy of all existing and/or proposed documentation pertaining to the proposed assignment, including all existing operative documents to be executed to evidence such assignment or the agreements incidental or related to such assignment, (iii) current financial statements of the proposed assignee certified by an officer, partner or owner thereof, and any other information required by Landlord, which will enable Landlord to determine the financial

responsibility, character, and reputation of the proposed assignee and the nature of such assignee's business and proposed use of the Premises, and (iv) such other information as Landlord may reasonably require. Any assignment made without Landlord's prior written consent shall, at Landlord's option, be null, void and of no effect and, at Landlord's option, constitute a default by Tenant under this Lease. Whether or not Landlord shall grant consent, Tenant shall pay Landlord's review and processing fees, as well as any reasonable legal fees incurred by Landlord, within ten (10) days after written request by Landlord.

10.3 Landlord shall not unreasonably withhold its consent to any proposed assignment of the Premises to the assignee on the terms specified in the Assignment Notice. The parties hereby agree that it shall be deemed to be reasonable under this Lease and under any applicable law for Landlord to withhold consent to any proposed assignment where one or more of the following apply, without limitation as to other reasonable grounds for withholding consent:

10.3.1 Assignee is of a character or reputation or engaged in a business which is not consistent with the quality of the Shopping Center;

10.3.2 Assignee is either a governmental agency or instrumentality thereof;

10.3.3 Assignee's intended use of the Premises is not for a permitted use hereunder;

10.3.4 Assignee is not a party of reasonable financial worth and/or financial stability in light of the responsibilities involved under the Lease on the date consent is requested;

10.3.5 The proposed assignment would cause Landlord to be in violation of another lease or agreement to which Landlord is a party, or would give an occupant of the Shopping Center a right to cancel its lease; or

10.3.6 Either assignee, or any person or entity which directly or indirectly, controls, is controlled by, or is under common control with, the assignee, (i) occupies space in the Shopping Center at the time of the request for consent, (ii) is negotiating with Landlord to lease space in the Shopping Center at such time, or (iii) has negotiated with Landlord during the twelve (12)-month period immediately preceding the Assignment Notice.

10.4 Notwithstanding anything to the contrary in this Lease, if Tenant or any proposed assignee claims that Landlord has unreasonably withheld or delayed its consent under Sections 10.1 or 10.2 or otherwise has breached or acted unreasonably under this Article X, then, in addition to any other remedies available to Tenant and/or any such proposed assignee, Tenant shall have the right to seek a declaratory judgment and an injunction for the relief sought. If Landlord consents to any assignment pursuant to the terms of Section 10.2, Tenant may, within six (6) months after Landlord's consent, but not later than the expiration of said six-month period, enter into such assignment of the Premises, upon substantially the same terms and conditions as are set forth in the Assignment Notice furnished by Tenant to Landlord pursuant to Section 10.2 of this Lease, provided that if there are any changes in the terms and conditions from those specified in

the Assignment Notice (i) such that Landlord would initially have been entitled to refuse its consent to such assignment under this Section 10.4 or (ii) which would cause the proposed assignment to be more favorable to assignee than the terms set forth in Tenant's original Assignment Notice, Tenant shall again submit the transfer to Landlord for its approval and other action under this Article X.

10.5 If Landlord consents to an assignment, as a condition thereto which the parties hereby agree is reasonable, Tenant shall pay to Landlord any "Transfer Premium," as that term is defined in this Section 10.5, received by Tenant from such assignee. "Transfer Premium" shall mean all rent, additional rent or other consideration payable by such assignee in excess of the Rent payable by Tenant under this Lease. In the calculations of the Rent (as it relates to the Transfer Premium calculated under this Section 10.5, the Rent paid during each annual period for the Premises shall be computed after adjusting such Rent to the actual effective Rent to be paid, taking into consideration any and all leasehold concessions granted in connection therewith, including, but not limited to, any rent credit and tenant improvements allowance. For purposes of calculating any such effective rent, all such concessions shall be amortized on a straight-line basis over the relevant term.

10.6 If Landlord consents to an assignment (i) the terms and conditions of this Lease shall in no way be deemed to have been waived or modified, (ii) such consent shall not be deemed consent to any further assignment by either Tenant or an assignee, (iii) Tenant shall deliver to Landlord, promptly after execution, an original executed copy of all documentation pertaining to the assignment in form reasonably acceptable to Landlord, (iv) Tenant shall furnish upon Landlord's request a complete statement, certified by an independent certified public accountant, or Tenant's chief financial officer, setting forth in detail the computation of any Transfer Premium Tenant has derived and shall derive from such assignment, and (v) no assignment relating to this Lease or agreement entered into with respect thereto, whether with or without Landlord's consent, shall relieve Tenant or any guarantor of the Lease from liability under this Lease, such liability expressly surviving the assignment of this Lease, and Tenant's interest therein. Landlord or its authorized representatives shall have the right at all reasonable times to audit the books, records and papers of Tenant relating to any assignment, and shall have the right to make copies thereof. If the Transfer Premium respecting any assignment shall be found understated, Tenant shall, within thirty (30) days after demand, pay the deficiency any Landlord's costs of such audit, and if understated by more than ten percent (10%), Landlord shall have the right to cancel this Lease upon thirty (30) days' notice to Tenant.

XI. MORTGAGE

This Lease and Tenant's rights are and shall be subject and subordinate at all times to any mortgage(s) or trust deed(s) (all sometimes hereinafter referred to as "Mortgage") against the Premises, the Shopping Center, the Building, or the Land, or against any interest therein, and to any ground lease, now or hereafter existing and to all amendments, modifications and renewals, extensions, consolidations or replacements thereof, and to all advances made or hereafter to be made upon the security thereof. Tenant shall execute and deliver within

fifteen (15) days of the request of Landlord or its mortgagee or ground lessor such acknowledgements or documents as may be requested, from time to time including without limitation, subordination instruments. Tenant hereby appoints Landlord its attorney in fact with full power and authority to execute and deliver any such instrument if Tenant fails to do so. Notwithstanding the foregoing, Landlord shall have the option to make this Lease superior to any Mortgage on the Building or Land, subject to the consent of all mortgagees and ground lessors.

Should any Mortgage or financing affecting the Premises, the Building, the Shopping Center, or the Land be foreclosed or otherwise become the subject of any proceeding to enforce any mortgagee's remedy, or if any ground or underlying lease be terminated, then upon request of the mortgagee or trustee, purchaser, or other successor in interest, Tenant will attorn, as tenant under this Lease, to successor to the mortgagee's interest; or if any ground or underlying lease be terminated for any reason, Tenant will attorn as tenant under this Lease to the ground lessor. Tenant shall execute upon request such instruments as may be necessary or appropriate to evidence such attornment.

Tenant covenants to give any mortgagee or trust deed holder and ground lessor, by registered mail, a copy of any notice of default served upon the Landlord, provided that prior to such notice Tenant has been notified in writing (by way of notice of assignment of rents or assignment of lease, or otherwise) of the address of such mortgagee or trust deed holder or ground lessor, as the case may be. If Landlord fails to cure such default within any applicable cure period, then the mortgagee or trust deed holder and the ground lessor shall have an additional thirty (30) days to cure such default or if such default cannot be cured within that time, then such additional time as may be reasonably necessary if within such thirty (30) days, any mortgagee or trust deed holder or ground lessor has commenced and is diligently pursuing the actions necessary to cure such default (which may include but not be limited to commencement of foreclosure proceedings, if necessary to effect such cure), and the Lease shall not be terminated while such actions are being so diligently pursued.

Tenant shall from time to time, upon not less than ten (10) days prior written request by Landlord and/or any mortgagee, prospective purchaser, or ground lessor, deliver to Landlord or such mortgagee or ground lessor a written statement, certifying: (i) that this Lease is unmodified and in full force and effect or, if there have been modifications, that this Lease, as modified, is in full force and effect; (ii) the amounts of Fixed Minimum Rent, Estimated Tax, Insurance and CAM Payments and Utility Charges then payable hereunder and the date to which Rent has been paid; (iii) that Landlord is not in default under this Lease or, if in default, a detailed description of such default(s); (iv) that Tenant is or is not in possession of the Premises, as the case may be; and (v) such other information as Landlord may request. In the event that Tenant shall fail to deliver the statement required hereunder within ten (10) days after the request by Landlord or mortgagee or ground lessor, Tenant hereby designates Landlord as its attorney in fact to execute such a statement and grants Landlord the power of attorney to so act.

If the Shopping Center, or the Land is sold or transferred, the Landlord making such sale or transfer shall be entirely freed and relieved of all agreements and obligations under this Lease or arising out of any act, occurrence or omission relating to the Premises or this Lease which accrues or occurs after the date of such sale or transfer.

XII. EMINENT DOMAIN

12.1 TAKING OF WHOLE. Notwithstanding any other provision of this Article, if the whole of the Premises or any substantial part of the Building or Shopping Center is taken or condemned for any public use, or conveyed under threat of such condemnation, this Lease shall terminate as of the date title vests in such authority, and Rent, shall be apportioned as of said date.

12.2 TAKING OF SUBSTANTIAL PART. If more than twenty five percent (25%) but less than one hundred percent (100%) of the Rentable Area of the Premises is taken or condemned for any public use or conveyed under threat of such condemnation, or if by reason of any such or taking or conveyance, regardless of the amount so taken, the remainder of the Premises is not usable for the purposes for which the Premises were leased, then either Landlord or Tenant (but, with respect to Tenant, only so long as Tenant is not in breach or default of Tenant's covenants and obligations contained in this Lease) shall have the right to terminate this Lease as of the date title vests in such authority by giving written notice to the other of such election within sixty (60) days after the date of such vesting.

12.3 TAKING OF PART. If any part of the Premises but less than one hundred percent (100%) of the Premises is taken or condemned for any public use or purpose, or conveyed under threat of condemnation, and this Lease is not terminated, the Rent shall be reduced by an amount which bears the same ratio to Rent then in effect as the number of square feet of Rentable Area in the Premises so taken or condemned bears to the number of square feet of Rentable Area specified in Section 1.1(O). Landlord, upon receipt of and to the extent of the award in condemnation or proceeds of sale, shall make necessary repairs and restorations (exclusive of Tenant's Work, its leasehold improvements and personal property paid for or installed by Tenant) to restore the Premises remaining to as near the condition existing on the Commencement Date, before Tenant's Work (ordinary wear and tear excepted), as circumstances will permit, and to the Building to the extent necessary to constitute the portion of the Building not so taken or condemned as a complete architectural and commercially viable unit. Sums applied by Landlord's mortgagee to sums due under a mortgage loan shall not be deemed received by Landlord. Notwithstanding the foregoing, in no event shall Landlord have any obligation to rebuild the Premises if Tenant shall be in breach or default of any obligation of Tenant hereunder.

12.4 COMPENSATION. Whether or not this Lease is terminated, Landlord shall be entitled to receive the entire price or award from any such sale, taking or condemnation without any payment to Tenant; provided, however, Tenant may pursue its own separate action against the condemning authority for any damages or awards permitted under law

provided that any such damage or award to Tenant shall not reduce or diminish any damages or award granted to Landlord.

XIII. TENANT'S NET WORTH; BANKRUPTCY

13.1 BANKRUPTCY. If, pursuant to any statute either of the United States or of any state, there shall be filed against Tenant or any guarantor or surety of this Lease or any of Tenant's obligations under this Lease, in any court, a petition in bankruptcy or insolvency or for reorganization or for the appointment of a receiver or trustee of all or any portion of Tenant's or such guarantor's or surety's property, and if, within thirty (30) days of such filing, Tenant or such guarantor or surety fails to secure a discharge thereof, or if Tenant or such guarantor or surety voluntarily files any such petition or makes an assignment for the benefit of creditors or petitions for or enters into such an arrangement, or if the net worth of Tenant or such guarantor or surety falls below eighty percent (80%) of the net worth shown on the financial statements attached as Exhibit G, this Lease, at Landlord's option, may be cancelled or terminated upon written notice to Tenant, effective (retroactively, if appropriate) as of the first date upon which it appears in the reasonable judgment of Landlord's accountant that such reduction in net worth occurred. In such event neither Tenant nor any person then or thereafter claiming through or under Tenant by virtue of any statute or of an order of any court shall be entitled to acquire or remain in possession of the Premises, and Landlord shall have no further liability hereunder to Tenant or any such person, and Tenant and all such persons shall forthwith quit and surrender the Premises. If this Lease shall be so cancelled or terminated, Landlord, in addition to its other rights and remedies, may retain as liquidated damages any rent and any other money received by Landlord from Tenant or others on Tenant's behalf. No retroactive termination effected pursuant to this Section shall relieve Tenant of any nonmonetary obligation accrued or incurred during the period between and including the effective date of termination hereunder and the date upon which Tenant surrenders up possession of the Premises.

XIV. DEFAULT, REMEDY

14.1 EVENTS OF TENANT'S DEFAULT. The following shall constitute "Events of Default" (each, individually, an "Event of Default"), if Tenant has failed to cure within five (5) days after Landlord's written notice thereof: (a) if Tenant defaults in the payment of any sum of money (whether Rent, Utility Charges, or other Rent) when due ("Monetary Default"); (b) except as to acts, defaults, omissions or occurrences defined or identified in this Lease as Deliberate Events of Default or a Monetary Default, if Tenant defaults under any other provision of this Lease and such default continues for the applicable cure period under this Lease, or, if no such period is so provided, for twenty (20) days after the date of written notice from Landlord to Tenant specifying the nature of said default; (c) if any execution or attachment shall be issued against Tenant or any of Tenant's property and shall not be discharged or vacated within ten (10) days after the issuance thereof; (d) any event described in Section 13.1; (e) if Tenant shall cease conducting Tenant's Business at the Premises or if Tenant shall abandon the Premises or permit them to become vacant; or

(f) if any guarantor of this Lease shall die or become physically or mentally incapacitated or otherwise fail or be unable, for any reason, to fulfill its obligations as guarantor.

14.2 DELIBERATE EVENTS OF TENANT'S DEFAULT. Notwithstanding anything to the contrary contained in this Lease, if Tenant commits two (2) or more Monetary Defaults in any period of twelve (12) months, or if Tenant defaults in the performance of any combination of any of the nonmonetary covenants of this Lease more than three (3) times in any twelve (12) month period, then, notwithstanding that such Events of Default might have been cured, any further Event of Default within such twelve (12) month period shall be deemed to be a "Deliberate Event of Default." Any default, act, omission or occurrence defined, or identified elsewhere in this Lease as a Deliberate Event of Default is also a Deliberate Event of Default. In the event of a Deliberate Event of Default, Landlord, without giving Tenant any notice and without affording Tenant an opportunity to cure the default, may exercise any or all of its remedies.

14.3 TERMINATION. Upon or after any Event of Default or Deliberate Event of Default, if the Term has not commenced, Landlord may cancel this Lease effective upon written notice to Tenant, or, if the Term has commenced, Landlord may terminate this Lease by serving upon Tenant a written notice that this Lease will terminate on a date specified therein, which shall not be less than ten (10) days after the date of such notice, and Tenant shall have no right to avoid the cancellation or termination by paying any sum due or by performing any other condition, term or covenant broken. However, to the extent permitted by law, Tenant shall remain liable as set forth hereinafter.

14.3A MUTUAL TERMINATION. Notwithstanding anything to the contrary contained in this Lease, Landlord and Tenant may mutually agree in writing to terminate this Lease prior to the Expiration Date. Any such agreement shall be documented in a written Mutual Termination Agreement substantially in the form attached hereto as Exhibit I, and no early termination shall be effective unless executed by both parties. Tenant shall remain liable for all Rent, Utility Charges, and other sums due under this Lease through the effective date of termination, unless otherwise agreed in such written agreement.

14.4 RIGHT OF POSSESSION (MINNESOTA). Upon or after any Event of Default or Deliberate Event of Default, or if this Lease has been terminated under Section 14.3, Landlord shall be entitled to recover possession of the Premises only through legal process in accordance with Minnesota Statutes Chapter 504B, as amended. Nothing in this Lease shall be construed to permit Landlord to dispossess Tenant other than by lawful eviction action. Tenant shall remain liable for all Rent and other charges as provided herein, notwithstanding the commencement of any such legal action or termination of this Lease.

14.5 ADDITIONAL REMEDIES OF LANDLORD. In the event of any Event of Default, Deliberate Event of Default, reentry, termination or dispossession, then in addition to, and not in lieu of, Landlord's other remedies and notwithstanding any such reentry, termination or dispossession: (1) the Rent, including Utility Charges, shall thereupon become due and payable up to the time of such reentry, termination or dispossession; and (2) Landlord shall

use reasonable efforts to relet the Premises or any part or parts thereof, either in the name of Landlord or otherwise, for a term which may at Landlord's option be less than or exceed the period which would otherwise have constituted the balance of the Term, and may grant concessions or free rent; and (3) Tenant or its legal representative shall also pay Landlord, at Landlord's option and whether or not Landlord has terminated or cancelled this Lease, such expenses as Landlord may incur in connection with the Event of Default or Deliberate Event of Default and all reletting, including without limitation court costs, attorneys' fees and costs, brokerage, and management fees and commissions, and all costs of preparing the Premises for reletting, plus, as liquidated damages for the failure of Tenant to observe and perform said Tenant's covenants herein contained, for each month of the period which would otherwise have constituted the balance of the Term, the excess, if any, of monthly liquidated damages ("Monthly Liquidated Damages") equal to the sum of the then applicable monthly installment of Fixed Minimum Rent, plus the monthly portion that would have been payable for the period in question but for such reentry, termination, or dispossession, plus Utility Charges payable for such month computed on the basis of the average monthly charge for the said three (3) preceding Adjustment Years or entire preceding portion of the Term, as the case may be; over the net amount, if any, of the rents actually collected on account of the lease or leases of the Premises for such month.

Landlord's failure to relet the Premises or any part thereof shall not release Tenant's liability for damages, nor shall its failure to collect the rent therefore under such reletting. Monthly Liquidated Damages shall be paid in monthly installments by Tenant on the day specified in this Lease for the payment of Fixed Minimum Rent, and any action brought to collect the amount of deficiency for any month shall not prejudice in any way the rights of Landlord to collect the deficiency for any subsequent month by a similar proceeding, or the right of Landlord to subsequently elect to collect Monthly Liquidated Damages, provided only that such Monthly Liquidated Damages shall be reduced by the amount, if any, of Monthly Liquidated Damages collected by Landlord minus the actual cost (including attorney's fees and costs) of collecting such Monthly Liquidated Damages. Landlord may make such alterations, repairs and replacements in the Premises as Landlord in Landlord's sole judgment considers advisable in order to relet the Premises; and no such alteration shall release Tenant from liability hereunder.

In any of the circumstances mentioned in the preceding two paragraphs, Landlord may elect, instead of holding Tenant so liable, to forthwith recover against Tenant, as liquidated damages and not as a penalty, a sum equal to the then applicable Fixed Minimum Rent multiplied by the number of months and fractional months which would have constituted the balance of the Term, together with attorney's fees and costs.

In the event this Lease or Tenant's right to possession of the Premises is terminated by Landlord pursuant to this Article XIV, Tenant shall be responsible for and shall pay to Landlord the broker's commission incurred by Landlord in connection with this Lease, any rent abatement received by Tenant through the date of termination, multiplied by a

fraction, the numerator of which is the number of months remaining under the Term and the denominator of which is the total number of months in the Term.

14.6 CHRONIC RENT DEFAULT. In addition to the foregoing, if Tenant fails to pay Rent or any other monetary obligation under this Lease for three (3) consecutive months, such failure shall constitute a non-curable Event of Default. In such event, Landlord may, upon written notice to Tenant, immediately terminate this Lease. Tenant shall have no right to reinstate or cure by later payment. Upon such termination, Landlord shall be entitled to seek immediate possession through an eviction action, and Tenant shall remain liable for all Rent, damages, and other obligations under this Lease.

XV. LANDLORD'S MISCELLANEOUS RIGHTS

15.1 ACCESS. Tenant shall permit Landlord to erect, use and maintain pipes, ducts, wiring and conduits in and through the Premises, provided such action by Landlord does not materially interfere with Tenant's use and enjoyment of the Premises. Landlord may enter upon the Premises to inspect the same, and to make such repairs, alterations, improvements or additions to the Premises or the Building or Shopping Center as Landlord may deem desirable, and Landlord shall be allowed to take all material into and upon said Premises that may be required therefor without the same constituting an eviction of Tenant in whole or in part, and Rent shall not abate while said decorations, repairs, alterations or improvements are being made, by reason of loss or interruption of Tenant's business, or otherwise. If Tenant is not personally present to permit an entry into the Premises, when for any reason it shall be necessary, Landlord may enter the same by a master key, or may forcibly enter, without rendering the Landlord in any way liable, and without in any manner affecting the obligations and covenants of this Lease. Nothing herein contained, however, shall be deemed or construed to impose upon the Landlord any obligations, responsibility or liability whatsoever, for the care, supervision or repair of the Building or Shopping Center or any part thereof, other than as expressly provided in this Lease.

15.2 OTHER MISCELLANEOUS RIGHTS. Landlord shall have the following rights exercisable without notice (except as expressly provided to the contrary), without liability to Tenant and without being deemed an eviction or disturbance of Tenant's use or possession of the Premises or giving rise to any claim for setoff or abatement of Rent: (i) to change the Shopping Center's name or the street address of the Premises, Building, or Shopping Center upon thirty (30) days' prior notice; (ii) to display the Premises to prospective tenants at reasonable hours during the last twelve (12) months of the Term; (iii) to grant to any party the exclusive right (to the extent permitted by law) to conduct any business or render any service in or to the Building or the Shopping Center, provided such exclusive right shall not prohibit Tenant from using the Premises for the purposes permitted hereunder; (iv) to close the Building or the Common Areas or the Shopping Center after normal business hours; (v) to take any and all reasonable measures, including inspections and repairs to the Premises, the Building and the Shopping Center, as Landlord may deem desirable; and (vi) to improve, remodel, develop, redevelop, lease, reconfigure

and otherwise alter the Common Areas and the Shopping Center, as same shall exist from time to time, including any existing or future outlots located thereat.

15.3 EMPLOYEE PARKING. Landlord shall at all times have the right to designate a particular parking area to be used by employees of Tenant and other occupants of the Shopping Center and any such designation may be changed by Landlord from time to time. Tenant and its employees shall park their cars only in those portions of the Common Areas, if any, designated for that purpose by Landlord. Tenant shall furnish Landlord from time to time with an accurate current list of its and all its employees' automobile license plate numbers within fifteen (15) days after taking possession of the Premises and thereafter within five (5) days after any change in the accuracy of the list. If Tenant or its employees fail to park their cars in designated parking areas, Landlord may charge Tenant Fifty Dollars (\$50.00) per day per car for each such violation and shall have the right to have any such car towed away at Tenant's expense. All amounts due under the provisions of this Section 15.3 shall be payable by Tenant within ten (10) days after demand by Landlord. Notwithstanding anything to the contrary herein, Landlord shall designate two (2) parking spots in front of the Premises for Tenant's "pick up" and "carry out" business.

XVI. REAL ESTATE BROKERS

Tenant represents that Tenant has not dealt with any real estate broker, or finder in connection with this Lease except for the broker set forth in Section 1.1(S) and that no other party initiated or participated in the negotiation of this Lease, or showed the Premises to Tenant. Tenant hereby agrees to defend, indemnify and hold harmless Landlord, from and against any and all liabilities for commissions and fees arising out of a breach of the foregoing representation.

XVII. HOLDING OVER

Tenant shall have no right to retain possession of the Premises after the expiration or earlier termination of the Lease. In the event Tenant shall retain possession of the Premises after the expiration or earlier termination of this Lease, Tenant shall pay Landlord double the sum total of the latest monthly Minimum Fixed Rent Payment plus monthly Estimated Tax, Insurance and CAM Payments then applicable for each month Tenant retains possession of the Premises, after the expiration or termination of this Lease, and also shall pay all other costs and damages sustained by Landlord by reason of Tenant's retaining possession of the Premises. Such holdover payments shall not be prorated for any holdover which ends on any date other than the last day of a month. The provisions of this Article shall not constitute a waiver by Landlord of any reentry rights of Landlord hereinbefore or by law provided. If Tenant retains possession of the Premises, or any part thereof, for five (5) days after the expiration or termination of this Lease, then at the sole option of Landlord expressed by notice to Tenant, but not otherwise, such holding over shall constitute an extension of this Lease for a period of one year (or less if specified by Landlord at Landlord's option) on the same terms and conditions last in effect (but exclusive of any options to extend, obligations of Landlord to provide any improvement allowance or to

make any improvements, alterations, abatement of any Rent or termination rights of Tenant, if any), except that the Fixed Minimum Rent shall be increased to 150% of the latest Fixed Minimum Rent, plus any subsequent escalations (except that there shall be no abatement of Rent, and no option to renew or extend the Term afforded or available to Tenant hereunder, if any).

XVIII. PROMOTION AND ADVERTISING

18.1 INTENTIONALLY OMITTED.

18.2 TENANT'S SIGNS AND ADVERTISING. Tenant shall not erect, display, paint or affix any sign, lettering or advertising in any medium whatsoever upon or above the exterior of the Premises, the Building or elsewhere in the Shopping Center without Landlord's prior written approval, which approval may not be unreasonably withheld or delayed. Tenant shall be expressly prohibited from erecting, displaying, painting or affixing any pylon or awning signage. Tenant shall name the Shopping Center in designating the location of the Premises in all newspaper or other advertising, signs, stationery, or other printed material, and in all other references to the location of the Premises. Notwithstanding the foregoing, subject to (i) all applicable terms and conditions of any leases at the Shopping Center, including without limitation any applicable consent rights of other tenants of the Shopping Center, (ii) all applicable laws and (iii) the approval or all applicable Federal, state, county and municipal governmental agencies, Tenant shall be entitled to install signage upon the exterior of the Premises in accordance with the criteria specifically designated on Exhibits E attached hereto and made a part hereof.

XIX. MISCELLANEOUS

19.1 NOTICES. All notices required or permitted under this Lease shall be deemed sufficiently given or served if delivered personally or if sent by nationally recognized overnight courier or if sent by registered or certified United States mail, postage prepaid, to Tenant at the address indicated in Section 1.1(C)(2) until possession of the Premises is tendered to Tenant, and thereafter to the address of the Premises; and to Landlord at the address indicated in Section 1.1(C)(1), and either party may by like notice at any time designate a different address to which notices shall be sent. Notices by mail given in accordance with these provisions shall be deemed received when mailed. Notices served by personal delivery shall be deemed received on the date of personal delivery. Notices served by a nationally recognized overnight courier shall be deemed received the day after same is deposited with such carrier.

19.2 LATE CHARGES. All delinquent Rent and other payments due from Tenant to Landlord shall bear interest at the maximum rate permitted by law or at fifteen percent (15.0%) per annum, whichever is less, from the date due until paid; and, a five percent (5.0%) late charge shall be due from Tenant for any sum due Landlord and not timely paid. Additionally, Tenant shall be charged a fee of \$75.00 for each Rent or other payment check received from tenant that is returned for non-sufficient funds (NSF).

19.3 ENTIRE AGREEMENT. This Lease and the Exhibits attached hereto contain the entire agreement between Landlord and Tenant concerning the Premises, and no other agreements exist.

19.4 NO OPTION; RESOLUTIONS. Tenant's execution and delivery of this Lease do not constitute a reservation of or option for the Premises or an agreement by Landlord to enter into a Lease, and this Lease shall become effective only if and when Landlord executes and delivers same to Tenant. If Tenant is a corporation, Tenant shall deliver to Landlord, concurrently with the delivery to Landlord of an executed Lease, a certificate of good standing (or functional equivalent) issued by the Secretary of State's office for the State in which Tenant is incorporated (and, if such State is not the same State in which the Premises are located, a certificate from the Secretary of State's office for the State in which the Premises are located confirming that Tenant is duly authorized to conduct business in the Premises' State), and a certified resolution of Tenant's directors authorizing execution and delivery of this Lease and the performance by Tenant of its obligations hereunder; if Tenant is a limited partnership or limited liability entity, Tenant shall deliver to Landlord concurrently with delivery to Landlord of an executed Lease, a certificate of existence (or functional equivalent) issued by the Secretary of State's office for the State in which Tenant is formed (and, if such State is not the same State in which the Premises are located, a certificate from the Secretary of State's office for the State in which the Premises are located confirming that Tenant is duly authorized to conduct business in the Premises' State) and certified resolutions of Tenant's partners, managers or members, as the case may be, authorizing execution and delivery of this Lease and the performance by Tenant of its obligations hereunder; and if Tenant is a partnership, certified resolutions of Tenant's partners authorizing execution and delivery of this Lease and the performance by Tenant of its obligations hereunder.

19.5 RELATIONSHIP OF PARTIES. Landlord does not, by reason of this Lease or any of its provisions, in any way become a partner of Tenant in the conduct of its business, or a joint venturer with Tenant. If there shall be more than one party or person constituting Tenant, then the obligations and liabilities of such parties or persons as Tenant shall be joint and several.

19.6 ACCORD AND SATISFACTION. No payment by Tenant or receipt by Landlord of a lesser amount than any installment or payment of Rent or other sum due shall be other than on account of the amount due, and no endorsement or statement on any check or any letter accompanying any check or payment of Rent shall be deemed an accord and satisfaction, and Landlord may accept such check or payment without prejudice to Landlord's right to recover the balance of such installment or payment of Rent or other sum and pursue any other remedies available to Landlord. No receipt of money by Landlord from Tenant after the termination of this Lease or Tenant's right of possession of the Premises shall reinstate, continue or extend the Term.

19.7 SURVIVAL OF TENANT'S OBLIGATIONS. Tenant covenants and agrees that Tenant's obligations to make all payments due under, to bear all expenses as set forth in this

Lease and to comply with all terms, covenants, provisions and obligations set forth in this Lease (including, without limitation, Article VII and all indemnification obligations set forth herein) shall survive the expiration or earlier termination of this Lease.

19.8 BINDING EFFECT. This Lease shall be binding upon and inure to the benefit of Landlord and Tenant and their respective heirs, legal representatives, successors and permitted assigns.

19.9 DEFINED TERMS AND HEADINGS. The Article headings shown in this Lease are for convenience of reference and shall in no way define, increase, limit or describe the scope or intent of any provision of this Lease. Any indemnification or insurance of Landlord shall apply to and inure to the benefit of all the following "Landlord Entities", being Landlord, Landlord's investment manager, and the trustees, boards of directors, officers, general partners, beneficiaries, stockholders, employees and agents of each of them. Any option granted to Landlord shall also include or be exercisable by Landlord's trustee, beneficiary, agents and employees, as the case may be. In any case where this Lease is signed by more than one person, the obligations under this Lease shall be joint and several. The terms "Tenant" and "Landlord" or any pronoun used in place thereof shall indicate and include the masculine or feminine, the singular or plural number, individuals, firms or corporations, or other entity, and each of their respective successors, executors, administrators and permitted assigns, according to the context hereof. Tenant hereby accepts and agrees to be bound by the figures for the square footage of the Premises shown on the Reference Page. The term "Tenant's Proportionate Share" shall be that fraction, the numerator of which shall be the total square footage in the Premises Area and the denominator of which shall be the total leasable square footage in the Shopping Center from time to time but excluding any unoccupied second floor space from such denominator (or, in the case of the payment of Taxes, the total leasable square footage in the tax parcel(s) which includes the Premises but excluding any unoccupied second floor space from such denominator). Tenant's Proportionate Share may change from time to time as the leasable square footage and/or configuration of the Shopping Center is changed.

19.10 APPLICABLE LAW. This Lease shall be construed in accordance with the laws of the state in which the Shopping Center is located.

19.11 TIME. Time is of the essence of this Lease and the performance of all obligations hereunder.

19.12 LANDLORD'S RIGHT TO PERFORM TENANT'S DUTIES. If Tenant fails to timely perform any of its duties under this Lease, Landlord shall have the right (but not the obligation), after the expiration of any applicable cure period, if any, to perform such duty on behalf and at the sole cost and expense of Tenant without further notice to Tenant. All such expenses or costs so incurred by Landlord shall be payable by Tenant as Rent hereunder upon receipt of demand therefor.

19.13 **NEGATION OF PERSONAL LIABILITY.** Notwithstanding anything contained herein to the contrary, Landlord shall have no personal liability with respect to any of the provisions of this Lease due to ordinary negligence as long as the Landlord remains a limited liability company in good standing, and Tenant shall look solely to the estate and property of Landlord in the real property and structures comprising the Shopping Center for the satisfaction of all Tenant's claims, including the collection of any judgment or the enforcement of any other judicial process requiring the payment or expenditure of money by Landlord in the event of any default or breach by Landlord with respect to any of the terms and provisions of this Lease (subject, however, to the prior rights of any holder of any Mortgage or ground lease covering all or part of the Shopping Center), and no other assets of Landlord or any principal of Landlord shall be subject to levy, execution or other judicial process for the satisfaction of Tenant's claim. This Section shall inure to the benefit of Landlord's successors and assigns. Transamerica Realty Partners Chicago, LLC ("Landlord's Agent"), in its capacity as agent, is acting as agent only and in such capacity shall not in any event be held liable to Tenant for the fulfillment or nonfulfillment of any of the terms, covenants or conditions of this Lease or for any action or proceedings that may be taken by Landlord against Tenant, or by Tenant against Landlord.

19.14 **WAIVER.** The waiver by Landlord of any breach of any term, covenant or condition herein contained shall not be a waiver of any subsequent breach of the same or any other term, covenant or condition of this Lease. The subsequent acceptance by Landlord of any Rent due or any other monetary obligation of Tenant hereunder, shall not be a waiver of any preceding breach by Tenant of any term, covenant or condition of this Lease, other than the failure of Tenant to make the particular payment so accepted. No covenant, term or condition of this Lease shall be waived by Landlord, unless such waiver be executed by Landlord.

19.15 **CUSTOM AND USAGE; CONSTRUCTION.** Landlord's failure to enforce its rights under any provisions of this Lease used shall not be construed as having created a custom in any way or manner contrary to the specific terms, provisions and covenants of this Lease or as having in any manner modified the same. If any term, covenant, condition or agreement of this Lease is capable of two or more constructions, one or more of which would render the provision void, and the other or others of which would render the provision valid, then the provision shall have the meaning or meanings which would render it valid. Although the printed provisions of this Lease were drawn by Landlord, this Lease shall not be construed for or against Landlord or Tenant, but this Lease shall be interpreted in accordance with the general tenor of the language in an effort to reach the intended result. Any law, usage or custom to the contrary notwithstanding, Landlord shall have the right at all times to enforce the covenants and conditions of this Lease in strict accordance with the terms hereof, notwithstanding any prior conduct of Landlord in refraining from such enforcement with respect to Tenant or any other tenant of the Shopping Center.

19.16 **PARTIAL INVALIDITY; SEPARATE COVENANTS.** If any term, covenant or provision of this Lease or the application thereof to any person or circumstance shall to any

extent be invalid or unenforceable, the remainder of this Lease or the application of such term, covenant or provision to persons or circumstances other than those as to which it is held invalid or unenforceable shall not be affected thereby, and each term, covenant and condition of this Lease shall be valid and be enforced to the fullest extent permitted by law. Furthermore, each term covenant and provision contained in this Lease is, and shall be construed as a separate and independent provision of the party undertaking the same, and not dependent on any other provision of this Lease unless expressly so provided.

19.17 TENANT DEFINED; USE OF PRONOUN. As used in this Lease (and all exhibits and other lease-related documents), "Tenant" shall be deemed and taken to mean each and every person or party mentioned as a Tenant herein, and if there is more than one Tenant: (i) the obligations and liabilities of Tenant are and shall be joint and several as between and among such parties, (ii) any notice required or permitted by the terms of this Lease may be given by or to any one (or more) of such parties, and shall have the same force and effect as if given by or to all of them, and (iii) any consent, agreement, acknowledgement, amendment, modification, certification, representation or other statement or undertaking in connection with this Lease by any one or more of such parties shall be binding upon all of such parties and Tenant, and shall have the same force and effect as if made or signed, as the case may be, by all of them. The necessary grammatical changes required to make the provisions of this Lease apply in the plural where there is more than one Landlord or Tenant and to either corporations, associations, trusts, partnerships or individuals, males or females, shall in all instances be assumed as though in each case fully expressed.

19.18 RECORDING. Tenant shall not record this Lease without Landlord's prior written consent. If Landlord requests, the parties shall execute and acknowledge a short form of lease for recording purposes which shall be recorded at Landlord's expense.

19.19 RIDERS. All Riders attached hereto and executed by Landlord and Tenant, if any, shall be a part hereof and incorporated herein.

19.20 FINANCIAL STATEMENTS. In the event Landlord shall desire to sell or refinance the Shopping Center or any portion thereof, Tenant shall provide Landlord, at no cost to Landlord, within thirty (30) days after request therefor with its most current financial statements in the form attached hereto as Exhibit G and made a part hereof, certified for accuracy by Tenant's President or Chief Financial Officer or comparable officer or party with actual knowledge of Tenant's most current financial condition.

19.21 ESTOPPEL CERTIFICATE. Promptly, upon no less than thirty (30) days of Landlord's prior written request, Tenant will from time to time execute and deliver to Landlord certificates certifying: (i) the date of commencement of this Lease; (ii) the fact that this Lease is unmodified (except as the certificate specifies) and in full force and effect; (iii) the amounts of, and the date to which the sums payable under this Lease have been paid; (iv) that to Tenant's knowledge after due inquiry, there are no current defaults under this Lease by either Landlord or Tenant except as specified; and (v) such other matters as

Landlord reasonably requests. This certification may be relied upon by any actual or prospective mortgagee or purchaser of all or any part of the Premises, the Building or the Shopping Center or any interest therein or in Landlord. Failure to so execute and deliver said certificate shall, at Landlord's option, be conclusive upon Tenant (i) that this Lease is in full force and effect, without modification except as may be represented by Landlord, (ii) that there are no uncured defaults in Landlord's performance, and (iii) that no more than one (1) month's rental has been paid in advance; and Tenant irrevocably authorizes Landlord, as Tenant's attorney-in-fact and in Tenant's name, to so execute and deliver said certificate at Landlord's option.

19.22 PROFESSIONAL FEES. Landlord shall be entitled to reasonable attorneys' fees and all other costs and expenses incurred to enforce any of the provisions herein contained as well as in the preparation and service of notices of default and consultations in connection therewith, whether or not a legal action is subsequently commenced in connection with such default(s). If either party hereto brings an action at law or in equity to enforce, interpret, or seek redress for the breach of this Lease, then the prevailing party in such action shall be entitled to recover all court costs, witness fees, and reasonable attorneys' fees, at trial or on appeal, in addition to all other appropriate relief.

19.23 TENANT'S WAIVER. TENANT WAIVES ANY RIGHT IT MAY NOW OR HEREAFTER HAVE (I) TO REDEEM THE PREMISES OR TO HAVE A CONTINUANCE OF THIS LEASE AFTER TERMINATION OF THE LEASE, TENANT'S RIGHT OF OCCUPANCY OF THE PREMISES AND/OR THE TERM; (II) FOR EXEMPTION OF PROPERTY FROM LIABILITY FOR DEBT OR FOR DISTRESS FOR RENT, AND (III) RELATING TO NOTICE OR DELAY IN LEVY OF EXECUTION IN CASE OF EVICTION FOR NON-PAYMENT OF RENT. THE PARTIES AGREE THAT, IN ANY LITIGATION UNDER THIS LEASE OR THE RELATIONSHIP IT CREATES, A JUDGE, RATHER THAN A JURY, SHALL DETERMINE ANY SUCH MATTERS, AND TENANT HEREBY EXPRESSLY WAIVES ANY RIGHTS BY STATUTE OR COMMON LAW TO ANY TRIAL BY JURY. TO THE MAXIMUM EXTENT PERMITTED BY LAW, TENANT HEREBY EXPRESSLY WAIVES ANY RIGHT TO TRIAL BY JURY OF ANY ACTION, CAUSE OF ACTION, CLAIM, DEMAND, OR PROCEEDING ARISING UNDER OR WITH RESPECT TO THE LEASE, OR IN ANY WAY CONNECTED WITH, RELATED TO, OR INCIDENTAL TO THE DEALINGS OF TENANT WITH RESPECT TO THE LEASE, IN EACH CASE WHETHER NOW EXISTING OR HEREAFTER ARISING, AND WHETHER SOUNDING IN CONTRACT, TORT OR OTHERWISE. TO THE MAXIMUM EXTENT PERMITTED BY LAW, TENANT HEREBY AGREES THAT ANY SUCH ACTION, CAUSE OF ACTION, CLAIM, DEMAND OR PROCEEDING SHALL BE DECIDED BY A COURT TRIAL WITHOUT A JURY AND THAT LANDLORD MAY FILE A COPY OF THE LEASE WITH ANY COURT OR OTHER TRIBUNAL AS WRITTEN EVIDENCE OF THE IRREVOCABLE CONSENT OF EACH LANDLORD AND TENANT TO THE WAIVER OF ITS RESPECTIVE RIGHT TO TRIAL BY JURY.

19.24 INTENTIONALLY OMITTED.

19.25 FORCE MAJEURE. Except as otherwise expressly provided herein, when a period of time is herein prescribed for action by Landlord or Tenant, as the case may be,

such party shall not be liable for, and there is excluded from the computation for any such period of time, any delays due to strikes, stops, acts of God, shortages of labor, materials or suppliers, war, governmental laws, regulations or any other cause of any kind whatsoever which is beyond the reasonable control of such performing party (other than financial hardship of Tenant with respect to the performance of Tenant's obligations hereunder) (individually and collectively, "Force Majeure"). Force Majeure shall specifically not include delays caused as a result of pandemics. Subject to the preceding sentence, time is of the essence of every part of this Lease.

19.26 NEGOTIATED TRANSACTION. The parties mutually acknowledge that this Lease has been negotiated at arm's length. The provisions of this Lease shall be deemed to have been drafted by all of the parties, and this Lease shall not be interpreted or construed against any party solely by virtue of the fact that such party or its counsel was responsible for its preparation.

19.27 SATELLITE DISH. Subject to all applicable, Federal, state, county and municipal laws and ordinances, Tenant shall be entitled to install one (1) satellite dish on the roof of the Premises, provided Landlord has first given to Tenant its written approval of (i) the size of such dish and any related equipment, (ii) the location of the installation of such dish and any related equipment and (iii) the time and method of the installation of such equipment. The installation and maintenance of such satellite dish shall be performed at Tenant's sole cost and expense. Tenant shall remove such satellite dish from the Premises at or prior to the expiration of the Term and shall repair any damage to the Premises or the Building caused thereby, all at Tenant's sole cost and expense.

19.28 SECURITY DEPOSIT. As additional security for the full and prompt performance by Tenant of all Tenant's obligations hereunder, Tenant shall pay to Landlord a security deposit of \$4,738.75, which sum shall be held by Landlord and may be used retained or applied, in whole or in part, by Landlord for the purpose of curing any default or defaults of Tenant under this Lease. Landlord shall not, unless otherwise required by law, keep the security deposit separate from its general funds or pay interest thereon to Tenant. If Tenant has not defaulted hereunder or if Landlord has not used, retained or applied this security deposit to any defaults, then this security deposit or any portion not so applied by Landlord shall be paid in cash to Tenant following the later to occur of the termination of this Lease or any later date after which Tenant has vacated the Premises. If the whole or any part of said security deposit is used, retained or applied for the curing of any defaults, Tenant shall within ten (10) days after written demand therefore deposit with Landlord an amount of cash equal to the amount so used, retained or applied so that Tenant shall at all times have on deposit with Landlord an amount equal to \$3,600.00 as security as aforesaid. The use, application or retention of the security deposit, or any part thereof, by Landlord shall not prevent Landlord from exercising any other right or remedy provided by this Lease or by law and shall not operate as a limitation on any recovery to which Landlord may be entitled.

19.29. COUNTERPARTS. This Lease may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which taken together shall constitute but one and the same instrument.

19.30. EXTERMINATOR SERVICE AND CERTAIN MAINTENANCE.

19.30.1. Without limiting Tenant's obligations under this Lease, throughout the Term, Tenant shall cause extermination services, including treatment for insects, spiders, rats, mice, moles and other rodents, to be provided to the Premises by a reputable exterminator on a monthly basis, or more often as Landlord, in Landlord's reasonable discretion, may require, at Tenant's expense.

19.30.2. Without limiting Tenant's obligations under this Lease, the kitchen waste and exhaust systems, including an internal grease trap, which shall be purchased and monitored by Tenant, and all risers, piping and fans used in connection with such waste and exhaust systems, whether located in or outside of the Premises, and all other pipes or ducts used by Tenant, shall be maintained in good repair, and so as to meet the highest standards of cleanliness and health, in a manner consistent with the operation of a first-class restaurant in a first-class building and in accordance with all applicable laws, codes and regulations of any governmental authority having jurisdiction, at Tenant's expense.

19.30.3. Without limitation of any of the foregoing, Tenant shall purchase, install and do whatever is necessary in order to maintain properly the grease or oil trap and prevent, at all times, any overflow or discharge of grease or oil at the surface of the grease trap manhole, as required under local codes. The grease trap and all plumbing pipes shall be rooted and cleaned regularly and as often as necessary to prevent clogging or discharge into the basement of the Building. In the event of any such overflow or discharge, Tenant shall be responsible for all costs of cleanup of the overflow or discharge, including all costs of repair, restoration or replacement of property damaged by such overflow or discharge, unless such overflow or discharge is caused by a third party and such costs are not covered by insurance carried or required to be carried by Tenant.

19.30.4. Tenant shall clean the grease pans on a regular basis. Tenant shall cause the exhaust fan, if any, to be maintained in a good state of condition and repair so as to provide the air flow velocities required by applicable Laws. Tenant shall cause all fire detection and fire suppression systems and mechanisms to be maintained in accordance with all applicable Laws, and the requirements of all applicable policies of insurance and insurance inspectors and of Landlord.

[SIGNATURES APPEAR ON FOLLOWING PAGE(S)]

IN WITNESS WHEREOF, Landlord and Tenant have executed this Lease as of the Execution Date.

LANDLORD:

PACIFICA MALL BURNSVILLE LLC

By: _____

Name:

Its:

TENANT:

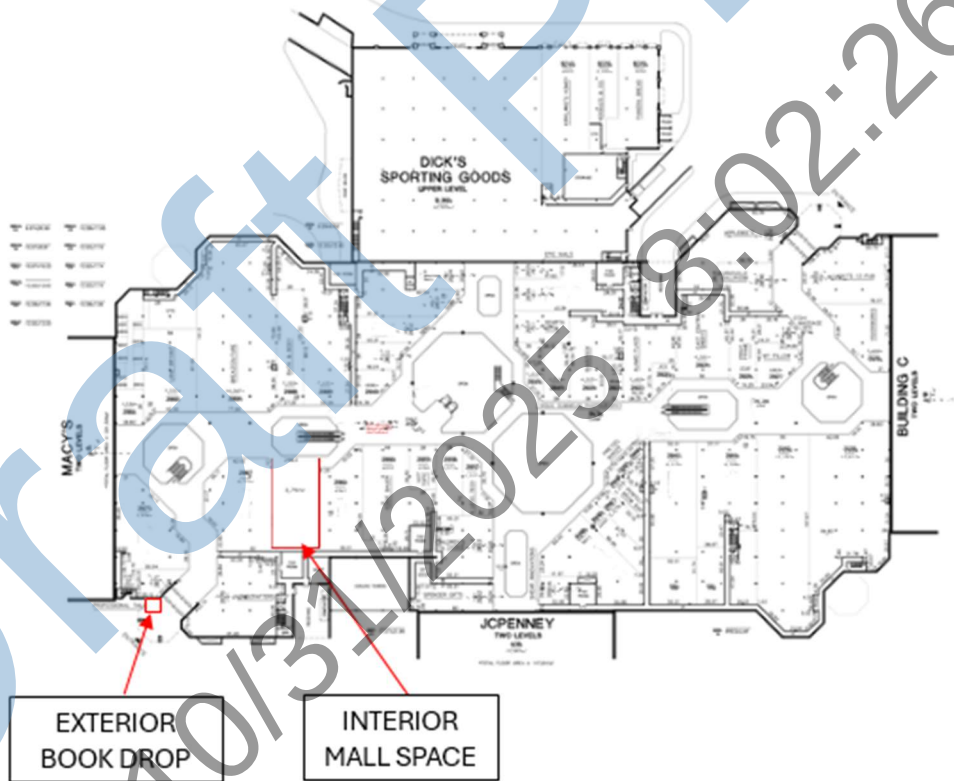
By: _____

Name:

Its:

EXHIBIT A

PREMISES



Current. Remove any display racks from front of store. Remove 2 shelving units from back

Proposed floorplan.

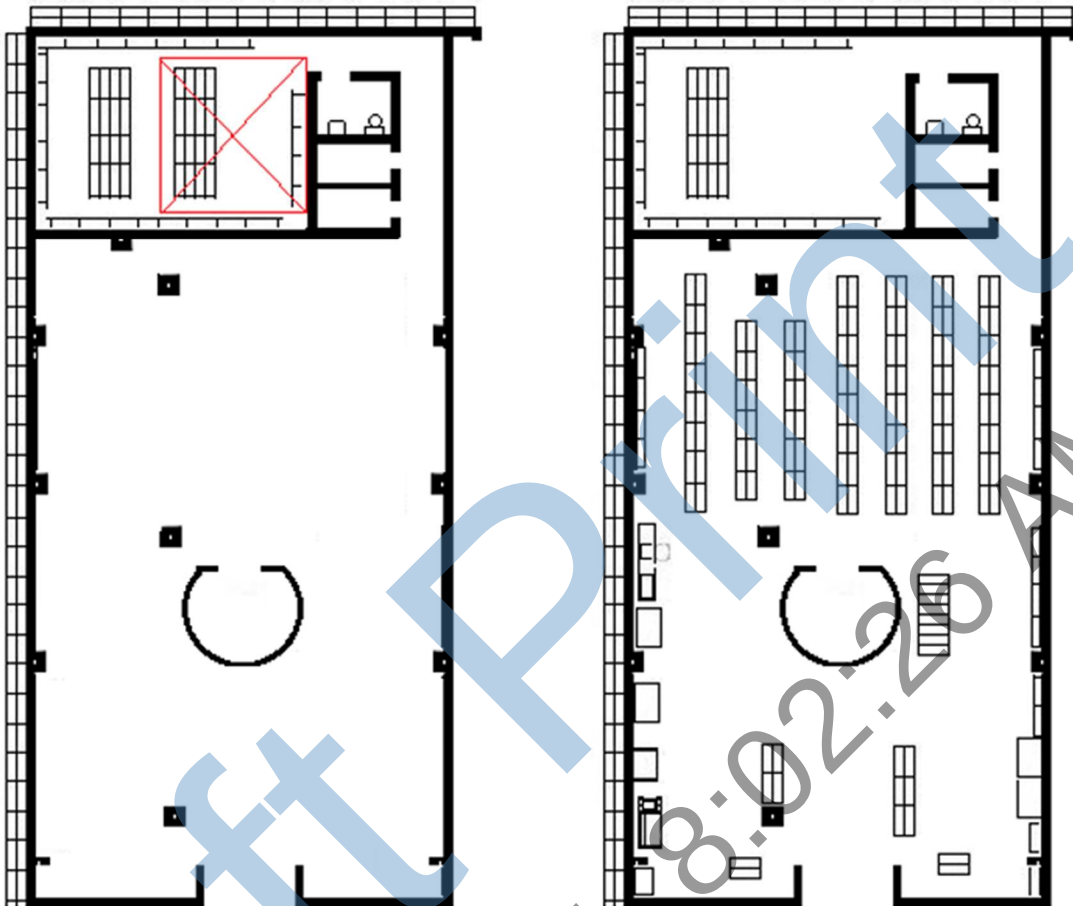


EXHIBIT B

RULES AND REGULATIONS

Landlord reserves the right to change from time to time the format of the signs or lettering on the sign and to require replacement of any signs previously approved pursuant to Section 16 to conform to Landlord's new standard sign criteria established pursuant to any remodeling of the Shopping Center.

Tenant shall not, without the prior written consent of Landlord (i) paint, decorate or make any changes to the store front of the Premises; or (ii) install any exterior lighting, awning or protrusions, signs, advertising matter, decoration or painting visible from the exterior of the Premises or any coverings on exterior windows and doors, excepting only dignified displays of customary type in store windows. If Landlord objects in writing to any of the foregoing, Tenant shall immediately discontinue such use.

Tenant shall not (i) conduct or permit any fire, bankruptcy or auction sale (whether real or fictitious) unless directed by order of a court of competent jurisdiction, or conduct or

permit any legitimate or fictitious "Going Out of Business" sale nor represent or advertise that it regularly or customarily sells merchandise as a "manufacturer's outlet", "distributor", "wholesaler" or "warehouse", but Tenant may represent and advertise that it conducts business at "off-price" or at "retail"; (ii) use, or permit to be used, the malls or sidewalks adjacent to the Premises, or any other area outside the Premises for solicitation or for the sale or display of any merchandise or for any other business, occupation or undertaking, or for outdoor public meetings, circus or other entertainment (except for promotional activities in cooperation with the management of the Shopping Center or an association of merchants within the Shopping Center); (iii) use or permit to be used any sound broadcasting or amplifying device which can be heard outside of the Premises or any flickering lights; (iv) operate or cause to be operated "elephant trains" or similar transportation devices; or (v) use or permit to be used any portion of the Premises for any unlawful purpose or otherwise contrary to Law, or use or permit the use of any portion of the Premises as regular living quarters, sleeping apartments or lodging rooms or for the conduct of any manufacturing business.

Tenant shall at all times keep the Premises at a temperature sufficiently high to prevent freezing of water pipes and fixtures. Tenant shall not, nor shall Tenant at any time, permit any occupant of the Premises to: (i) use, operate or maintain the Premises in such manner that any rates for any insurance carried by Landlord, or the occupant of any premises within the Shopping Center, shall thereby be increased; or (ii) commit waste, perform any acts or carry any practices which may injure the Shopping Center or be a nuisance or menace to other tenants in the Shopping Center.

Tenant shall not obstruct any sidewalks, passages, exits, entrances, truck ways, loading docks, package pick-up stations, pedestrian sidewalk and ramps, first aid and comfort stations, or stairways of the Shopping Center. No tenant and no employee or invitee of any tenant shall go upon the roof of the Shopping Center without notifying Landlord prior thereto.

Landlord will furnish Tenant free of charge with two keys to each door lock in the Premises. Landlord may make a reasonable charge for any additional keys. Tenant, upon the termination of its tenancy, shall deliver to Landlord the keys to all doors of the Premises.

If Tenant requires telegraphic, telephonic, burglar alarm or similar services, it shall first obtain and comply with Landlord's instruction in their installation.

Tenant shall not place a load upon any floor which exceeds the designed load per square foot or the load permitted by Law. Landlord shall have the right to prescribe the weight, size and position of all equipment, materials, furniture or other property brought into the Premises. Heavy objects shall stand on such platforms as determined by Landlord to be necessary to properly distribute the weight. Business machines and mechanical equipment belonging to Tenant which cause noise or vibration that may be transmitted to the structure of Tenant's store or to any other space to such a degree as to be objectionable to Landlord or to any tenants shall be placed and maintained by Tenant, at Tenant's expense, on

vibration eliminators or other similar devices. The persons employed to move equipment in or out of Tenant's store must be acceptable to Landlord. Landlord will not be responsible for loss of, or damage to, any equipment or other property from any cause, and all damage done to the Shopping Center by maintaining or moving such equipment or other property shall be repaired at the expense of Tenant.

The toilet rooms, toilets, urinals, wash bowls and other apparatus shall not be used for any purpose other than that for which they were constructed. No foreign substance of any kind whatsoever shall be thrown therein, and the expense of any breakage, stoppage or damage resulting from the violation of this rule shall be borne by the tenant who, or whose employees or invitees, shall be the cause of such breakage, stoppage or damage.

Tenant shall not install any radio or television antenna, loudspeaker, satellite dish, or other device on the roof or exterior walls of Tenant's store. Tenant shall not interfere with radio or television broadcasting or reception from or in the Shopping Center or elsewhere.

Except as approved by Landlord, Tenant shall not damage partitions, woodwork or plaster or in any way deface the Premises. Tenant shall not cut or bore holes for wires. Tenant shall not affix any floor covering to the floor of the Premises in any manner except as approved by Landlord. Tenant shall repair any damage resulting from noncompliance with this rule.

Tenant shall not install, maintain or operate upon the Premises or in any Common Areas under the exclusive control of Tenant any vending machine or video game without Landlord's prior written consent.

Tenant shall comply with all Laws relating to solid waste management including, but not limited to, recycling. Unless otherwise prohibited by applicable Law, Tenant shall store all its trash and garbage in containers within its Premises and/or in the portion of the Common Areas designated by Landlord. Tenant shall not place in any trash box or receptacle any material which cannot be disposed of in the ordinary and customary manner of trash and garbage disposal. All garbage and refuse disposal shall be made in accordance with directions issued from time to time by Landlord.

No cooking shall be done or permitted by Tenant on the Premises without Landlord's prior written consent, except for brewing coffee and similar beverages and use of a single microwave oven by employees only, provided that such use is in accordance with all applicable Laws. In any event Tenant will not permit odors to emanate from the Premises.

Tenant shall not use in any space any hand trucks except those equipped with rubber tires and side guards or such other material-handling equipment as Landlord may approve. Tenant shall not bring any other vehicles of any kind into Tenant's store.

Employees of Landlord shall not perform any work or do anything outside of their regular duties unless under special instructions from Landlord.

All loading and unloading of goods shall be done only at such times, in the areas, and through the entrances, that may be designated for such purposes by Landlord. The delivery or shipping of merchandise, supplies and fixtures to and from the Premises shall be subject to such rules and regulations as in the judgment of Landlord are necessary for the proper operation of the Premises and the Shopping Center.

Tenant and Tenant's employees shall park their cars only in such portion of the parking area designated for those purposes by Landlord. Tenant shall furnish Landlord with state automobile license numbers assigned to Tenant's employees within five (5) days after taking possession of the Premises and shall thereafter notify Landlord of any changes within five (5) days after changes occur. In the event that Tenant or its employees fail to park their cars in designated parking areas as aforesaid, then Landlord, at its option, shall charge the Tenant Ten Dollars (\$10.00) per day or partial day per car parked in any area other than that designated.

Landlord may waive any one or more of these Rules and Regulations for the benefit of any particular tenant or tenants, but no such waiver by Landlord shall be construed as a waiver of such Rules and Regulations in favor of any other tenant or tenants, nor prevent Landlord from thereafter enforcing any such Rules and Regulations against any or all of the tenants of the Shopping Center.

These Rules and Regulations are in addition to, and shall not be construed to in any way modify or amend, in whole or in part, the terms, covenants, agreements and conditions of the Lease to which these Rules and Regulations are attached or any other lease of premises in the Shopping Center.

Tenant shall be responsible for the observance of all of the foregoing rules by Tenant's employees, agents, clients, customers, invitees and guests.

Tenant shall use, at Tenant's cost, such pest extermination contractor as Landlord may direct and at such intervals as Landlord may require.

Trailers, trucks or cars shall not be permitted to remain parked overnight in any area of the Shopping Center, whether loaded, unloaded or partially loaded. No parking shall be permitted of any trailer, truck or other vehicle in any area of the Shopping Center at any time for purposes of advertising or promotion without Landlord's prior written permission.

Tenant agrees to comply with all additional and supplemental rules and regulations upon notice of same from Landlord.

EXHIBIT C

EXISTING TENANT EXCLUSIVES

Panera

Landlord agrees not to lease space to a tenant in any of the exterior facing mall space or peripheral outlot locations whose primary use is a bakery-café operation including but not limited to a tenant operating under trade names such as COS/ Atlanta Bread Companv. Corner Bakery. La Madeline. Au Bon Pain. Bear Rock Café. Einstein Bagel. Or Bruegger 's Bagel. Tenant shall have the exclusive right within the Shopping Center to sell bagels, baked goods cakes or cookies, breads, salads, sandwiches, soups, coffee (excluded if within the mall cafeteria), and tea (excluded if within the mall cafeteria), unless same is an unsubstantial part of sales of another tenant (under ten percent (10%) of total revenue). Landlord will not lease space to a gym or health club within three hundred (300) feet of Tenant's Premises unless same occupies less than 7,500 square feet or is in the former Gordman's space.

Noodles

Landlord may not lease rental space to a tenant for the primary use of a fast casual, sit down restaurant, selling noodles and pasta and noodle and pasta-related dishes, including, but not limited to Wild Noodles, Nothing But Noodles, Zyng's Asian Grill, Noodlin, Pei Wei, Mama Fu 's, GimmeSum, Runbi Island Grill, Lean China and Tokyo ("Exclusive Violation"). For purposes hereof, the term "primary use" shall mean the sale of the menu items prohibited above as major menu items in terms of sales volume (i.e., representing fifty percent (50%) twenty percent (20%) or more of the total food sales revenues at the subject premises). The parties hereto expressly agree that the foregoing restriction shall not apply to (i) any pre-existing tenant in the Shopping Center with a lease whose use permits the sale of noodles and pasta and noodles-and pasta-related dishes, their successor, assigns or replacements whose use would otherwise violate this provision; (ii) such use by any Anchor Store; (iii) occupants of the premises in the area labeled "Food Court Area" on the Exhibit A-1 attached hereto and made a part hereof; or (iv) any premises, buildings or outparcels which are not shown on Exhibit A; or (v) any space containing more than 4 000 square feet other than one of the specifically named concepts set forth above.

If during the initial Term any non-Anchor Store tenant or occupant of the Shopping Center operates its premises in a way that results in an Exclusive Violation in contravention of such tenant's lease (hereafter, a "Rogue Tenant"), Landlord shall promptly take commercially reasonable steps to prevent such Rogue Tenant from operating its premises in violation of the terms hereof.

Dick's

Landlord shall not permit any other premises in the Landlord's Parcel or any property owned or controlled by Landlord or its parent or affiliates adjacent to or contiguous with the Landlord's Parcel (collectively, the "Restricted Property") to be used by any Occupant for the sale, rental and/or distribution, either singly or in any combination of (i) sporting goods, (ii) sporting equipment, and/or (iii) athletic footwear (the "Precluded Use Activity(ies)").

Notwithstanding the foregoing Precluded Use Activity(ies) set forth above, the following uses shall be permitted by any Occupant of the Restricted Property:

(i) any Occupants of twelve thousand (12,000) square feet of LFA or less shall be permitted to engage in the retail sale, rental and/or distribution, either singly or in any combination, of sporting goods; sporting equipment; and/or athletic footwear (not to exceed eight thousand (8,000) square feet of LF A for the sale of athletic footwear, including an allocable portion of the aisle space adjacent to the sales floor area of such use) in the Restricted Property;

(ii) any Occupants of more than twelve thousand (12,000) square feet of LFA shall be permitted to engage in the retail sale and/or distribution, either singly or in any combination, of sporting goods and/or sporting equipment in the lesser of (i) twenty percent (20%) of such Occupant's LFA, or (ii) twelve thousand (12,000) square feet of such Occupant's LFA, (which shall include an allocable portion of the aisle space adjacent to the sales floor area of such use), in the Restricted Property;

(iii) any Occupants of more than twelve thousand (12,000) square feet of LFA shall be permitted to engage in the retail sale and/or distribution of athletic footwear in the lesser of (i) twenty percent (20%) of such Occupant's LFA or (ii) eight thousand (8,000) square feet of such Occupant's LFA (which shall include an allocable portion of the aisle space adjacent to the sales floor area of such use), in the Restricted Property; and

The following shall not be subject to the restrictions in Subsection (a) above:

(i) The Occupants that contain one hundred thousand (100,000) or more square feet of LF A and are located in the premises identified as Sears, Marshall Fields and J.C. Penney on the Lease Plan (including any future department store Occupant(s) of such building(s)) (each a "Department Store" and collectively the "Department Stores") shall not be subject to the restrictions in Subsection (a) above. For purposes of this Lease, a Department Store shall mean not only the existing Department Stores, but also; (i) other traditional multi-department store (such as Sears, J.C. Penney's, Filenes etc.) or other fashion department store (such as Nordstrom, Marshall Field etc.); (ii) a discount department store, junior department store or general or specialized merchandiser of the type typically anchoring first-class regional shopping centers (which, as of the date hereof, are as exemplified by discount department stores or general merchandisers such as Target, Kohl's, Costco or Wal-Mart); or (iii) the successors or assigns of the existing Department Stores and the successors or assigns of (i) or (ii) occupying at least one hundred thousand (100,000) square feet of its LFA. However, in the event Landlord regains control of a Department Store premises or has approval rights of any use change of a Department Store premises, then no Occupant thereof shall be permitted to operate with its primary use as a sporting goods store of the size and type presently operated by Gart Sports, Bass Pro or The Sports Authority; provided; however, in the event Landlord leases or sells such Department Store premises to a Department Store for use as a Department Store, such Department Store premises shall not be subject to the restrictions in Subsection (a) above. Tenant agrees that

any Department Store may lease, sublease or sell its premises in whole or part, and in such event such Department Store premises shall not be subject to the restrictions in Subsection (a) above.

Kirkland

Other than the kiosks, pushcarts and retail merchandising units shown on Exhibit A, Landlord shall not erect any kiosk, pushcart or retail merchandising unit in that portion of the Shopping Center within fifteen feet, ten feet directly in front of the Leased Premises, except for temporary kiosks, pushcarts and retail merchandising units which will not materially and adversely interfere with visibility of or access to the Leased Premises or Tenant's business therein.

EXHIBIT D

TENANT'S WORK

Tenant at Tenant's expense shall perform all work necessary to put the Premises in condition to permit Tenant to conduct its business therein. Tenant's work shall be performed in strict accordance with the provisions of the Lease and the Exhibits thereto.

CRITERIA, JURISDICTION AND CODES:

The criteria and outline specifications set forth herein represent minimum standards for design, construction, finish and operation of the Premises by Tenant. Landlord reserves the right from time to time to revise these criteria and outline specifications as Landlord in its sole discretion deems fit.

This Shopping Center is being developed in and under the jurisdiction of the City of Burnsville and the State of Minnesota. All design and construction work shall comply with all applicable statutes, ordinances, rules, regulations and codes of the aforementioned jurisdictions, and all other, applicable regulations and requirements of the Landlord's fire insurance carriers, the requirements of any company or governmental body supplying utilities or services, all applicable federal building and safety orders, statutes, ordinances, rules regulations and codes, the requirements and regulations of any environmental protection agency, fire protection district, or quasi-governmental authority having jurisdiction over this retail development.

PERMITS AND APPROVALS:

Prior to commencement of construction by Tenant, Tenant shall obtain, at Tenant's expense, all necessary permits and approvals (including Tenant's signage) and post same upon the Premises as required thereby with a copy of the permit forwarded to Landlord.

No later than five (5) days after the Effective Date ("Permit Filing Date"), Tenant shall, at Tenant's sole cost and expense, apply for any and all necessary permits and approvals required to permit Tenant to perform Tenant's Work. Tenant shall give Landlord written

notice(s) of (i) the actual date each application for permits and approvals has been filed, together with a dated stamped copy of the first page of Tenant's application from the applicable governmental agencies showing the filing date and (ii) the actual date Tenant obtains each of its permits and approvals, which notice shall be accompanied by a copy of such permits and approvals. Tenant will diligently pursue and otherwise use best efforts to obtain all necessary permits and approvals. If Tenant fails to obtain all such permits and approvals within thirty (30) days after the Effective Date, Landlord shall have the right, but not the obligation, to pursue such permits and approvals on Tenant's behalf and at Tenant's expense. If Tenant fails to obtain all such permits and approvals within sixty (60) days after the Effective Date, Landlord shall have the right to terminate this Lease by giving notice of such election to terminate to Tenant.

Tenant shall be required to obtain a certificate of occupancy (CO) prior to opening the store for business.

No construction within the Premises may commence without Landlord's written approval.

APPROVALS OF TENANTS PLANS AND SPECIFICATIONS:

Tenant shall within 30 days from the date of this Lease, at Tenant's expense, prepare and deliver to Landlord, and Landlord's architect for approval, two sets of complete plans and specifications (including all HVAC, plumbing, fire protection and electrical engineering as well as structural engineering, if applicable) covering all of Tenant's work concerning the Premises, in such detail as Landlord may require, in full compliance with the Lease and the Exhibits attached thereto, certified by a licensed and registered architect and, if applicable, a licensed and registered professional engineer.

In the event Landlord shall notify Tenant that Tenant's plans and specifications are not approved, Tenant shall have 10 days from the date of Landlord's disapproval to revise the plans and specifications and resubmit them to Landlord for Landlord's approval. Landlord's written approval shall be obtained by Tenant prior to the undertaking of any construction work which deviates from or modifies in any way Tenant's approved plans and specifications or any other work not explicitly shown on said plans and specifications.

ARCHITECTURAL, MECHANICAL AND ELECTRICAL WORK:

Design loads: The Tenant's certified Architects and/or Engineers shall be responsible for all design live load calculations, point load calculations, balance reports, static testing, etc. to be within the limits of the allowable live loads or limits for the existing building systems.

On-grade slabs: To be determined by the Tenant's certified Architect/Engineer.

Roof: Tenant shall not make any installation whatsoever on the roof above the Premises or any other portion of the roof of the Shopping Center without Landlord's prior written authorization.

Ceiling: Point load calculation to be determined by the Tenant's certified Architect/Engineer.

Standard Project Details, as issued from time to time by Landlord's architect and as they pertain to Tenant's work, shall govern with respect to such work. Such details shall be incorporated into the working drawings and specifications for the Premises.

Only new, first class materials shall be used in the performance of Tenant's work.

Architectural Work and Finishes to be Provided by Tenant.

Tenant to provide all insulation or other requirements to meet village regulations.

HOLD HARMLESS AGREEMENT:

Tenant shall save and hold Landlord, Landlord Affiliates, Landlord's Lender, the architect, structural, mechanical, electrical, plumbing and fire protection engineers harmless from and against all claims, damages, losses, expenses (including, without limitation, court costs and attorney's fees) and liabilities whatsoever arising out of or connected with the performance of work by Tenant, the contractor and its subcontractors. Tenant will defend at its own expense, any actions based thereon and shall pay all charges of attorneys and all costs and other expenses arising therefrom. And further, Tenant shall cause each of Tenant's contractors, to the fullest extent permitted under the Law, to protect, defend, save harmless, and indemnify Landlord, Landlord's lender, Landlord Affiliates, Landlord's architect, structural, mechanical, electrical, plumbing and fire protection engineers against any and all liability, claims, demands, or expenses incurred on account of any injury or damage, alleged or real, arising out of or in any way connected with the performance of work by Tenant, the contractor and its subcontractors and any act or omission to act on their part as required pursuant to the terms of the Lease.

AMERICANS WITH DISABILITIES ACT OF 1990:

Notwithstanding anything to the contrary contained in the Lease, Tenant shall comply with the Americans with Disabilities Act of 1990 ("ADA"), and any amendments to the ADA, as well as all other applicable Laws regarding access to, employment of and service to individuals covered by the ADA. Tenant's compliance will include but not be limited to the design, construction and alteration of the Premises and such other areas (e.g., path of travel) as Tenant may have to alter in order to be in compliance with the ADA.

TENANT'S CONTRACTOR:

All Tenant's Work and all disbursements of money, shall be effectuated in accordance with the following procedures and conditions:

Tenant's contractor and Tenant shall prepare or cause to be prepared a contract wherein the contractor shall agree to complete Tenant's Work in accordance with the approved plans and specifications.

Said contract shall be in the form of the current edition of Document A101 or Document A107 of the American Institute of Architects, shall be subject to Landlord's prior written approval and shall provide, among other things, as follows:

That notwithstanding anything contained in the contract documents to the contrary, the contractor will perform the work and furnish the materials required therefor on the sole credit of Tenant; that no lien for labor or materials will be filed or claimed by the contractor against the Premises or the Shopping Center of which the Premises are a part;

That said contractor shall furnish a bond in compliance with the terms of Section H of this Exhibit D, if required by Landlord.

That said contractor shall furnish Tenant and Landlord with certificates of insurance evidencing (i) Statutory Workers' Compensation limits and Employer's Liability limits of \$1,000,000.00 each accident, \$1,000,000.00 disease-policy limit, \$1,000,000.00 disease each employee; (ii) Commercial General Liability including produces and completed operations coverage, premises, liability, blanket contractual liability including contractor's indemnity agreements, personal injury employees exclusion deleted. Limits of \$2,000,000.00 per occurrence Bodily Injury and Property Damage and \$3,000,000.00 aggregate; (iii) All Risk builders risk insurance in the full amount of the contract sum; and (iv) Commercial Auto Liability including owned, non-owned, or hired vehicles: \$2,000,000.00 Combined Single Limit. All of said certificates of insurance shall name as additional named insured parties landlord and other parties designated by Landlord, and shall carry an endorsement insuring the following contractual liability, which shall be imposed upon the contractor by the construction contract.

PERFORMANCE AND PAYMENT BOND:

Prior to the commencement of Tenant's Work if Landlord shall so elect by written notice to Tenant, Tenant shall furnish or cause its contractor to furnish to Landlord a Performance and Labor and Material Payment Bond in the form of AIA Document A311, Current Edition or other form acceptable to Landlord, in an amount equal to double the total cost of Tenant's Work. Said bond shall name Landlord as an additional beneficiary and shall be issued by a surety authorized to write bonds for the United States Government for no less than \$5,000.00. In the event Tenant shall fail to furnish or fail to cause its contractor to furnish to Landlord said bond, Tenant and/or its contractor will not be given permission to start construction of the Premises, in addition to the same being a default under the Lease.

TENANT REQUIREMENTS:

Tenant is responsible for compliance with all federal, state and local building codes, ordinances and covenants.

Tenant is responsible for full compliance with all applicable federal, state, and local Accessibility Standards and the ADA, and for submittal to proper authorities for review and inspection.

Tenant is responsible for compliance with all applicable federal, state and local codes for construction finish-out of its space. This includes but may not be limited to, roof/ceiling insulation R values for roof assemblies and exterior wall assembly insulation R values.

Tenant's contractor is to take extreme care in construction, while working adjacent to existing buildings and lease spaces, to prevent damage to existing structures. Provide all required circulation, environmental and hazard protection for existing structures and pedestrians. Tenant's contractor is to protect all existing below grade/slab utilities. Tenant's contractor shall repair all damaged items to existing condition.

Tenant is to show and coordinate all existing risers for sanitary sewer, domestic water, fire water, roof drain, roof overflow drain, natural gas, etc.

Tenant is to coordinate and indicate new or existing roof access ladders (and O.S.H.A. cages when bottom of roof deck is over 20'-0" above floor) and roof access scuttles, within their space.

All roof penetrations and patching are to be done in accordance with the Landlord's requirements. Tenant shall obtain pre-approved roof penetration locations from the Landlord. Patch back of all roof penetrations shall be per Landlord's requirements, by the original shopping center roofer, and shall be installed as per the roofing manufacturer's specifications. There are no "pitch-pocket" roof penetrations allowed. All penetrations must be through preformed boots, metal flashed boots as per S.M.C.N.A., or through prefabricated curbs with watertight covers. In no case will the Tenant be allowed to compromise or void the Landlord's Roofing Warranty.

"Trenching" of the existing reinforced concrete floor slab should be kept to a minimum quantity and width. Where codes permit group under floor utilities in single trenches. The minimum trench cut width is to be 12 inches.

Tenant is required to pour back the reinforced concrete floor slab utility leave-outs to meet the shell structural engineer's requirements and the Geotech Report for subsurface/backfill requirements. The location shown for the existing utility slab leave-out is approximate. Tenant is to field verify exact configuration, size and location.

We recommend that interior wall furring, on existing concrete tilt walls, have full depth true drywall control joints aligning with the existing wall panel joints. Control joints should be formed using two separate metal studs (one each side of panel joint) and a standard gypsum board control joint. This applies to both corner and intermediate concrete panel joints.

No shading or pattern films or false mullions are to be applied to the storefront glazing without submittal to and approval by Landlord.

All exterior signage including building mounted, (if applicable-pylon sign and shopping center pylon sign modules) are to be submitted for review by the Landlord. Tenant shall

include an elevation showing all signage (including mounting heights) with submittal. Tenant is to submit a complete signage drawing package as defined in the Tenant Sign Criteria Manual and the Tenant's Lease Agreement.

Tenant is to submit for review any proposed temporary signage that Tenant proposes to exhibit for their grand opening. Submittal is to be as defined in the Tenant Sign Criteria Manual and the Tenant's Lease Agreement.

"Coming Soon" signage may be in place a maximum of thirty (30) days. Signage may not attach to the building or impair the progress of the work to the shell building. Tenant shall coordinate location with the Landlord.

Tenant is not to suspend any items from the bottom of the roof deck or from the bottom roof joist or joist girder chords, without written approval of the building shell structural engineer of record. Tenant is to submit proposed details, for items suspended from the roof structure, for review by Shell structural engineer. In general, no duct work, conduits, pipes, banners, signage, or walls are to be suspended from the bottom of the roof structure or roof deck, without specific approval. No Tenant finish-out work is to be suspended from any work by another trade, from joist bridging or from X-bracing. Suspended tee grid ceilings and light fixtures may be suspended from the bottom roof joist and bottom joist girder chords in maximum weights of 75 pounds at bottom chord joist panel points, without added steel angle reinforcing up to top joist chords. Suspended ceilings and light fixtures are not to be suspended from the bottom of the roof deck.

Tenant is responsible for any required modifications to the fire sprinkler grid (if existing), for all new sprinkler head drops and for modifying existing drops to fit their space and ceiling heights/types. Tenant is responsible for any required modifications of the existing fire risers including the adding of exterior Fire Department connections serving their space. Tenant is responsible for adding any interior fire hoses and racks and fire extinguishers as may be required by codes and the local Fire Marshall. All main and branch fire sprinkler grid lines are to be run within the roof structure space wherever possible. When lines are run below the roof structure, they are to be held as high as possible to the bottom of the structure. All lines are to be suspended from top chords of joist and joist girders.

The Tenant is to provide for a minimum of $\frac{3}{4}$ " vertical slab movement in their construction of full height, floor to roof, partition walls. Either by use of a Flex Head top stud track or a Friction Fit stud wall head in a deep leg top track. Tenant is to submit details for approval.

When Tenant constructs the One-Hour U.L. Rated System demise partitions, the wall is to be constructed of 18ga. galvanized metal studs at 16" o.c. with one (1) layer only of 5/8" Type X gypsum board on Tenant's side. 3 5/8" metal studs should be used up to 19'-0" A.F.F. with 6" metal studs used up to 28'-0" A.F.F. With continuous horizontal lateral bracing of 1 1/2" 16ga. galvanized steel CR channels at 8'-0" o.c. vertical, clip attached to studs, for full wall height, starting at 4'-0" A.F.F. Tenant is to provide for a minimum of 3/4" vertical slab movement in the construction of the demise partition by using either a Flex Head or

Friction Fit studs in a deep leg head track condition that meets U.L. design requirements. Tenant is to tape, bed and finish gypsum board on lease side. Tenant to provide fire rated 3 1/2" batt insulation retained with clips. (Wall to meet requirements of U.L.)

All penetrations through One-Hour U.L. demise partitions above and below ceilings are to be fire stop sealed with an authorized U.L. Fire Rated System. All joints in One-Hour demise partitions are to be a minimum of Fire Taped above ceilings.

Tenant is to maintain the integrity of the One-Hour Fire-Rated demising wall. Any Tenant applied finishes or modifications to the fire-rated partition (i.e., wall standards, plywood, wood blocking and cleats, slot wall, etc.) are not to impede the integrity of the fire rating. Shelf standards are not to be recessed in the One-Hour Rated demise partitions without submittal of U.L. approved details and system numbers and or a letter of approval from the City approving the installation.

Tenant is to verify that from all points on the site that all roof top equipment including HVAC units, exhaust fans, ventilation fans, vent stacks and roof top antennas (pole and dish) are all fully concealed behind roof parapets.

All horizontal conduit and piping support on top of roof must meet roofing manufacturer's details for installation on roofing system installed.

All of Tenant's roof top units are to be installed on level curbs; curb adaptors are not acceptable. Curb is to be tapered to follow roof slope, so that top of curbs are level. All openings made in roof are to have steel angle frames, as indicated in the shell structural details. Roof top equipment frames are to bear and attached to structure. Openings through existing roof are to be kept to a minimum with R.T.U. openings inside the roof top frames limited to the outside size of the duct penetrations. Seal around all penetrations through the existing roof. Tenant is to submit structural drawings detailing support for roof top frames, roof openings, stiffening of roof deck at frames and anchorage of roof frames to structure. All roof top equipment is to be installed within the designated limits of the roof structure "Mechanical Zone", as indicated on the Shell structural drawings. Tenant is to have the roofing contractor provide crickets in the roof insulation board, on the high sides of R.T.U. curbs to facilitate surface drainage around the curbs.

It is required that the Tenant provide a 30" wide walk board path around all roof top units at no cost to the Landlord. 30" x 30" walkway pads are required. The walk boards are to be of the type and installation recommended by the manufacturer for the existing roofing system installed. Walk board paths should be spaced 12" from the sides and duct drop ends of the units, and 24" from the condenser end of the units.

Tenant is not to drain roof top roof top unit condensate drains onto the roof. All R.T.U. condensate drain lines are to be extended and connected to the nearest sanitary/storm sewer.

Tenant's contractor is not to install any equipment or vent or conduit penetrations through existing standing seam metal roofs or awnings, without prior Landlord approval. When existing sewer vent stacks are available, sewer vents are to be routed to an existing remote location. Tenant is to submit details and locations for proposed venting. If sewer vents must penetrate existing standing seam roofs then Tenant is to submit proposed locations and details for penetrations. Penetrations through standing seam roofs must meet all applicable codes and roofing manufacturer's standards for venting and flashing through their standing seam roofing system.

Any changes required in the existing hollow metal exit/service doors and hardware including thresholds are to be by Tenant, at no cost to the Landlord. Any changes required in the sidewalks, stoops or floor slabs at the existing doors within the Premises are to be by Tenant, at no cost to the Landlord. All modifications are to meet applicable codes including ADA.

Tenant is to submit an electrical riser diagram, for their proposed connection to the existing electrical bus gutter, to the Landlord for review. The "drawn to scale" drawing is to include dimensions for the proposed length of bus gutter to be used, the Tenant shall not use more than 18" of gutter length to mount their meter can and disconnect. Electrical power capacity being provided for the Tenant will not exceed 20 Watts per square foot of lease area.

Tenant shall not place any permanent or temporary furniture or site fixtures outside their Lease space, on sidewalk or landscape areas. Unless Tenant has in their Lease Agreement a designated "outdoor seating area". There are to be no exterior temporary displays without Landlord approval.

Tenant is to submit for review complete structurally engineered drawings for all Tenant-supplied and installed awnings and canopies. Engineering is to include wind design and connections to existing building walls or columns. Submittal is to include samples and colors of all materials proposed. Refer the Tenant Design Criteria Manual for other requirements. No awning or canopy is allowed to be attached to the existing or Tenant-supplied or modified aluminum storefront system.

Concerning interior extension of power from exterior electrical service to Lease Spaces: No exposed conduits serving a specific Lease Area are to be run exposed through an adjacent Lease Space. All conduits are to be run concealed within interior furring on exterior walls within structure through adjacent lease spaces. Conduits are to be neatly collected within specific wall furring areas as high as possible, in a location reviewed and approved by the Landlord. Tenant must coordinate with the Landlord on all work to be performed in adjacent lease spaces.

Tenant is to verify dimensioned lease areas from fixed building structural elements as defined in their Lease Agreement for both dimensions and square footages. Dimensions are to be indicated on Tenant's finish-out drawings.

Where Tenant's added conduits, buss gutters, junction boxes, panel boxes, meters, pipes etc. are mounted exposed on rear service area walls, all items are to be three (3) coat painted by the Tenant to match the color of the existing wall on which items are mounted. All exposed conduits, pipes, junction boxes etc. added by Tenant, above the roof both in mid field areas and on backs of parapets, are to be three (3) coat painted by the Tenant in a color to be selected by the shell architects.

Exterior wall light sconces with decorative metal shrouds at each pilaster and at selected columns, are provided and installed by the Landlord. Any required reworking of interior conduits and wiring is to be done by the Tenant at no cost to the Landlord.

The structural integrity of the Building shall not be compromised in any way shape or form.

All Tenant improvements must be self-supporting. Storefront, interior materials, fixtures and/or equipment must not be hung from landlord's building structure, roof deck, mechanical or other systems. Lateral bracing allowed upon approval only.

Nothing shall be anchored to the bottom of the deck or to the bottom of bar joists.

All new and existing electrical equipment, lighting and device loads as per approved plans must be within the limits of the existing electrical panel capacity and/or within limits stated in the Lease.

Mechanical HVAC unit must be serviced quarterly or per the direction of the mall management. A report from Tenant's HVAC subcontractor must be supplied to the Landlord.

Any modifications to any of the building systems must be approved by local authority having jurisdiction and must be coordinated with the mall management.

EXHIBIT E

LANDLORD'S DESIGN CRITERIA FOR TENANT'S SIGNS

All Tenant identification signage shall be subject to the approval of Landlord. Two copies of detailed sign drawings shall be submitted for approval. Drawings to demonstrate placement of signage on complete building facade and pertinent storefront elevation, including all decals, open signs, etc. on the glazed storefront.

Submit plans to 4360 East New York Street, Aurora, Illinois, Attn: Judy Ni.

ANY SIGNAGE THAT DISPLAYS THE NAME OF THE BUSINESS, SERVICES, PRODUCTS, PROMOTIONS, TEMPORARY, ETC. OTHER THAN THE PREVIOUSLY APPROVED SIGNAGE BY LANDLORD NEEDS APPROVAL BY LANDLORD, SHALL NOT EXCEED 25% OR 1/4th OF THE BUSINESS WINDOW, AND SUCH SIGNS SHALL NOT BE DISPLAYED FOR NO MORE THAN 30 DAYS.

Tenant shall be limited to Building facade signage only.

Tenant signage shall be limited to store name only.

Sign permits must be obtained by Tenant.

Any damage caused by Tenant's work by signage installation shall be repaired by Landlord and charged to Tenant.

Building Facade Signage Design Criteria.

Signage will be composed of individually constructed illuminated letters mounted on a continuous wire way painted to match fascia and manufactured to Landlord's specifications.

Logos and logo panels will be subject to Landlord approval.

Maximum length of signage shall be 70% of the width of Tenant's demised premises.

Maximum height of sign area shall be 2'6". No individual letter height may exceed 2'6". Variations to the aforesaid height limits may be permitted with Landlord's approval. Where 2 lines of letters are utilized, the overall height will remain within the limits of the sign band, but variations may be permitted with Landlord's approval. There must be a minimum of 6" between the two lines of letters. Sign is to be centered on sign facade both vertically and horizontally.

On termination of lease, Tenant shall repair damage to building facade caused by its signage installation and fill in holes with same material to match existing finish. Contractor selection, material and methods for repair must be approved in writing by the Landlord in advance of the work.

Seven (7) day, calendar-type, time control device shall be provided by Tenant for the control of the illumination of Tenant's sign, storefront and show window lighting during the required hours designated by Landlord.

Landlord's Signage Specification.

PLASTIC FACED LETTERS MOUNTED ON WIREWAY WITH REMOTE TRANSFORMER.

LETTERS

Each letter shall be fabricated in channel block or log style having the body of the letter 5" deep. Letter channels and faces shall be formed in exact shape of letters.

Material used for reverse of letter shall be .090 aluminum sheet and shall be cleaned free of oil and grease. This channel will be primed with Matthews 3125-A wash primer or similar type. Two coats of white acrylic polyurethane will be applied. Finished surfaces to be smooth and free of lint and dust.

Letter faces shall be cut from 3/16" flat Rohm and Haas Plexiglas #2283. Lenses to be held to metal channel with trip cap retainer of white held in place with sheet metal screws

painted to match trim cap. Each letter to have a 1/2" to 1" white outline on the face. The outline is to be 3M translucent high performance white vinyl.

The sign shall be designed so as not to allow light leaks outside the illuminated letter housing.

All signs shall be approved by Landlord prior to fabrication. Landlord's approval of Tenant's plans and specifications shall not be deemed to constitute approval by Landlord of any of Tenant's sign work. Tenant must submit separate Sign drawings and specifications, in quadruplicate, including samples of materials and colors, for all its proposed sign work. The drawings shall clearly show the location of all signs on the storefront elevation drawing, graphics, color and construction and attachment details. Full information regarding electrical load requirements and brightness in foot-candles or foot-lamberts shall also be included. Within a reasonable time after the receipt of such drawings and specifications, Landlord shall return one (1) set thereof to Tenant with its approval and/or any suggested modifications thereof, and if Tenant fails to take exception thereto by written notice to Landlord with ten (10) days from Tenant's receipt of the suggested modifications from Landlord, Tenant shall be deemed to have agreed to and approved all suggested modifications. No sign shall be erected by Tenant except in accordance with Sign drawings bearing Landlord's approval.

ILLUMINATION

Each letter shall be illuminated within letter channel by double stroke red neon tubing.

Neon tubing shall be formed in the shape of the letter and shall be individually gas filled at 10 M.M. pressure or those pressures which will result in essentially uniform life for each section. Electrodes shall be type 8C as manufactured by Engineering Glass Laboratory of Newark, New Jersey.

Tube supports shall be adjustable type (not less than 3/8" diameter buttress threaded glass posts) in which tubing shall be firmly attached by means of pure annealed copper tie wires, without strain on tubing so supported. Supports shall be fastened to metal letter with stainless steel rivets.

WIREWAY

The wire way to be fabricated from .125 aluminum sheet and shall be cleaned free of oil and grease. The wire way to be coated with Matthews 3125-A wash primer or similar type. Two coats of acrylic polyurethane comparable to Matthews acrylic polyurethane will be applied. Transformer lead wires only are to penetrate the brick wall area through 3/8" seal tight or 1/2" conduit with the appropriate connectors at each end. Transformers are to be enclosed in an appropriate metal enclosure and located inside the store area (not in canopy area).

NOTE: Balance of Tenant signage criteria to follow upon final approval of building facade and size as approved by the City of Burnsville. In any event, Tenant's signage shall comply with the City of Burnsville sign ordinances.

ACKNOWLEDGED AND RECEIVED:

_____(Tenant)

By:

Name:

Its:

EXHIBIT F

~~GROSS SALES REPORT~~

Please submit form to: judy@windfallusa.com

I hereby certify that the above is a true and complete statement of the gross sales made from the premises at the above location for the month stated and that the calculations are made in accordance with the methods provided in the lease for the premises indicated.

Authorized Signature

Date

Title

EXHIBIT G

~~FINANCIAL STATEMENTS OF TENANT~~

[SEE ATTACHED]

EXHIBIT H

GUARANTY OF LEASE

Guaranty. To induce Pacifica Mall Burnsville LLC, a Minnesota limited liability company ("Landlord") to enter into the Lease dated _____, 2025 (as same may be amended or modified from time to time, collectively, the "Lease") with _____ ("Tenant"), covering certain premises located at Burnsville Center Mall, Burnsville, Minnesota, commonly known as Prestige Uniforms LLC, 1178 Burnsville Center, Burnsville, Minnesota, 55306 (the "Premises"), and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the undersigned (each, a "Guarantor") hereby unconditionally guarantees, by execution and delivery of this guaranty instrument (the

“Guaranty”) the complete and due payment of all Rent (as defined in the Lease) and other charges to be paid by Tenant and the complete and due performance by Tenant of all the terms, conditions, covenants and agreements of the said Lease, and the undersigned promises to pay all Landlord’s expenses, including reasonable attorneys’ fees, incurred by Landlord in enforcing all obligations of Tenant under the Lease or incurred by Landlord in enforcing this Guaranty.

This Guaranty is irrevocable, absolute, present, continuing and unconditional, and the obligation of undersigned shall not be released or affected by (a) any extensions of time or indulgences which Landlord may extend to Tenant in the performance of said Lease; (b) any amendment or modification which are or shall be made to the Lease or which Landlord may extend to Tenant in the performance of said Lease; (c) any failure of Landlord to enforce any of the conditions of said Lease; (d) any transfer, mortgage, hypothecation or assignment of the Lease, or any sublease of any interest in the Premises by Tenant; (e) any consent which Landlord may give to such assignment or sublease; or (f) the expiration or earlier termination of the Lease, it being expressly acknowledged and agreed by Guarantor that the obligations set forth herein shall expressly survive any such expiration or earlier termination of the Lease.

The undersigned waives (a) notice of acceptance of this Guaranty; (b) demand for payment of any of Tenant’s monetary obligations or demand for performance of any other Tenant obligation; (c) diligence in any attempt to collect any monetary obligation or enforce any other provision of the Lease; (d) notice to Tenant, the undersigned or any other guarantor or person of the nonpayment or nonperformance by Tenant of any condition of said Lease; (e) notice of any amendment to, or modification of, the Lease by Landlord and Tenant (and/or their respective successors and assigns); (f) notice of any transfer, mortgage, hypothecation, pledge or assignment by Landlord of any of Landlord’s interest in the Premises and/or the Lease; and (g) notice of any transfers, mortgage, hypothecation, pledge or assignment of this Lease, the Premises or any interest therein by Tenant or any sublease of the Premises by Tenant. In the event of default by Tenant, the undersigned waives any right to require Landlord to proceed against Tenant or any security or any other guarantor. Further, in any right of action which shall accrue to Landlord under the Lease, Landlord may proceed against either Guarantor hereunder and Tenant, jointly or severally, and may proceed against either Guarantor without having commenced any action against or having obtained any judgment against Tenant.

2. No Impairment. Further, the liability of the undersigned shall not be impaired by reason of:

- (i) the release or discharge of tenant in bankruptcy or other creditors’ proceeding;
- (ii) any rejection or disclaimer of tenant;
- (iii) repossession of the premises by landlord;
- (iv) any application of any security deposit posted by tenant under the lease;

- (v) any exercise of or refraining from exercising, for any period of time whatsoever, any rights against tenant or others (including without limitation any guarantor) available to it by law or under the lease;
- (vi) the addition of any other persons or entities as additional tenants and/or guarantors under the lease;
- (vii) accepting any further security for payment of tenant's obligations under the lease in addition to this guaranty and the lease; and
- (viii) any assignment or subleasing or consent to any assignment or subleasing of tenant's interest under the lease or any part thereof;
- (ix) the performance of such other acts as may be permitted under the lease as such lease may be from time to time amended;
- (x) landlord's reliance upon tenant's performance in compliance with the provisions set forth in sections 2.4 and 2.9 of the lease;
- (xi) notice of any transfer, mortgage, hypothecation, pledge or assignment by landlord of any of landlord's interest in the premises and/or the lease; and
- (xii) any amendment to, or modification of, the lease by landlord and tenant (and/or their respective successors and assigns).

3. Subordination. Any indebtedness of Tenant to Guarantor, whether now existing or hereafter created is hereby subordinated to this Guaranty. Any such indebtedness of Tenant to Guarantor shall, upon written demand of Landlord, be collected and received by Guarantor in trust for Landlord and shall be paid over to Landlord on account of any Tenant default without impairing or releasing the remaining obligations of Guarantor hereunder; provided, however, that while, no default by Tenant under the Lease exists, Guarantor may apply to his own account any payments made to him on account of any indebtedness of Tenant to Guarantor.

4. Primary Obligation. This Guaranty is a primary obligation of Guarantor. No irregularity, unenforceability, or invalidity of any provision of the Lease shall impair, release, or be a defense to this Guaranty. Wherever reference is made to the liability of Tenant in the Lease, such reference shall be deemed likewise to refer to Guarantor.

5. Termination. This Guaranty shall terminate and be of no further force or effect at such time as all of Tenant's obligations under the Lease, as amended from time to time, have been satisfied or released as determined by Landlord and written notice thereof is delivered to Guarantor; provided, however, in the event the Tenant is not in default under the terms of the Lease, this Guaranty shall be of no further force and effect as of the second anniversary of the Rent Commencement Date, as such term is defined under the Lease.

6. Notices. Whenever Landlord or Guarantor desires to give any notice to the other, it shall be sufficient for all purposes herein if such notice is personally delivered or sent by nationally recognized overnight courier or registered or certified United States mail, postage prepaid, addressed to the intended recipient: (a) with respect to Landlord, 4360 East New York Street, Aurora, Illinois 60504, Attn: Judy Ni, with a copy to William S. Bazianos, Esq., 2 North Riverside Plaza, Suite 1850, Chicago, IL 60606; and (b) with respect to Guarantor, at the respective addresses following Guarantor's signature hereunder; Landlord and Guarantor may change their respective notice addresses by sending written notice given to the other in the manner herein provided. If no other address has been so specified, notices hereunder shall be sent to the addresses of Landlord and Guarantor respectively set forth herein. Any notice given in the manner provided herein shall be deemed to have been given on the day it is personally delivered, two (2) business days after the date it is deposited in the United States mail or the next business day after same is deposited with a nationally recognized overnight courier.

7. Governing Law. This Guaranty shall be construed and enforced according to the laws of the State of Minnesota.

8. Interpretation. If any provision of this Guaranty, or any paragraph, sentence, clause, phrase, or word, or the application thereof, in any circumstance, is held invalid, the validity of the remainder of this Guaranty shall be construed as if such invalid part were never included herein. The headings of sections and paragraphs in this Guaranty are for convenience only and shall not be construed in any way to limit or define the content, scope, or intent of the provisions hereof. As used in this Guaranty, the singular includes the plural, and masculine, feminine, and neuter pronouns are fully interchangeable, where the context so requires.

9. No Presumption Against Drafter. Landlord, Tenant and Guarantor understand, agree and acknowledge that: (a) the Lease has been freely negotiated by both Landlord and Tenant; and (b) in any controversy, dispute, or contest over the meaning, interpretation, validity, or enforceability of the Lease, this Guaranty or any of their respective terms or conditions, there shall be no inference, presumption, or conclusion drawn whatsoever against Landlord, Tenant or Guarantor by virtue of that party having drafted such documents or any portion thereof.

10. No Assignment. In no event shall Guarantor assign or transfer this Guaranty or any of Guarantor's obligations hereunder, in whole or in part, without Landlord's consent, which consent may be withheld in Landlord's sole discretion for any reason or no reason.

11. Successors and Assigns. This Guaranty shall be binding on, and the term "Guarantor," as used herein shall include the successors, permitted assigns, personal and legal representatives, administrators, executors, heirs, devisees, legatees, and other transferees of Guarantor. This Guaranty shall also inure to the benefit of Landlord's successors, assigns, and legal representatives.

Witness the hand and seal of Guarantor as of the Execution Date of the foregoing lease.

Signed: _____ Signed: _____

Print: _____ Print: _____

Address for Notices: _____ Address for Notices: _____

Email for Notices: _____ Email for Notices: _____

Phone Number: _____ Phone Number: _____

Social Security Number: _____ Social Security Number: _____

Draft Print
10/31/2025 8:02:27 AM

EXHIBIT I

MUTUAL TERMINATION AGREEMENT

This **Mutual Termination Agreement** ("Agreement") is entered into by and between **Pacifica Mall Burnsville LLC** ("Landlord") and _____ ("Tenant"), collectively the "Parties."

1. Purpose

This Agreement is the sole and exclusive method for terminating the Lease between Landlord and Tenant prior to its expiration. Termination is effective only upon written execution by both Parties in accordance with this Exhibit.

2. Effective Date

The effective date of termination ("Termination Date") shall be as stated in the executed Agreement. Tenant remains responsible for all Rent, Utility Charges, and other obligations through the Termination Date.

3. Delivery of Premises

On or before the Termination Date, Tenant shall vacate and surrender the Premises in the condition required under Section 7.5 ("Surrender") of the Lease and return all keys, codes, and access devices to Landlord.

4. Financial Settlement

Tenant shall pay Landlord any agreed-upon settlement amount, which may include:

- (a) Rent and Additional Rent through the Termination Date;
- (b) Outstanding charges, taxes, utilities, or CAM obligations; and
- (c) Any early-termination fee or re-letting costs.

The specific terms shall be stated in the signed Agreement.

5. Release of Liability

Upon full payment and execution, both Parties mutually release each other from further liability under the Lease, except for obligations expressly surviving termination (e.g., indemnification or confidentiality).

6. No Waiver

Execution of this Agreement shall not constitute a waiver of any prior default unless expressly stated in writing.

7. Binding Effect

This Agreement shall bind and benefit the Parties and their respective successors and assigns.

LANDLORD:

Pacifica Mall Burnsville LLC

By: _____ Date: _____
Name: _____ Title: _____

TENANT:

By: _____ Date: _____
Name: _____ Title: _____



Board of Commissioners

Request for Board Action

Item Number: DC-5029

Agenda #: 11.1

Meeting Date: 11/18/2025

DEPARTMENT: Library

FILE TYPE: Consent Action

TITLE

Authorize Library To Submit Grant Application For Burnhaven Library Outdoor Space

PURPOSE/ACTION REQUESTED

Authorize the Library to apply for a Mary C. Murphy Library Construction Grant through the Minnesota Department of Education in the amount of \$175,000 for the design and construction of an outdoor event and seating space at the Burnhaven Library.

SUMMARY

The Burnhaven Library renovation project will make necessary updates to the interior space of the library. The Capital Project budget does not contain funds for improvements to the exterior library grounds. Construction on the project is scheduled to begin in 2026.

In consultation with Capital Project Management, the Library would like to apply for a Mary C. Murphy Library Construction Grant through the Minnesota Department of Education in the amount of \$175,000 for the design and construction of an outdoor event and seating space at the Burnhaven Library.

The grant would fund a landscape architect to design the space, construction labor, and materials. The proposed project includes lawn grading and restoration, a concrete patio, outdoor furniture, pergola, fencing, plantings, rock bedding, irrigation, and a new door to access the outdoor space (Attachment: Site and high-level project scope). The proposed project site is next to the Burnhaven Library facing Burnhaven Drive.

If the grant is awarded, staff will return to the Board for authorization to accept and execute the grant.

RECOMMENDATION

Staff recommend that Dakota County applies for a Mary C. Murphy Library Construction Grant through the Minnesota Department of Education in the amount of \$175,000 for the design and construction of an outdoor event and seating space at the Burnhaven Library.

EXPLANATION OF FISCAL/FTE IMPACTS

No additional costs or additional Full-Time Equivalents are associated with the grant project scope. If awarded, the 2026 Facilities Capital Improvement budget will be amended by the award amount, up to \$175,000.

☒ None ☐ Current budget ☐ Other

☐ Amendment Requested☐ New FTE(s) requested**RESOLUTION**

WHEREAS, the Minnesota Department of Education has made funding available for public library jurisdictions for renovation, construction and improvement projects; and

WHEREAS, Dakota County is eligible to apply for the Mary C. Murphy Library Construction Grant through the Minnesota Department of Education; and

WHEREAS, staff recommend that Dakota County applies for a Mary C. Murphy Library Construction Grant through the Minnesota Department of Education in the amount of \$175,000 for the design and construction of an outdoor event and seating space at the Burnhaven Library; and

WHEREAS, if awarded, the grant would fund a landscape architect to design the space, construction labor, and materials for lawn grading and restoration, a concrete patio, outdoor furniture, pergola, fencing, plantings, rock bedding, irrigation, and a new door to access the outdoor space at the Burnhaven Library.

NOW, THEREFORE, BE IT RESOLVED, That the Dakota County Board of Commissioners hereby authorize the Library Director to submit a Mary C. Murphy Library Construction Grant application through the Minnesota Department of Education in the amount of \$175,000 for the design and construction of an outdoor event and seating space at the Burnhaven Library.

PREVIOUS BOARD ACTION

None.

ATTACHMENTS

Attachment: Site and High-Level Project Overview

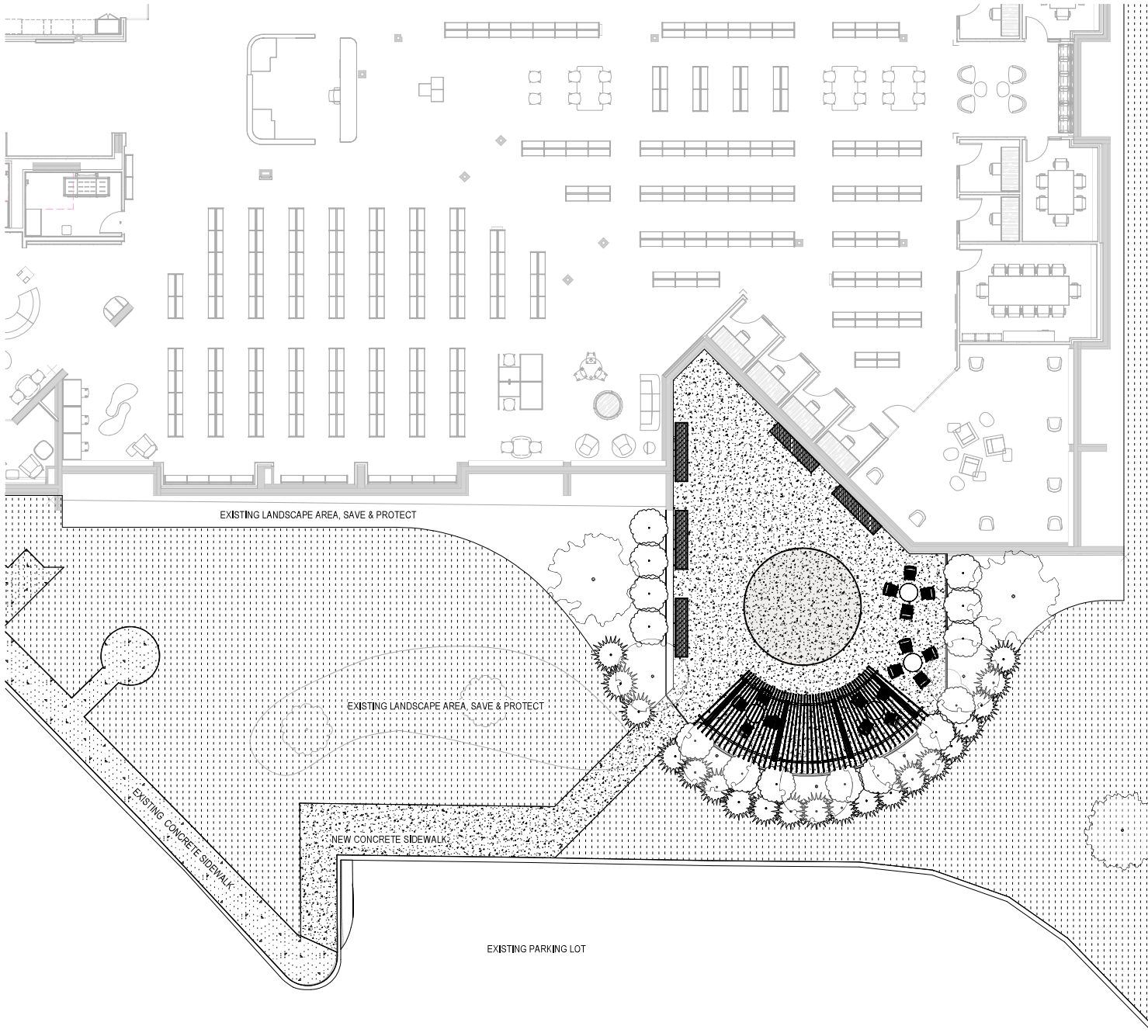
BOARD GOALS

- ☒ Thriving People ☐ A Healthy Environment with Quality Natural Resources
☐ A Successful Place for Business and Jobs ☐ Excellence in Public Service

CONTACT

Department Head: Jennifer Reichert Simpson

Author: Jennifer Reichert Simpson



GENERAL NOTES - PLANTING PLAN

1. UTILIZE EXISTING UTILITY LOCATIONS PRIOR TO ALL EXCAVATION ACTIVITY.
2. REFER TO CON & SUB CONTRACTS FOR ADDITIONAL SITE INFORMATION.
3. CONTRACTOR TO OBTAIN DIGITAL DRAWING FILE FOR LAYOUT AND LOCATION VERIFICATION.
4. CONTRACTOR RESPONSIBLE FOR PROVIDING ALL QUANTITIES.
5. IRRIGATION RESTORE DAMAGED / REMOVED SYSTEM. CONNECT NEW SYSTEM TO EXISTING.

LEGEND - PLANTING PLAN

- LANDSCAPE RESTORE ALL DISTURBED AREA
- ORNAMENTAL TREE 2" CAL. DB. SHOW THE CRAPAPPLE
- ORNAMENTAL TREE 40S. HONEYCREEP APPLE TREE
- ORNAMENTAL TREE 8" FT. DB. MACYTETUM SP. BERRY.
- CONCENTRIC CIRCLE TULIP TREE 4" CAL. DB.
- ORNAMENTAL SHRUB HYDRANGEA, ETC.

HGA

420 North 5th Street, Suite 100
Minneapolis, Minnesota 55401
Telephone 612.758.4900

**DAKOTA COUNTY
BURNHAVEN LIBRARY
RENOVATION**

1101 County Rd 42 W
Burnsville, MN 55308

Dakota
COUNTY

NOT FOR
CONSTRUCTION

NO.	DESCRIPTION	DATE

REVISION HISTORY - THIS SHEET

HGA NO. 1008-008-00

**PLANTING PLAN
ALTERNATE #1**

DATE: SEPTEMBER 19, 2025

LANDSCAPE 95% SD SET



L400

© COPYRIGHT HAMMILL, GREEN AND ABRAMSON, INC.

1 PLANTING PLAN ALTERNATE #1
3/16" = 1'-0"



Board of Commissioners

Request for Board Action

Item Number: DC-5017

Agenda #: 11.2

Meeting Date: 11/18/2025

DEPARTMENT: Public Services and Revenue Administration

FILE TYPE: Consent Action

TITLE

Approval Of Application For Assemblage Of Large Number Of People License Submitted By Dakota Agricultural Society

PURPOSE/ACTION REQUESTED

Approve application for Assemblage of Large Numbers of People License submitted by Dakota City Heritage Village for the Dakota City Heritage Village's annual Christmas in the Village on December 6-7 and 13-14, 2025, at the Dakota County Fairgrounds, 4008 220th Street West, Farmington, in Castle Rock Township, as recommended and authorized by the Public Services and Revenue Division to issue the license.

SUMMARY

The application has been submitted by Dakota City Heritage Village for the Dakota City Heritage Village's annual Christmas in the Village gathering. The event will be held on December 6-7 and December 13-14, 2025, from 3:00 p.m. until 8:00 p.m. each day at the Dakota County Fairgrounds, 4008 220th Street West, Farmington, in Castle Rock Township.

Dakota County Ordinance No. 112 requires that no person shall permit, maintain, promote, conduct, advertise, act as entrepreneur, undertake, organize, manage, sell or give tickets to an actual or anticipated assemble of 300 or more persons for an exhibition or show of any nature, whether on public or private property, unless a license to hold such an assembly has first been secured. The application has been reviewed for compliance with the ordinance and has been approved by the Public Services and Revenue Division, Public Health Department, Risk Management Department, Transportation Department, and the Sheriff's Office. Castle Rock Township reviewed the application on November 10, 2025.

Under the Dakota County Ordinance, security and traffic controls must meet local and State requirements. Such controls shall include, but not be limited to, law enforcement officers having jurisdiction in Dakota County and any additional security officers sufficient to provide adequate security for the maximum number of people assembled, as recommended by the Dakota County Sheriff.

License holders are required to obtain a \$10,000 bond payable to Dakota County and commercial general liability insurance in the sum of \$1,000,000 per occurrence for bodily injury or death or property damage naming Dakota County as additional insured covering all injuries or damage caused by or as a result of the conduct of the assembly. The bond protects Dakota County up to \$10,000 from all loss or damage for which it is liable on account of issuance of the license. The commercial

general liability coverage provides insurance coverage to Dakota County and members of the public in the instance that they are injured or incur property damage through the actions of the license holder or their agents. This insurance coverage may relieve Dakota County of liability for general liability claims arising from actions taken by Sheriff's deputies while performing general security duties at the event.

RECOMMENDATION

Staff recommends approval of the application.

EXPLANATION OF FISCAL/FTE IMPACTS

Revenue generated from the license is \$342.

- | | | |
|--|--|---|
| ☐ None | ☒ Current budget | ☐ Other |
| ☐ Amendment Requested | | ☐ New FTE(s) requested |

RESOLUTION

WHEREAS, an application has been submitted by the Dakota County Agricultural Society to hold the Dakota City Heritage Village's annual Christmas in the Village gathering on December 6-7, 2025, and December 13-14, 2025, from 3:00 p.m. to 8:00 p.m. each day at the Dakota County Fairgrounds, 4008 220th Street West, Farmington, in Castle Rock Township; and

WHEREAS, the Dakota County Board of Commissioners is the local governing body having jurisdiction over the proposed license, and the application has been reviewed for compliance with the County Ordinance No. 102 and has been approved by the Public Services and Revenue Division, Public Health Department, Risk Management, Transportation Department and Sheriff's Office; and

WHEREAS, Castle Rock Township approved the application.

NOW, THEREFORE, BE IT RESOLVED, That the Dakota County Board of Commissioners hereby approves the application for Assemblage of Large Numbers of People License received by the Dakota County Agricultural Society to hold the Dakota City Heritage Village's annual Christmas in the Village gathering on December 6-7, 2025, and December 13-14, 2025, from 3:00 p.m. to 8:00 p.m. each day at the Dakota County Fairgrounds, 4008 220th Street West, Farmington, in Castle Rock Township, and authorizes the Public Services and Revenue division to issue the license.

PREVIOUS BOARD ACTION

None.

ATTACHMENTS

None.

BOARD GOALS

- | | |
|---|---|
| ☐ Thriving People | ☐ A Healthy Environment with Quality Natural Resources |
| ☐ A Successful Place for Business and Jobs | ☒ Excellence in Public Service |

CONTACT

Department Head: Teresa Mitchell

Author: Sarah Kidwell



Board of Commissioners

Request for Board Action

Item Number: DC-5005

Agenda #: 12.1

Meeting Date: 11/18/2025

DEPARTMENT: Facilities Management

FILE TYPE: Regular Action

TITLE

Authorization To Execute Contracts With Perdomos Cleaning LLC, Triangle Services, Inc., And Kimbal Services Corporation, For Housekeeping Services At County Buildings

PURPOSE/ACTION REQUESTED

Authorize execution of housekeeping contracts for the following building regions:

East Detention Facilities: Law Enforcement Center, Juvenile Center

East Office Spaces: Administration Center, Judicial Center, Hastings Highway Shop

East: Pleasant Hill Library

North: Northern Service Center, Crisis and Recovery Center

Northern Region: Wentworth Library, Inver Glen Library, Wescott Library, SMART Center, Lawshe Historical Museum, Kaposia Library, Lebanon Hills Visitor Center and Rental Pod, Lebanon Hills Maintenance Facility and Head House

West: Western Service Center, Galaxie Library

South and West Region: Burnhaven Library/Burnsville License Center, Extension Building, Farmington Library, Farmington Highway Shop, Robert Trail Library/Rosemount License Center, Heritage Library/Lakeville License Center

Empire Complex: Empire Maintenance Facility, Empire East, Dakota 911

SUMMARY

It is the County's goal to provide quality building housekeeping services at all County buildings. The current housekeeping contracts expire on December 31, 2025. A performance-based proposal request was developed and posted on the County website for contractor response, with the annual price of the services for each region set at a fixed amount. Contractors submit proposals and compete solely based on experience, quality, and performance-based criteria. A mandatory pre-proposal walkthrough was held at each building.

Six proposals were received for the Northern Service Center and the Crisis and Recovery Center. Four proposals were received for the Northern Region. Six proposals were received for the Western

Service Center and Galaxie Library. Two proposals were received for the South and West Regions. Three proposals were received for the East Region Detention Facilities. Five proposals were received for the East Region Office Spaces. Three proposals were received for the East Region Pleasant Hill Library. Three proposals were received for the Empire Complex. Below are the proposal review and evaluation criteria (Attachment: 2026 - 2028 Countywide Housekeeping Summary) for the complete scoring summary and responding vendors per contract.

1. Work plan to meet or exceed County requirements, including cleaning procedures and frequencies.
2. Staffing levels and hours per day for each facility.
3. Description of standard supplies and chemicals, equipment models, and equipment conditions.
4. Experience and qualifications of staff and supervisory personnel assigned to each location.
5. References demonstrating the ability to fulfill housekeeping requirements.

Staff reviewed the proposals that were received from all contractors. Based on the evaluations, staff recommends the following awards for an initial term of January 1 through December 31, 2026:

Region	Contractor	Annual Cost
East Detention Facilities	Perdomos Cleaning LLC	\$312,000
East Office Spaces	Perdomos Cleaning LLC	\$396,240
East	Perdomos Cleaning LLC	\$ 27,420
North	Triangle Services, Inc.	\$377,460
Northern Region	Kimbal Services Corporation	\$233,880
West	Perdomos Cleaning LLC	\$258,840
South and West Region	Perdomos Cleaning LLC	\$177,000
Empire Complex	Perdomos Cleaning LLC	\$ 65,940
Total		\$1,848,780

The annual housekeeping costs have been adjusted to reflect the following: (1) rates held flat from the current 2025 contracts to the 2026 contract term, followed by a two percent inflationary increase due to staffing and cost pressures for the second and third years of the contracts; (2) the addition of the Crisis and Recovery Center, Law Enforcement Center Integrated Health Unit, Lebanon Hills Visitor Center and Rental Pod, Lebanon Hills Maintenance Facility, and Head House to the building portfolio; and (3) increased cleaning areas as well as the overall number of hours provided in the service contracts. Overall, the cost of housekeeping contracts is increasing by \$49,179.60, a 2.7 percent increase from 2025 contracted amounts due to additional cleaning areas, while the cost per square foot remained the same as in 2025. Staff evaluate the cost savings of these contract services compared to internal staff each proposal cycle. To match the hours of service provided by the contracted vendors, Dakota County would need to add over 46 FTE at a total estimated cost of \$4,916,112 in 2026 dollars. Providing these services with contracted versus internal staff saves the County over \$3,000,000 annually.

RECOMMENDATION

Staff recommends awarding these eight contracts for housekeeping services for 2026 with two optional one-year extensions through 2028.

EXPLANATION OF FISCAL/FTE IMPACTS

These contracts are funded by levy and will be included in the General Fund as part of the County Manager's 2026 Recommended Budget.

☐ None ☒ Current budget ☐ Other
☐ Amendment Requested ☐ New FTE(s) requested

RESOLUTION

WHEREAS, Dakota County contracts for housekeeping services at various facilities; and

WHEREAS, the current housekeeping contracts expire on December 31, 2025; and

WHEREAS, County buildings are grouped into eight regions for housekeeping services; and

WHEREAS, requests for proposals were prepared for each of the eight building regions, and one contractor responded for eight regions, one contractor responded for six regions, four contractors responded for four regions, and one contractor responded for two regions; and

WHEREAS, staff reviewed and scored all proposals; and

WHEREAS, the proposal from Perdomos Cleaning LLC best meets the County's goal to provide quality housekeeping services for six regions, the proposal from Kimbal Services Corporation for one region, and Triangle Services, Inc., for one region; and

WHEREAS, funds for contracted housekeeping services for all County facilities are included in the 2026 County Manager's Recommended budget; and

WHEREAS, contracts will include up to two one-year renewals with an annual two percent increase through December 31, 2028, based on satisfactory contractor performance as determined by the County.

NOW, THEREFORE, BE IT RESOLVED, That the Dakota County Board of Commissioners hereby authorizes the Facilities Management Director to execute contracts for County building housekeeping services for the period from January 1, 2026, through December 31, 2026, subject to the County Attorney's Office as to form as follows:

East Detention Facilities to Perdomos Cleaning LLC, 26413 Galaxie Ave. South, Farmington, MN 55024, in an amount not to exceed \$312,000

East Office Spaces to Perdomos Cleaning LLC, 26413 Galaxie Ave. South, Farmington, MN 55024, in an amount not to exceed \$396,240

East Pleasant Hill Library to Perdomos Cleaning LLC, 26413 Galaxie Ave. South, Farmington, MN 55024, in an amount not to exceed \$27,420

Northern Service Center/Crisis and Recovery Center to Triangle Services, Inc., 6063 Hudson Road, Suite 230, Woodbury, MN 55125, in an amount not to exceed \$377,460

North Region to Kimbal Services Corporation, 9162 Wedgewood Lane, Maple Grove, MN 55369, in an amount not to exceed \$233,880

Western Service Center to Perdomos Cleaning LLC, 26413 Galaxie Ave. South, Farmington, MN 55024, in an amount not to exceed \$258,840

South/West building region to Perdomos Cleaning LLC, 26413 Galaxie Ave. South, Farmington, MN 55024, in an amount not to exceed \$177,000

Empire Complex to Perdomos Cleaning LLC, 26413 Galaxie Ave. South, Farmington, MN 55024, in an amount not to exceed \$65,940

; and

BE IT FURTHER RESOLVED, That the Dakota County Board of Commissioners hereby authorizes the Facilities Management Director to execute up to two additional one-year contract extensions provided that (1) the County determines that the Contractor has satisfactorily performed the contracted services, (2) the total contract price is included in the County's budget for the applicable year, and (3) there is an annual two percent increase in the cost of services, subject to the approval by the County Attorney's Office as to form.

PREVIOUS BOARD ACTION

None.

ATTACHMENTS

Attachment: 2026-2028 Countywide Housekeeping Summary

Attachment: Presentation Slides

BOARD GOALS

- ☐ Thriving People ☐ A Healthy Environment with Quality Natural Resources
☐ A Successful Place for Business and Jobs ☒ Excellence in Public Service

CONTACT

Department Head: Mike Lexvold

Author: Mike Lexvold

2026-2028 Housekeeping Summary

1. Staffing levels and total number of work hours per facility per day. This criterion is weighted at 30%.
2. Description of work plan for accomplishing the tasks listed in Exhibit A AND PARAGRAPH III Housekeeping Scope of Services, including personal training on housekeeping procedures and methodologies, and cleaning/service frequencies.
This criterion is weighted at 40%.
3. Description of proposer's standard supplies, products, and chemicals, equipment types and models. This criterion is weighted 10%.
4. Experience and qualifications of direct service and supervisory personnel assigned to this project. This criterion will be weighted 10%.
5. Reference from three current or past customers, knowledgeable of proposer's ability to fulfill the terms of the contract.
Provisions of these references constitute consent to the County's contracting the person as business reference.
This criterion would be weighted 10%.

Score all Categories on a 1-10 scale.	CRITERIA #1	CRITERIA #2	CRITERIA #3	CRITERIA #4	CRITERIA #5
WEIGHTS	30%	40%	10%	10%	10%

Law Enforcement Center, Juvenile Services	WEIGHTED AVERAGE RATING					TOTAL
Perdomos	2.82	3.43	0.78	0.30	0.72	8.06
Squeaky Clean	0.96	3.02	0.58	0.26	0.80	5.63
Stratus	1.98	2.85	0.67	0.22	0.72	6.43

Administration Center, Judicial Center, Highway Hastings	AVERAGE RATING					
Perdomos	2.88	3.51	0.78	0.30	0.70	8.18
S&L	2.34	2.83	0.70	0.64	0.58	7.09
Squeaky Clean	1.86	3.02	0.55	0.24	0.78	6.45
Stratus	1.02	2.93	0.67	0.22	0.72	5.55
Triangle	2.22	3.08	0.75	0.58	0.66	7.29

Pleasant Hill Library	AVERAGE RATING					
Kimbal	2.34	2.73	0.78	0.12	0.74	6.71
Perdomos	2.34	3.11	0.75	0.30	0.68	7.18
Stratus	1.62	2.53	0.65	0.22	0.72	5.74

Empire Complex	AVERAGE RATING					
Perdomos	2.46	3.19	0.75	0.30	0.72	7.42
Service Master	1.92	3.26	0.83	0.62	0.56	7.19
Stratus	2.28	2.69	0.67	0.24	0.72	6.59

North Region	AVERAGE RATING					
Kimbal	2.76	3.06	0.78	0.12	0.76	7.48
S&L	2.46	3.02	0.70	0.66	0.56	7.40
Stratus	1.50	2.77	0.65	0.24	0.72	5.88
Triangle	2.04	3.15	0.77	0.56	0.68	7.20

NSC, Crisis & Recovery Center	AVERAGE RATING					
Kimbal	2.40	2.70	0.78	0.12	0.76	6.76
S&L	2.10	2.67	0.68	0.66	0.58	6.70
Service Master	1.86	3.18	0.83	0.66	0.56	7.09
Squeaky	1.62	2.94	0.53	0.24	0.80	6.14
Stratus	1.08	2.85	0.65	0.22	0.72	5.52
Triangle	2.70	3.00	0.75	0.54	0.66	7.65

South & West Area	AVERAGE RATING					
Perdomos	2.70	3.35	0.72	0.30	0.72	7.79
Stratus	2.04	2.85	0.67	0.24	0.74	6.53

WSC, Galaxie Library	AVERAGE RATING					
Kimbal	2.76	2.62	0.80	0.12	0.76	7.06
Perdomos	2.52	3.35	0.75	0.30	0.72	7.64
S&L	1.98	2.83	0.72	0.70	0.54	6.77
Squeaky	1.68	3.02	0.55	0.24	0.80	6.29
Stratus	0.78	2.93	0.67	0.22	0.66	5.25
Triangle	1.92	3.08	0.77	0.60	0.66	7.03



Countywide Housekeeping Contracts Award

Mike Lexvold
Facilities Management Director
County Board Meeting
November 18, 2025

Overview



- Background
- Solicitation Process
- Selections
- Approvals
- Questions

Background



- County contracts for housekeeping services
- Typically evening work, 5 days/week
- Exceptions for buildings open on weekends
- Historically only had 4 contracts

Background



- Split to 8 last RFP cycle
- Allows smaller and local contractors to submit proposals
- Proposals total almost 68,000 labor hours per year for \$1,848,790
- Equates to 46 FTE and \$4.9M cost if performed with County staff

Solicitation Process



- County sets the rate per square foot based on cleaning needs and days per week
- Vendors submit proposals based on the contract amount
- Scored on staffing level, cleaning frequencies, products, experience, and references
- Proposals scored and weighted on criteria

Selections



Perdomos : East, Detention Facilities, Pleasant Hill Library, Empire Campus, Western Service Center/Galaxie Library, South and West Libraries
Kimbal Services : Lebanon Hills and North Libraries
Triangle Services : Northern Service Center and Crisis & Recovery Center

Requested Actions



Approve Contracts for 8 Service Regions to 3
Separate Contractors



Questions?



Board of Commissioners

Request for Board Action

Item Number: DC-4880

Agenda #: 13.1

Meeting Date: 11/18/2025

DEPARTMENT: Human Resources

FILE TYPE: Regular Action

TITLE

Closed Executive Session: County Manager's Year-End Performance Review

PURPOSE/ACTION REQUESTED

Hold a closed executive session.

SUMMARY

The Dakota County Attorney has advised that prior to closing a County Board meeting, pursuant to the Open Meeting Law, Minn. Stat. Ch. 13D, the County Board must resolve by majority vote to close the meeting.

RECOMMENDATION

The County Manager has recommended that a closed executive session be held pursuant to attorney-client privilege during the Dakota County Board meeting of November 18, 2025, to discuss the following:

- Evaluate the performance of the County Manager. The County Manager has agreed to the closed executive session for this purpose.

EXPLANATION OF FISCAL/FTE IMPACTS

- ☒ None ☐ Current budget ☐ Other
☐ Amendment Requested ☐ New FTE(s) requested

RESOLUTION

WHEREAS, upon adoption of a resolution by majority vote, the Dakota County Board is authorized, pursuant to Minn. Stat. § 13D.05 3(a), to hold a closed executive session to discuss the performance of an individual who is subject to its authority; and

WHEREAS, the Dakota County Board of Commissioners desires to meet to discuss the performance of the County Manager.

NOW, THEREFORE, BE IT RESOLVED, That the Dakota County Board of Commissioners hereby closes the Dakota County Board of Commissioners meeting on November 18, 2025, and recesses to conference room 3A, Administration Center, Hastings, to discuss the performance of the County Manager.

PREVIOUS BOARD ACTION

None.

ATTACHMENTS

Attachment: None.

BOARD GOALS

- ☐ Thriving People ☐ A Healthy Environment with Quality Natural Resources
☐ A Successful Place for Business and Jobs ☒ Excellence in Public Service

CONTACT

Department Head: Andy Benish

Author: Andy Benish



Board of Commissioners

Request for Board Action

Item Number: DC-5077

Agenda #: 16.1

Meeting Date: 11/18/2025

Information

See Attachment for future Board meetings and other activities.

November 18, 2025

Tuesday

- 9:00 AM - 9:00 AM** **Dakota County Board of Commissioners Meeting -- Administration Center, 1590 Highway 55, Boardroom, Hastings or View Live Broadcast**
<https://www.co.dakota.mn.us/Government/BoardMeetings/Pages/default.aspx>
- 9:30 AM - 9:30 AM** **Dakota County General Government and Policy Committee Meeting (or following CB) -- Administration Center, 1590 Highway 55, Conference Room 3A, Hastings**
- 9:30 AM - 9:30 AM** **Regional Railroad Authority - CANCELED -- Administration Center, 1590 Highway 55, Boardroom, Hastings**
- 10:00 AM - 10:00 AM** **Budget Workshop (or following GGP) -- Administration Center, 1590 Highway 55, Conference Room 3A, Hastings**
- 3:00 PM - 3:00 PM** **Dakota County Community Development Agency Regular Meeting -- CDA, 1228 Town Centre Drive, Eagan, Boardroom**

November 19, 2025

Wednesday

- 1:00 PM - 1:00 PM** **Vermillion River Watershed Joint Powers Board Meeting -- Dakota County Extension & Conservation Center, 4100 220th St. W, Farmington**

November 20, 2025

Thursday

- 7:00 PM - 7:00 PM** **Dakota County Planning Commission Meeting -- Western Service Center, 14955 Galaxie Ave, Conference Room 106, Apple Valley**

November 21, 2025

Friday

- 8:30 AM - 8:30 AM** **Dakota-Scott Workforce Development Board Meeting -- Northern Service Center, 1 Mendota Road West, Room 520, West St. Paul**

November 26, 2025

Wednesday

- 9:15 AM - 9:15 AM** **Metropolitan Mosquito Control District Executive Committee Meeting -- Metropolitan Mosquito Control District 2099 University Ave. W, St. Paul**

November 27, 2025

Thursday

All Day

County Offices Closed - Thanksgiving Day Holiday

November 28, 2025

Friday

All Day

County Offices Closed - Thanksgiving Friday Holiday

December 2, 2025

Tuesday

9:00 AM - 9:00 AM

Dakota County Board of Commissioners Meeting -- Administration Center, 1590 Highway 55, Boardroom, Hastings or View Live Broadcast
<https://www.co.dakota.mn.us/Government/BoardMeetings/Pages/default.aspx>

9:30 AM - 9:30 AM

Dakota County General Government and Policy Committee Meeting (or following CB) -- Administration Center, 1590 Highway 55, Conference Room 3A, Hastings

1:00 PM - 1:00 PM

Dakota County Physical Development Committee of the Whole -- Administration Center, 1590 Highway 55, Conference Room 3A, Hastings

3:00 PM - 3:00 PM

Dakota County Community Services Committee of the Whole -- Administration Center, 1590 Highway 55, Conference Room 3A, Hastings

6:00 PM - 6:00 PM

Budget/Levy Public Hearing -- Administration Center, 1590 Highway 55, Boardroom, Hastings



Board of Commissioners

Request for Board Action

Item Number: DC-5078

Agenda #: 17.1

Meeting Date: 11/18/2025

Adjournment