



City Commission Meeting Agenda

Devils Lake City Hall Commission Chambers

423 6th St NE, Devils Lake, 58301

Tuesday, September 5, 2023

Meeting Items

- 1) Call to Order
- 2) Pledge of Allegiance
- 3) Approval of Minutes – August 21, 2023

Awards and Proclamations

- 1) Brandon Padilla – 5 years

Public Hearings – 5:30 PM

- 1) Public Hearing – Vacation of Street
 - a. Vacation of Street
- 2) Public Hearing – Conditional Use Permit for Campground
 - a. Campground

Bid Openings – 5:30 PM

- 1) N/A

Visitors or Delegations

**Limited to five minutes per guest, unless extended by presiding officer*

- 1) N/A

Commission Portfolios

- 1) N/A

Old Business

- 1) N/A

Consent Agenda

- 1) N/A

New Business

- 1) Appointment of Members – Devils Lake Parking Authority
- 2) Summers Manufacturing Loan Guarantee – Western State Bank
- 3) Budget Amendment #23-04 – Shade Tree Payment to Contractors
- 4) Budget Amendment #23-05 – Police Department Salaries to ARPA (General Government Services)
- 5) Agreement with Blue Cross Blue Shield – 2024 Enrollment
- 6) LEC Joint Powers Agreement
- 7) Pay Estimate #1 – 2023 Curb, Gutter & Sidewalk
- 8) Pay Estimate #2 – City Project 230301 – Stromquist Storm Sewer
- 9) Recommendation to Approve Engineering Design Contract for Project SU-3-982(040), PCN 23179, City Project #240101 – 16th St SE, 17th St SE
- 10) Recommendation of Award for Truck Chassis

Citizen Comment

- 1) N/A

Informational Items

1) N/A

Motion to approve payment of the list of bills as submitted.

The City of Devils Lake may convene in an executive session as provided by NDCC 44-04-19.2 to consider and discuss closed or confidential records and information, negotiating strategy or negotiating instructions as provided by NDCC 44-04-19.1, 44-04-19.2, 44-04-18.4.

Minutes of the Devils Lake City Commission
August 21, 2023

The regular meeting of the Devils Lake City Commission was held on August 21, 2023 with the following members present: President Moe, Rob Hach, Shane Hamre, Dale Robbins, and Jason Pierce.

Commissioner Pierce moved to approve the minutes of the regular Commission meeting held on August 7, 2023. The motion was seconded by Commissioner Robbins, and the motion carried unanimously.

Commissioner Pierce moved to approve the minutes of the special Commission meeting held on August 10, 2023. The motion was seconded by Commissioner Hamre, and the motion carried unanimously.

President Moe thanked Christon Dallas for his 5 years of service with the Devils Lake Police Department.

Commissioner Hamre – The City Engineer communicated that there was not an update for the Utility Department.

Commissioner Hach – The City Engineer communicated that there was not an update for the Sanitation Department. The City Assessor communicated that there was not an update for the Assessing Department.

Commissioner Robbins – The City Engineer communicated that there is not an update for the Street Department. For Engineering, he communicated that the watermain project started on 2nd St.

Commissioner Pierce – The Assistant Fire Chief communicated that there was not an update for the Fire Department. He also communicated that Angry Beaver Tree Service has been working on the trees for shade tree.

The Police Chief communicated that they had the ND Peace Officer Training a couple of weeks ago. He also communicated that the Battle of Badges was held last week, and it went well. They also have 2 officers that will be starting the Police Academy this week.

The City Administrator communicated that we will be having a special assessment meeting on August 24th with the Special Assessment Committee. He also communicated that we are doing some updating to the policy manual. Final budget approval, along with the policy manual approval, will be brought to the September 18, 2023, Commission meeting.

The City Attorney communicated that he has received a draft for the joint powers agreement and that it looks good for the City's concern. He also communicated that he has the refusal ordinance done and the first reading of that will be at the next Commission meeting. He is also working on updating the street sweeping/maintenance ordinance.

Reappointment of Members – Shade Tree – The Devils Lake Shade Tree Committee took action at their August 10, 2023, meeting to recommend the reappointment of Tammy Meyer, Paul Thompson, and Jason Pierce. Commission Pierce asked if there is anything stating that out-of-town residents can/cannot be on shade tree committee. Cory Meyer communicated that there is not anything stating that and that most people on the committee are on it for a group within city limits. Commissioner Robbins made a motion to approve the reappointment of members for shade tree. Commission Hach seconded the motion, and the motion carried unanimously.

Renaissance Zone Project 26-DL – The City Assessor communicated that there is an application for the Lake Toyota property to build a new body shop and replacement of the Lake Toyota Dealership. He communicated that they intended to have a public hearing on this, but in order to have that they needed letters of support from the County Commission and the School Board. At this time, the School Board has opted to not provide a letter of support. The recommendation from the RZA specific to this application is to approve it with an 8-year benefit period. Since that is not an option at this time, it is recommended that the Commission only approves the Body shop portion of the project on parcel #s 39-1203-00001-000 and 39-1203-00005-000 with a 5-year benefit period and to deny the Lake Toyota Dealership portion of the project on parcel #s 39-2703-00001-000, 39-2703-00003-000, 39-0501-00001-000, and 39-0501-00002-000, with the notation that the Lake Toyota Dealership and parcels indicated are still eligible for future RZ project application and consideration. Commissioner Hamre made a motion to approve the recommendation. Commissioner Pierce seconded the motion. The motion carried unanimously on a roll call vote.

Pay Estimate #1 – City Project 230301 Stromquist Storm Sewer – The City Engineer communicated that this pay estimate is for work completed for City Project 230301. This pay estimate is for \$329,190.72 and will be paid to DL Barkie. Commissioner Hach made a motion to approve pay estimate #1 – City Project 230301 Stromquist Storm Sewer. Commissioner Robbins seconded the motion. The motion carried unanimously on a roll call vote.

Commissioner Hamre moved to approve the list of bills as submitted. The motion was seconded by Commissioner Robbins. The motion carried unanimously on a roll call vote.

SPENCER HALVORSON
CITY ADMINISTRATOR/AUDITOR

JIM MOE
PRESIDENT OF CITY COMMISSION

Notice of Public Hearing

The Devils Lake Planning Commission will hold a public hearing on August 24, 2023, 7:00 am, City Office, 423 6th St NE, Devils Lake, ND, to review a request for vacation of an unnamed street adjacent to the southerly side of vacated Lots 1-11 of Block E as shown on the plat of First Addition to Riggins Acres. If special accommodations are needed, please contact city office.

Documents relating to the request are on file in the office of the City Engineer and may be viewed during regular working hours.

for legals: 8-17-23

Notice of Public Hearing

The Devils Lake City Commission will hold a public hearing on September 5, 2023, 5:30 pm, City Office, 423 6th St NE, Devils Lake, ND, to review a request for vacation of an unnamed street adjacent to the southerly side of vacated Lots 1-11 of Block E as shown on the plat of First Addition to Riggins Acres. If special accommodations are needed, please contact city office.

Documents relating to the request are on file in the office of the City Engineer and may be viewed during regular working hours.

for legals: 8-17-23, 8-24-23

devils lake

Planning Commission

Date: August 24, 2023

To: President Moe and City Commissioners

From: Devils Lake Planning Commission *hlc*

Re: Vacation of street

The Devils Lake Planning Commission took action at their August 24, 2023 meeting to recommend approval of a request to vacate an unnamed street lying southerly and adjacent to Lots 1-11, of which Lots 3-9 have been previously vacated, Block E, First Addition to Riggins Acres (located on 14th St NW).

The City Commission now publishes notification of the vacation in the official newspaper once each week for four weeks. Following the publications, the City Commission will hear any testimony regarding the vacation at their October 16, 2023 meeting.

Application for Planning Commission Hearing

Petition for the Vacation of Street, Alley or Public Ground

Petitioners, being all of the owners of property adjoining the street, alley, or public ground sought to be vacated, hereby request the vacation of on _____ (street) (avenue) (alley) lying between Block A and Block E (street) (avenue).

Riggins Ave first edition

Reason for requested vacation no longer needed

Have any sewers, water mains, gas, or other pipes, telephone, or power lines of the municipality or the municipality's grantees of the right of way been located over, under, or through the area sought to be vacated?

 Yes ☒ No

If yes,

Are such utilities in use?

 Yes No

Have such utilities been abandoned?

 Yes No

Have all utilities located in area to be vacated consented to vacation?

 Yes No

Has a perpetual easement for maintenance of existing utilities been given?

 Yes No

This petition must be signed by all petitioners and verified by the oath of at least one petitioner.

Name (print)

Signature

Address

Duane Morehouse

Duane Morehouse

506 14th St NW

Brian Pfeiffer

Brian Pfeiffer

2215 14th St NW

Jacob G. Rossmore

Jacob G. Rossmore

4225 14th St NW

Morgan Fee

Morgan Fee

2421 14th St W

Sean Knutson

Sean Knutson

1207 Valley View Dr NW
m. not w/b

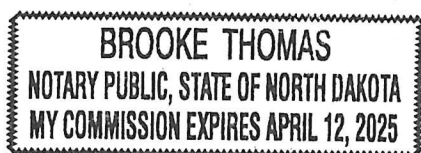
State of North Dakota)

) ss

County of Ramsey)

On this 9th day of August, 2023, before me appeared Duane Morehouse, known to me to be the same person described in and who executed the above instrument.

Subscribed and sworn to before me this 9th day of August, 2023.



Brooke Thomas
Notary Public
My commission expires: 4/12/25



SOO LINE
RAILROAD

Unnamed street to be vacated

HWY 2 WEST NORTHLANE
HWY 2 WEST SOUTHLANE

U.S. HWY NO
2 (WEST)

SCHWAN AVE NW

KELLY DR NW

66

468

1023.71

405-4-6

833.15

742.74

557.63

405-4-2

412

60

Notice of Public Hearing

The Devils Lake Planning Commission will hold a public hearing on August 24, 2023, 7:00 am, City Office, 423 6th St NE, Devils Lake, ND, to review a request for a conditional use permit to expand a campground at 1319 Walleye Dr. If special accommodations are needed, please contact city office.

Documents relating to the request are on file in the office of the City Engineer and may be viewed during regular working hours.

for legals: 8-17-23

Notice of Public Hearing

The Devils Lake City Commission will hold a public hearing on September 5, 2023, 5:30 pm, City Office, 423 6th St NE, Devils Lake, ND, to review a request for a conditional use permit to expand a campground at 1319 Walleye Dr. If special accommodations are needed, please contact city office.

Documents relating to the request are on file in the office of the City Engineer and may be viewed during regular working hours.

for legals: 8-17-23, 8-24-23

devils lake

Planning Commission

Date: August 24, 2023

To: President Moe and City Commissioners

From: Devils Lake Planning Commission *hrc*

Re: Conditional use permit for campground

The Devils Lake Planning Commission took action at their August 24, 2023 meeting to recommend approval of a request for a conditional use permit to expand the existing campground at 1319 Walleye Dr. The original conditional use permit was issued in 2018 and additional spaces are now needed for further development.

Comments _____




300ft

-98.901 48.095 Degrees



Date: August 24, 2023

To: President Moe and City Commissioners

From: Devils Lake Parking Authority 

Re: Parking Authority member

The Devils Lake Parking Authority took action at their August 24, 2023 meeting to recommend appointment of Mark Kraft to the Parking Authority, with his term expiring 6-30-25. Jeb Oehlke has agreed to serve another term on the Parking Authority with his term expiring 6-30-26.

Michael Grafsgaard, City Engineer/Public Works Director
Devin Gathman, Assistant City Engineer
Helen Carlson, Engineering Admin Tech



August 16th, 2023

Forward Devils Lake
423 6th St NE
Devils Lake, ND 58301

Dear Forward Devils Lake:

Western State Bank (the "Bank") is pleased to offer Forward Devils Lake (the "Borrower") this financing proposal. The Bank is pleased to offer the Borrower the following terms:

LOAN FACILITY #1 – UNSECURED:

Borrower:	Forward Devils Lake
Amount:	\$343,026.57
Type/Purpose:	Unsecured – Finance Guaranty to Summers Manufacturing
Maturity:	5-years
Amortization:	5-years
Interest Rate:	Fixed at 7.50% with a tax equivalent rate of 4.875% at the time of closing
Fees:	None
Collateral:	Unsecured
Advance Rates:	NA
Payments:	Monthly principal and interest payments of approximately \$6,454
Guarantee:	Unlimited Guarantee of Forward Devils Lake
Prepayment Penalty:	None

The above credit facilities would be subject to terms and conditions of documents acceptable to the Bank, including but not limited to:

REPORTING REQUIREMENTS:

- Audited Financials of The City of Devils Lake – Annually
- Any other items deemed necessary by the bank

CONDITIONS PRECEDENT TO CLOSING:

Conditions to be satisfied prior to closing include, but are not necessarily limited to satisfactory completion and results to the following:

- Legal Documents: Notes, Loan Agreement, Security Agreements, Guarantee Agreements, and other loan documentation deemed appropriate by all parties involved.
- Minutes approving the transaction from The City of Devils Lake
- Any other items requested by the Bank as needed

ITEMS NEEDED FOR UNDERWRITING:

- Executed financing proposal letter
- Corporate/Organizational documentation – Forward Devils Lake
- Most recent annual audit of The City of Devils Lake
- Any other items requested by the Bank as needed

All of the foregoing would be accomplished pursuant to agreements and other writings to be drafted by the Bank in form and substance acceptable to the Bank.

THIS LETTER IS FOR DISCUSSION PURPOSES ONLY. IT IS NOT AN OFFER, AN AGREEMENT OR A COMMITMENT BY THE BANK. THE BANK HAS NO OBLIGATION TO PROVIDE ANY FINANCING, WHETHER OR NOT ANY TERMS OR CONDITIONS IN THIS LETTER ARE SATISFIED. No one will be legally bound until all agreements are executed and delivered. Notwithstanding the foregoing, in consideration of the services performed by and expenses of the Bank, by signing below the Company and the Guarantors jointly and severally agree to pay to the Bank on demand all of the Bank's costs and expenses, including but not limited to audit and appraisal fees and expenses, reasonable attorneys' fees, legal expenses, and other expenses, in connection with this letter and the matters described in this letter, whether or not any such credit facilities are closed or funded.

Please designate your agreement with the provisions of this letter by signing below and returning this letter to the Bank. This letter will be void if a fully-executed original of this letter is not received by the Bank on or before Sept 8th, 2023 or if the credit facilities described in this letter are not closed on or before September 15th, 2023, or if there is any material adverse change in the financial or other condition, business or property of the Company or any of the Guarantors, as determined by the Bank in its sole discretion.

We appreciate this opportunity to be of assistance to you. If you have any questions, feel free to contact me at (701) 665-1813 or via e-mail at brett.johnston@westernbanks.com.

Sincerely,

WESTERN STATE BANK



Brett Johnston
Market President

For valuable consideration, the signor(s) jointly and severally agree to the provisions of this letter.

Executed as of the date first above written.

Accepted this ____ day of _____, 20 ____

Forward Devils Lake

By: _____

Its: _____

NDBA - \$5000 Guaranteed Issue

Installment Loan Illustration with No Insurance

This one

** ILLUSTRATION PURPOSES ONLY **

The input provided is insufficient for a precise premium calculation.
Insurance may be subject to eligibility, including age and health requirements.

** DO NOT USE AS LOAN DISCLOSURE **

Loan Input

Loan Amount:	\$343027.00	Birthdate:	Not provided
Interest Rate:	4.875%	Co-borrower Birthdate:	Not provided
Term (in months):	60		
Term (in payments):	60		
Frequency:	Monthly		
Effective Date:	Not provided		
First Payment Date:	Not provided		
Days until First Payment:	30		

Single Premium Insurance Output

Decreasing Life Prem:	\$0.00
Level Life Prem:	\$0.00
Life Term Coverage (months):	0
Life Coverage Amt:	\$0.00
Disability Prem:	\$0.00
Dis. Term Coverage (months):	0
Monthly Benefit:	\$0.00
Aggregate Disability Benefit:	\$0.00
Total Prem:	\$0.00
Ins. Cost per Day:	\$0.00

Loan Output

59 Payments @	\$6453.81
1 Payment @	\$6453.72
Amount Disbursed:	\$343027.00
Amount Financed:	\$343027.00
Finance Charge:	\$44201.51
Total Interest:	\$44201.51
Total Payments:	\$387228.51
Effective APR:	4.876%
Maturity Date:	08/13/2028

77,445/yr.

NDBA - \$5000 Guaranteed Issue

Installment Loan Amortization with No Insurance

**** ILLUSTRATION PURPOSES ONLY ****

The input provided is insufficient for a precise premium calculation.
Insurance may be subject to eligibility, including age and health requirements.

**** DO NOT USE AS LOAN DISCLOSURE ****

Pmt#	Date	Balance	Pmt Amt	Interest	Principal
1	09/13/2023	\$343027.00	\$6453.81	\$1374.46	\$5079.35
2	10/13/2023	\$337947.65	\$6453.81	\$1354.11	\$5099.70
3	11/13/2023	\$332847.95	\$6453.81	\$1378.13	\$5075.68
4	12/13/2023	\$327772.27	\$6453.81	\$1313.33	\$5140.48
5	01/13/2024	\$322631.79	\$6453.81	\$1335.83	\$5117.98
6	02/13/2024	\$317513.81	\$6453.81	\$1314.64	\$5139.17
7	03/13/2024	\$312374.64	\$6453.81	\$1209.92	\$5243.89
8	04/13/2024	\$307130.75	\$6453.81	\$1271.65	\$5182.16
9	05/13/2024	\$301948.59	\$6453.81	\$1209.86	\$5243.95
10	06/13/2024	\$296704.64	\$6453.81	\$1228.48	\$5225.33
11	07/13/2024	\$291479.31	\$6453.81	\$1167.91	\$5285.90
12	08/13/2024	\$286193.41	\$6453.81	\$1184.96	\$5268.85
13	09/13/2024	\$280924.56	\$6453.81	\$1163.14	\$5290.67
14	10/13/2024	\$275633.89	\$6453.81	\$1104.42	\$5349.39
15	11/13/2024	\$270284.50	\$6453.81	\$1119.09	\$5334.72
16	12/13/2024	\$264949.78	\$6453.81	\$1061.61	\$5392.20
17	01/13/2025	\$259557.58	\$6453.81	\$1074.68	\$5379.13
18	02/13/2025	\$254178.45	\$6453.81	\$1052.40	\$5401.41
19	03/13/2025	\$248777.04	\$6453.81	\$930.36	\$5523.45
20	04/13/2025	\$243253.59	\$6453.81	\$1007.17	\$5446.64
21	05/13/2025	\$237806.95	\$6453.81	\$952.86	\$5500.95
22	06/13/2025	\$232306.00	\$6453.81	\$961.84	\$5491.97
23	07/13/2025	\$226814.03	\$6453.81	\$908.81	\$5545.00
24	08/13/2025	\$221269.03	\$6453.81	\$916.14	\$5537.67
25	09/13/2025	\$215731.36	\$6453.81	\$893.22	\$5560.59
26	10/13/2025	\$210170.77	\$6453.81	\$842.12	\$5611.69
27	11/13/2025	\$204559.08	\$6453.81	\$846.96	\$5606.85
28	12/13/2025	\$198952.23	\$6453.81	\$797.17	\$5656.64
29	01/13/2026	\$193295.59	\$6453.81	\$800.32	\$5653.49
30	02/13/2026	\$187642.10	\$6453.81	\$776.92	\$5676.89
31	03/13/2026	\$181965.21	\$6453.81	\$680.50	\$5773.31
32	04/13/2026	\$176191.90	\$6453.81	\$729.51	\$5724.30
33	05/13/2026	\$170467.60	\$6453.81	\$683.04	\$5770.77
34	06/13/2026	\$164696.83	\$6453.81	\$681.91	\$5771.90
35	07/13/2026	\$158924.93	\$6453.81	\$636.79	\$5817.02
36	08/13/2026	\$153107.91	\$6453.81	\$633.93	\$5819.88
37	09/13/2026	\$147288.03	\$6453.81	\$609.83	\$5843.98
38	10/13/2026	\$141444.05	\$6453.81	\$566.74	\$5887.07
39	11/13/2026	\$135556.98	\$6453.81	\$561.26	\$5892.55
40	12/13/2026	\$129664.43	\$6453.81	\$519.55	\$5934.26
41	01/13/2027	\$123730.17	\$6453.81	\$512.29	\$5941.52
42	02/13/2027	\$117788.65	\$6453.81	\$487.69	\$5966.12
43	03/13/2027	\$111822.53	\$6453.81	\$418.19	\$6035.62
44	04/13/2027	\$105786.91	\$6453.81	\$438.00	\$6015.81
45	05/13/2027	\$99771.10	\$6453.81	\$399.77	\$6054.04
46	06/13/2027	\$93717.06	\$6453.81	\$388.03	\$6065.78
47	07/13/2027	\$87651.28	\$6453.81	\$351.21	\$6102.60
48	08/13/2027	\$81548.68	\$6453.81	\$337.65	\$6116.16
49	09/13/2027	\$75432.52	\$6453.81	\$312.32	\$6141.49
50	10/13/2027	\$69291.03	\$6453.81	\$277.64	\$6176.17
51	11/13/2027	\$63114.86	\$6453.81	\$261.32	\$6192.49
52	12/13/2027	\$56922.37	\$6453.81	\$228.08	\$6225.73
53	01/13/2028	\$50696.64	\$6453.81	\$209.90	\$6243.91
54	02/13/2028	\$44452.73	\$6453.81	\$184.05	\$6269.76
55	03/13/2028	\$38182.97	\$6453.81	\$147.89	\$6305.92
56	04/13/2028	\$31877.05	\$6453.81	\$131.98	\$6321.83
57	05/13/2028	\$25555.22	\$6453.81	\$102.40	\$6351.41
58	06/13/2028	\$19203.81	\$6453.81	\$79.51	\$6374.30

NDBA - \$5000 Guaranteed Issue

Installment Loan Amortization with No Insurance

**** ILLUSTRATION PURPOSES ONLY ****

The input provided is insufficient for a precise premium calculation.

Insurance may be subject to eligibility, including age and health requirements.

**** DO NOT USE AS LOAN DISCLOSURE ****

Pmt#	Date	Balance	Pmt Amt	Interest	Principal
59	07/13/2028	\$12829.51	\$6453.81	\$51.41	\$6402.40
60	08/13/2028	\$6427.11	\$6453.72	\$26.61	\$6427.11

Agenda Item: Budget Amendment 23-04 – Shade Tree Payments to Contractors

Submitted By: Spencer Halvorson, City Administrator/Auditor
Cory Meyer, Assistant Fire Chief

Staff Recommended Action: Approve Budget Amendment 23-04 for Shade Tree Payment to Contractors

BACKGROUND AND ANALYSIS:

The 2023 budget for payments to contractors in the Shade Tree budget was \$38,000.

The City Commission recently approved a budget amendment extending that to \$43,500 after a desire to further trim back the rest of the alleys.

In addition to the further trimming back of alleys, after engagement some citizens concerned with the status of surrounding trees in their neighborhood, additional opportunities for maintenance and or removal that would be of benefit to the community have been identified.

After the already contracted services for Shade Tree and additional trimming back of alleys, payments to contractors may be used entirely for those services.

Staff is recommending amending the budget from its previous alteration of \$43,500 to \$48,500 to accommodate the additional opportunities for further maintenance and removal.

Staff feels comfortable recommending these changes as Mosquito Prevention and Control have come significantly under budget this year (\$3,500 of the budgeted \$60,000) and therefore allows for flexibility as needed in other service-related areas like Shade Tree.

Agenda Item: Budget Amendment 23-05 – Police Department Salaries, ARPA

Submitted By: Spencer Halvorson, City Administrator/Auditor

Staff Recommended Action: Approve Budget Amendment 23-05 – Police Department Salaries, ARPA

BACKGROUND AND ANALYSIS:

Budget Amendment #23-05 proposes and recommends that the City allocate Q4 salaries for the Police Department from 1000.210.41100 (PD Permanent Salaries) to 1000.311.41100 (ARPA Permanent Salaries).

In the US Treasury Department's Final Rule Report (Summary Attached), City's are permitted to report a revenue loss of up to \$10 million dollars – of which then the funds received from the American Rescue Plan Act can be used for the provision of General Government Services. The City reported a revenue loss in its 2022 report to the federal government.

"Recipients that select the standard allowance may use that amount – in many cases their full award – for government services, with streamlined reporting requirements" (P. 4)

"Specifically, SLRF funding may be used to pay for "government services" in an amount equal to the revenue loss experienced by the recipient due to the COVID-19 public health emergency (\$10 million in the case of the City of Devils Lake). Government services generally include any service traditionally provided by a government, including construction of roads and other infrastructure, provision of public safety and other services, and health and education services." (P.9)

"Recipients can use SLRF funds on government services up to the revenue loss amount, whether that be the standard allowance amount, or the amount calculated using the (formula) above approach. Government Services generally include any service traditionally provided by a government unless the Treasury has stated otherwise. Here are some common examples..."

- Construction of schools and hospitals
- Road building and maintenance, and other infrastructure
- Health Services

- General government administration, staff, and administrative facilities.
- Environmental remediation
- Provision of police, fire, and other public safety services”(P.11)

Doing so will satisfy the federal government's reporting requirement for use of the funds. Funds originally budgeted for these purposes will be diverted to the City's General Fund Reserve balance for future use as approved and directed by the City Commission. This budget amendment is estimated on the high end to be in the amount of at most \$415,000. This would put the end expenses of the City's ARPA funds at roughly \$566,800 for 2023. The amount of expenses attributed to the ARPA fund in 2022 was \$129,371 which leaves \$457,155 left for 2024.

Funds must be fully spent or obligated by the end of 2024. Should the City Commission approve this budget amendment, it will be further recommended to also divert 2024 Q1 Police Department Salaries to the ARPA fund, where such a budget amendment would be put before the City Commission near the end of this year.

ATTACHMENTS:

- Final Rule – US Department of Treasury



Coronavirus State & Local Fiscal Recovery Funds: 2022 Overview of the Final Rule

U.S. DEPARTMENT OF THE TREASURY

January 2022



Note: In August 2023, Treasury released an interim final rule that implements the new eligible uses added to the SLFRF program by the Consolidated Appropriations Act, 2023. Treasury anticipates issuing FAQs for the 2023 interim final rule at a later date. Recipients may find helpful the Overview of the 2023 Interim Final Rule, which provides a summary of major provisions of the 2023 interim final rule for informational purposes. As noted below, this overview document pertains to the 2022 final rule. The Consolidated Appropriations Act, 2023 did not alter how recipients may use SLFRF funds for the existing eligible uses described in the 2022 final rule and summarized in this document. Recipients may continue to use SLFRF funds in accordance with the 2022 final rule.

The Overview of the Final Rule provides a summary of major provisions of the final rule for informational purposes and is intended as a brief, simplified user guide to the final rule provisions.

The descriptions provided in this document summarize key provisions of the final rule but are non-exhaustive, do not describe all terms and conditions associated with the use of SLFRF, and do not describe all requirements that may apply to this funding. Any SLFRF funds received are also subject to the terms and conditions of the agreement entered into by Treasury and the respective jurisdiction, which incorporate the provisions of the final rule and the guidance that implements this program.



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Introduction

The Coronavirus State and Local Fiscal Recovery Funds (SLFRF), a part of the American Rescue Plan, delivers \$350 billion to state, local, and Tribal governments across the country to support their response to and recovery from the COVID-19 public health emergency. The program ensures that governments have the resources needed to:

- Fight the pandemic and support families and businesses struggling with its public health and economic impacts,
- Maintain vital public services, even amid declines in revenue, and
- Build a strong, resilient, and equitable recovery by making investments that support long-term growth and opportunity.

EARLY PROGRAM IMPLEMENTATION

In May 2021, Treasury published the Interim final rule (IFR) describing eligible and ineligible uses of funds (as well as other program provisions), sought feedback from the public on these program rules, and began to distribute funds. The IFR went immediately into effect in May, and since then, governments have used SLFRF funds to meet their immediate pandemic response needs and begin building a strong and equitable recovery, such as through providing vaccine incentives, development of affordable housing, and construction of infrastructure to deliver safe and reliable water.

As governments began to deploy this funding in their communities, Treasury carefully considered the feedback provided through its public comment process and other forums. Treasury received over 1,500 comments, participated in hundreds of meetings, and received correspondence from a wide range of governments and other stakeholders.

KEY CHANGES AND CLARIFICATIONS IN THE FINAL RULE

The final rule delivers broader flexibility and greater simplicity in the program, responsive to feedback in the comment process. Among other clarifications and changes, the final rule provides the features below.

Replacing Lost Public Sector Revenue

The final rule offers a standard allowance for revenue loss of up to \$10 million, allowing recipients to select between a standard amount of revenue loss or complete a full revenue loss calculation.

Recipients that select the standard allowance may use that amount – in many cases their full award – for government services, with streamlined reporting requirements.

Public Health and Economic Impacts

In addition to programs and services, the final rule clarifies that recipients can use funds for capital expenditures that support an eligible COVID-19 public health or economic response. For example, recipients may build certain affordable housing, childcare facilities, schools, hospitals, and other projects consistent with final rule requirements.



In addition, the final rule provides an expanded set of households and communities that are presumed to be “impacted” and “disproportionately impacted” by the pandemic, thereby allowing recipients to provide responses to a broad set of households and entities without requiring additional analysis. Further, the final rule provides a broader set of uses available for these communities as part of COVID-19 public health and economic response, including making affordable housing, childcare, early learning, and services to address learning loss during the pandemic eligible in all impacted communities and making certain community development and neighborhood revitalization activities eligible for disproportionately impacted communities.

Further, the final rule allows for a broader set of uses to restore and support government employment, including hiring above a recipient’s pre-pandemic baseline, providing funds to employees that experienced pay cuts or furloughs, avoiding layoffs, and providing retention incentives.

Premium Pay

The final rule delivers more streamlined options to provide premium pay, by broadening the share of eligible workers who can receive premium pay without a written justification while maintaining a focus on lower-income and frontline workers performing essential work.

Water, Sewer & Broadband Infrastructure

The final rule significantly broadens eligible broadband infrastructure investments to address challenges with broadband access, affordability, and reliability, and adds additional eligible water and sewer infrastructure investments, including a broader range of lead remediation and stormwater management projects.

FINAL RULE EFFECTIVE DATE

The final rule takes effect on April 1, 2022. Until that time, the interim final rule remains in effect; funds used consistently with the IFR while it is in effect are in compliance with the SLFRF program.

However, recipients can choose to take advantage of the final rule’s flexibilities and simplifications now, even ahead of the effective date. Treasury will not take action to enforce the interim final rule to the extent that a use of funds is consistent with the terms of the final rule, regardless of when the SLFRF funds were used. Recipients may consult the *Statement Regarding Compliance with the Coronavirus State and Local Fiscal Recovery Funds Interim Final Rule and Final Rule*, which can be found on Treasury’s website, for more information on compliance with the interim final rule and the final rule.



Overview of the Program

The Coronavirus State and Local Fiscal Recovery Funds (SLFRF) program provides substantial flexibility for each jurisdiction to meet local needs within the four separate eligible use categories. This Overview of the Final Rule addresses the four eligible use categories ordered from the broadest and most flexible to the most specific.

Recipients may use SLFRF funds to:

- **Replace lost public sector revenue**, using this funding to provide government services up to the amount of revenue loss due to the pandemic.
 - Recipients may determine their revenue loss by choosing between two options:
 - A standard allowance of up to \$10 million in aggregate, not to exceed their award amount, during the program;
 - Calculating their jurisdiction's specific revenue loss each year using Treasury's formula, which compares actual revenue to a counterfactual trend.
 - Recipients may use funds up to the amount of revenue loss for government services; generally, services traditionally provided by recipient governments are government services, unless Treasury has stated otherwise.
- **Support the COVID-19 public health and economic response** by addressing COVID-19 and its impact on public health as well as addressing economic harms to households, small businesses, nonprofits, impacted industries, and the public sector.
 - Recipients can use funds for programs, services, or capital expenditures that respond to the public health and negative economic impacts of the pandemic.
 - To provide simple and clear eligible uses of funds, Treasury provides a list of enumerated uses that recipients can provide to households, populations, or classes (i.e., groups) that experienced pandemic impacts.
 - Public health eligible uses include COVID-19 mitigation and prevention, medical expenses, behavioral healthcare, and preventing and responding to violence.
 - Eligible uses to respond to negative economic impacts are organized by the type of beneficiary: assistance to households, small businesses, and nonprofits.
 - Each category includes assistance for "impacted" and "disproportionately impacted" classes: impacted classes experienced the general, broad-based impacts of the pandemic, while disproportionately impacted classes faced meaningfully more severe impacts, often due to preexisting disparities.
 - To simplify administration, the final rule presumes that some populations and groups were impacted or disproportionately impacted and are eligible for responsive services.



- Eligible uses for assistance to impacted households include aid for re-employment, job training, food, rent, mortgages, utilities, affordable housing development, childcare, early education, addressing learning loss, and many more uses.
- Eligible uses for assistance to impacted small businesses or nonprofits include loans or grants to mitigate financial hardship, technical assistance for small businesses, and many more uses.
- Recipients can also provide assistance to impacted industries like travel, tourism, and hospitality that faced substantial pandemic impacts, or address impacts to the public sector, for example by re-hiring public sector workers cut during the crisis.
- Recipients providing funds for enumerated uses to populations and groups that Treasury has presumed eligible are clearly operating consistently with the final rule. Recipients can also identify (1) other populations or groups, beyond those presumed eligible, that experienced pandemic impacts or disproportionate impacts and (2) other programs, services, or capital expenditures, beyond those enumerated, to respond to those impacts.
- **Provide premium pay for eligible workers performing essential work**, offering additional support to those who have and will bear the greatest health risks because of their service in critical sectors.
 - Recipients may provide premium pay to eligible workers – generally those working in-person in key economic sectors – who are below a wage threshold or non-exempt from the Fair Labor Standards Act overtime provisions, or if the recipient submits justification that the premium pay is responsive to workers performing essential work.
- **Invest in water, sewer, and broadband infrastructure**, making necessary investments to improve access to clean drinking water, to support vital wastewater and stormwater infrastructure, and to expand affordable access to broadband internet.
 - Recipients may fund a broad range of water and sewer projects, including those eligible under the EPA’s Clean Water State Revolving Fund, EPA’s Drinking Water State Revolving Fund, and certain additional projects, including a wide set of lead remediation, stormwater infrastructure, and aid for private wells and septic units.
 - Recipients may fund high-speed broadband infrastructure in areas of need that the recipient identifies, such as areas without access to adequate speeds, affordable options, or where connections are inconsistent or unreliable; completed projects must participate in a low-income subsidy program.

While recipients have considerable flexibility to use funds to address the diverse needs of their communities, some restrictions on use apply across all eligible use categories. These include:

- **For states and territories:** No offsets of a reduction in net tax revenue resulting from a change in state or territory law.

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- **For all recipients except for Tribal governments:** No extraordinary contributions to a pension fund for the purpose of reducing an accrued, unfunded liability.
- **For all recipients:** No payments for debt service and replenishments of rainy day funds; no satisfaction of settlements and judgments; no uses that contravene or violate the American Rescue Plan Act, Uniform Guidance conflicts of interest requirements, and other federal, state, and local laws and regulations.

Under the SLFRF program, funds must be used for costs incurred on or after March 3, 2021. Further, funds must be obligated by December 31, 2024, and expended by December 31, 2026. This time period, during which recipients can expend SLFRF funds, is the “period of performance.”

In addition to SLFRF, the American Rescue Plan includes other sources of funding for state and local governments, including the [Coronavirus Capital Projects Fund](#) to fund critical capital investments including broadband infrastructure; the [Homeowner Assistance Fund](#) to provide relief for our country’s most vulnerable homeowners; the [Emergency Rental Assistance Program](#) to assist households that are unable to pay rent or utilities; and the [State Small Business Credit Initiative](#) to fund small business credit expansion initiatives. Eligible recipients are encouraged to visit the Treasury website for more information.



Replacing Lost Public Sector Revenue

The Coronavirus State and Local Fiscal Recovery Funds provide needed fiscal relief for recipients that have experienced revenue loss due to the onset of the COVID-19 public health emergency. Specifically, SLFRF funding may be used to pay for “government services” in an amount equal to the revenue loss experienced by the recipient due to the COVID-19 public health emergency.

Government services generally include any service traditionally provided by a government, including construction of roads and other infrastructure, provision of public safety and other services, and health and educational services. Funds spent under government services are subject to streamlined reporting and compliance requirements.

In order to use funds under government services, recipients should first determine revenue loss. They may, then, spend up to that amount on general government services.

DETERMINING REVENUE LOSS

Recipients have two options for how to determine their amount of revenue loss. Recipients must choose one of the two options and cannot switch between these approaches after an election is made.

- 1. Recipients may elect a “standard allowance” of \$10 million to spend on government services through the period of performance.**

Under this option, which is newly offered in the final rule Treasury presumes that up to \$10 million in revenue has been lost due to the public health emergency and recipients are permitted to use that amount (not to exceed the award amount) to fund “government services.” The standard allowance provides an estimate of revenue loss that is based on an extensive analysis of average revenue loss across states and localities, and offers a simple, convenient way to determine revenue loss, particularly for SLFRF’s smallest recipients.

All recipients may elect to use this standard allowance instead of calculating lost revenue using the formula below, including those with total allocations of \$10 million or less. Electing the standard allowance does not increase or decrease a recipient’s total allocation.

- 2. Recipients may calculate their actual revenue loss according to the formula articulated in the final rule.**

Under this option, recipients calculate revenue loss at four distinct points in time, either at the end of each calendar year (e.g., December 31 for years 2020, 2021, 2022, and 2023) or the end of each fiscal year of the recipient. Under the flexibility provided in the final rule, recipients can choose whether to use calendar or fiscal year dates but must be consistent throughout the period of performance. Treasury has also provided several adjustments to the definition of general revenue in the final rule.

To calculate revenue loss at each of these dates, recipients must follow a four-step process:



- a. Calculate revenues collected in the most recent full fiscal year prior to the public health emergency (i.e., last full fiscal year before January 27, 2020), called the *base year revenue*.
- b. Estimate *counterfactual revenue*, which is equal to the following formula, where n is the number of months elapsed since the end of the base year to the calculation date:

$$\text{base year revenue} \times (1 + \text{growth adjustment})^{\frac{n}{12}}$$

The *growth adjustment* is the greater of either a standard growth rate—5.2 percent—or the recipient’s average annual revenue growth in the last full three fiscal years prior to the COVID-19 public health emergency.

- c. Identify *actual revenue*, which equals revenues collected over the twelve months immediately preceding the calculation date.

Under the final rule, recipients must adjust actual revenue totals for the effect of tax cuts and tax increases that are adopted after the date of adoption of the final rule (January 6, 2022). Specifically, the estimated fiscal impact of tax cuts and tax increases adopted after January 6, 2022, must be added or subtracted to the calculation of actual revenue for purposes of calculation dates that occur on or after April 1, 2022.

Recipients may subtract from their calculation of actual revenue the effect of tax increases enacted prior to the adoption of the final rule. Note that recipients that elect to remove the effect of tax increases enacted before the adoption of the final rule must also remove the effect of tax decreases enacted before the adoption of the final rule, such that they are accurately removing the effect of tax policy changes on revenue.

- d. Revenue loss for the calculation date is equal to *counterfactual revenue* minus *actual revenue* (adjusted for tax changes) for the twelve-month period. If actual revenue exceeds counterfactual revenue, the loss is set to zero for that twelve-month period. Revenue loss for the period of performance is the sum of the revenue loss on for each calculation date.

The supplementary information in the final rule provides an example of this calculation, which recipients may find helpful, in the Revenue Loss section.



SPENDING ON GOVERNMENT SERVICES

Recipients can use SLFRF funds on government services up to the revenue loss amount, whether that be the standard allowance amount or the amount calculated using the above approach. **Government services generally include *any service traditionally provided by a government***, unless Treasury has stated otherwise. Here are some common examples, although this list is not exhaustive:

- ✓ Construction of schools and hospitals
- ✓ Road building and maintenance, and other infrastructure
- ✓ Health services
- ✓ General government administration, staff, and administrative facilities
- ✓ Environmental remediation
- ✓ Provision of police, fire, and other public safety services (including purchase of fire trucks and police vehicles)

Government services is the most flexible eligible use category under the SLFRF program, and funds are subject to streamlined reporting and compliance requirements. Recipients should be mindful that certain restrictions, which are detailed further in the Restrictions on Use section and apply to all uses of funds, apply to government services as well.



Responding to Public Health and Economic Impacts of COVID-19

The Coronavirus State and Local Fiscal Recovery Funds provide resources for governments to meet the public health and economic needs of those impacted by the pandemic in their communities, as well as address longstanding health and economic disparities, which amplified the impact of the pandemic in disproportionately impacted communities, resulting in more severe pandemic impacts.

The eligible use category to respond to public health and negative economic impacts is organized around the types of assistance a recipient may provide and includes several sub-categories:

- public health,
- assistance to households,
- assistance to small businesses,
- assistance to nonprofits,
- aid to impacted industries, and
- public sector capacity.

In general, to identify eligible uses of funds in this category, recipients should (1) identify a COVID-19 public health or economic impact on an individual or class (i.e., a group) and (2) design a program that responds to that impact. Responses should be related and reasonably proportional to the harm identified and reasonably designed to benefit those impacted.

To provide simple, clear eligible uses of funds that meet this standard, Treasury provides a non-exhaustive list of enumerated uses that respond to pandemic impacts. Treasury also presumes that some populations experienced pandemic impacts and are eligible for responsive services. In other words, recipients providing enumerated uses of funds to populations presumed eligible are clearly operating consistently with the final rule.¹

Recipients also have broad flexibility to (1) identify and respond to other pandemic impacts and (2) serve other populations that experienced pandemic impacts, beyond the enumerated uses and presumed eligible populations. Recipients can also identify groups or “classes” of beneficiaries that experienced pandemic impacts and provide services to those classes.

¹ However, please note that use of funds for enumerated uses may not be grossly disproportionate to the harm. Further, recipients should consult the Capital Expenditures section for more information about pursuing a capital expenditure; please note that enumerated capital expenditures are not presumed to be reasonably proportional responses to an identified harm except as provided in the Capital Expenditures section.



Step	1. Identify COVID-19 public health or economic impact	2. Design a response that addresses or responds to the impact
Analysis	<ul style="list-style-type: none">• Can identify impact to a specific household, business or nonprofit or to a class of households, businesses, or nonprofits (i.e., group)• Can also identify disproportionate impacts, or more severe impacts, to a specific beneficiary or to a class	<ul style="list-style-type: none">• Types of responses can include a program, service, or capital expenditure• Response should be related and reasonably proportional to the harm• Response should also be reasonably designed to benefit impacted individual or class
Simplifying Presumptions	<ul style="list-style-type: none">• Final Rule presumes certain populations and classes are impacted and disproportionately impacted	<ul style="list-style-type: none">• Final Rule provides non-exhaustive list of enumerated eligible uses that respond to pandemic impacts and disproportionate impacts

To assess eligibility of uses of funds, recipients should first determine the sub-category where their use of funds may fit (e.g., public health, assistance to households, assistance to small businesses), based on the entity that experienced the health or economic impact.² Then, recipients should refer to the relevant section for more details on each sub-category.

While the same overall eligibility standard applies to all uses of funds to respond to the public health and negative economic impacts of the pandemic, each sub-category has specific nuances on its application. In addition:

- Recipients interested in using funds for capital expenditures (i.e., investments in property, facilities, or equipment) should review the Capital Expenditures section in addition to the eligible use sub-category.
- Recipients interested in other uses of funds, beyond the enumerated uses, should refer to the section on “Framework for Eligible Uses Beyond Those Enumerated.”

² For example, a recipient interested in providing aid to unemployed individuals is addressing a negative economic impact experienced by a household and should refer to the section on assistance to households. Recipients should also be aware of the difference between “beneficiaries” and “sub-recipients.” Beneficiaries are households, small businesses, or nonprofits that can receive assistance based on impacts of the pandemic that they experienced. On the other hand, sub-recipients are organizations that carry out eligible uses on behalf of a government, often through grants or contracts. Sub-recipients do not need to have experienced a negative economic impact of the pandemic; rather, they are providing services to beneficiaries that experienced an impact.



RESPONDING TO THE PUBLIC HEALTH EMERGENCY

While the country has made tremendous progress in the fight against COVID-19, including a historic vaccination campaign, the disease still poses a grave threat to Americans' health and the economy. Providing state, local, and Tribal governments the resources needed to fight the COVID-19 pandemic is a core goal of the Coronavirus State and Local Fiscal Recovery Funds, as well as addressing the other ways that the pandemic has impacted public health. Treasury has identified several public health impacts of the pandemic and enumerated uses of funds to respond to impacted populations.

- **COVID-19 mitigation and prevention.** The pandemic has broadly impacted Americans and recipients can provide services to prevent and mitigate COVID-19 to the general public or to small businesses, nonprofits, and impacted industries in general. Enumerated eligible uses include:
 - ✓ Vaccination programs, including vaccine incentives and vaccine sites
 - ✓ Testing programs, equipment and sites
 - ✓ Monitoring, contact tracing & public health surveillance (e.g., monitoring for variants)
 - ✓ Public communication efforts
 - ✓ Public health data systems
 - ✓ COVID-19 prevention and treatment equipment, such as ventilators and ambulances
 - ✓ Medical and PPE/protective supplies
 - ✓ Support for isolation or quarantine
 - ✓ Ventilation system installation and improvement
 - ✓ Technical assistance on mitigation of COVID-19 threats to public health and safety
 - ✓ Transportation to reach vaccination or testing sites, or other prevention and mitigation services for vulnerable populations
 - ✓ Support for prevention, mitigation, or other services in congregate living facilities, public facilities, and schools
 - ✓ Support for prevention and mitigation strategies in small businesses, nonprofits, and impacted industries
 - ✓ Medical facilities generally dedicated to COVID-19 treatment and mitigation (e.g., ICUs, emergency rooms)
 - ✓ Temporary medical facilities and other measures to increase COVID-19 treatment capacity
 - ✓ Emergency operations centers & emergency response equipment (e.g., emergency response radio systems)
 - ✓ Public telemedicine capabilities for COVID-19 related treatment



- **Medical expenses.** Funds may be used for expenses to households, medical providers, or others that incurred medical costs due to the pandemic, including:
 - ✓ Unreimbursed expenses for medical care for COVID-19 testing or treatment, such as uncompensated care costs for medical providers or out-of-pocket costs for individuals
 - ✓ Paid family and medical leave for public employees to enable compliance with COVID-19 public health precautions
 - ✓ Emergency medical response expenses
 - ✓ Treatment of long-term symptoms or effects of COVID-19
- **Behavioral health care, such as mental health treatment, substance use treatment, and other behavioral health services.** Treasury recognizes that the pandemic has broadly impacted Americans' behavioral health and recipients can provide these services to the general public to respond. Enumerated eligible uses include:
 - ✓ Prevention, outpatient treatment, inpatient treatment, crisis care, diversion programs, outreach to individuals not yet engaged in treatment, harm reduction & long-term recovery support
 - ✓ Enhanced behavioral health services in schools
 - ✓ Services for pregnant women or infants born with neonatal abstinence syndrome
 - ✓ Support for equitable access to reduce disparities in access to high-quality treatment
 - ✓ Peer support groups, costs for residence in supportive housing or recovery housing, and the 988 National Suicide Prevention Lifeline or other hotline services
 - ✓ Expansion of access to evidence-based services for opioid use disorder prevention, treatment, harm reduction, and recovery
 - ✓ Behavioral health facilities & equipment
- **Preventing and responding to violence.** Recognizing that violence – and especially gun violence – has increased in some communities due to the pandemic, recipients may use funds to respond in these communities through:
 - ✓ Referrals to trauma recovery services for victims of crime
 - ✓ Community violence intervention programs, including:
 - Evidence-based practices like focused deterrence, with wraparound services such as behavioral therapy, trauma recovery, job training, education, housing and relocation services, and financial assistance
 - ✓ In communities experiencing increased gun violence due to the pandemic:
 - Law enforcement officers focused on advancing community policing
 - Enforcement efforts to reduce gun violence, including prosecution
 - Technology & equipment to support law enforcement response



RESPONDING TO NEGATIVE ECONOMIC IMPACTS

The pandemic caused severe economic damage and, while the economy is on track to a strong recovery, much work remains to continue building a robust, resilient, and equitable economy in the wake of the crisis and to ensure that the benefits of this recovery reach all Americans. While the pandemic impacted millions of American households and businesses, some of its most severe impacts fell on low-income and underserved communities, where pre-existing disparities amplified the impact of the pandemic and where the most work remains to reach a full recovery.

The final rule recognizes that the pandemic caused broad-based impacts that affected many communities, households, and small businesses across the country; for example, many workers faced unemployment and many small businesses saw declines in revenue. The final rule describes these as “impacted” households, communities, small businesses, and nonprofits.

At the same time, the pandemic caused disproportionate impacts, or more severe impacts, in certain communities. For example, low-income and underserved communities have faced more severe health and economic outcomes like higher rates of COVID-19 mortality and unemployment, often because pre-existing disparities exacerbated the impact of the pandemic. The final rule describes these as “disproportionately impacted” households, communities, small businesses, and nonprofits.

To simplify administration of the program, the final rule presumes that certain populations were “impacted” and “disproportionately impacted” by the pandemic; these populations are presumed to be eligible for services that respond to the impact they experienced. The final rule also enumerates a non-exhaustive list of eligible uses that are recognized as responsive to the impacts or disproportionate impacts of COVID-19. Recipients providing enumerated uses to populations presumed eligible are clearly operating consistently with the final rule.

As discussed further in the section Framework for Eligible Uses Beyond Those Enumerated, recipients can also identify other pandemic impacts, impacted or disproportionately impacted populations or classes, and responses.



Assistance to Households

Impacted Households and Communities

Treasury presumes the following households and communities are impacted by the pandemic:

- ✓ Low- or moderate income households or communities
- ✓ Households that experienced unemployment
- ✓ Households that experienced increased food or housing insecurity
- ✓ Households that qualify for the Children's Health Insurance Program, Childcare Subsidies through the Child Care Development Fund (CCDF) Program, or Medicaid
- ✓ *When providing affordable housing programs:* households that qualify for the National Housing Trust Fund and Home Investment Partnerships Program
- ✓ *When providing services to address lost instructional time in K-12 schools:* any student that lost access to in-person instruction for a significant period of time

Low- or moderate-income households and communities are those with (i) income at or below 300 percent of the Federal Poverty Guidelines for the size of the household based on the most recently published poverty guidelines or (ii) income at or below 65 percent of the area median income for the county and size of household based on the most recently published data. For the vast majority of communities, the Federal Poverty Guidelines are higher than the area's median income and using the Federal Poverty Guidelines would result in more households and communities being presumed eligible. Treasury has provided an easy-to-use spreadsheet with Federal Poverty Guidelines and area median income levels on its website.

Recipients can measure income for a specific household or the median income for the community, depending on whether the response they plan to provide serves specific households or the general community. The income thresholds vary by household size; recipients should generally use income thresholds for the appropriate household size but can use a default household size of three when easier for administration or when measuring income for a general community.

The income limit for 300 percent of the Federal Poverty Guidelines for a household of three is \$65,880 per year.³ In other words, recipients can always presume that a household earning below this level, or a community with median income below this level, is impacted by the pandemic and eligible for services to respond. Additionally, by following the steps detailed in the section Framework for Eligible Uses Beyond Those Enumerated, recipients may designate additional households as impacted or disproportionately impacted beyond these presumptions, and may also pursue projects not listed below in response to these impacts consistent with Treasury's standards.

³ For recipients in Alaska, the income limit for 300 percent of the Federal Poverty Guidelines for a household of three is \$82,350 per year. For recipients in Hawaii, the income limit for 300 percent of the Federal Poverty Guidelines for a household of three is \$75,780 per year.



Treasury recognizes the enumerated projects below, which have been expanded under the final rule, as eligible to respond to impacts of the pandemic on households and communities:

- ✓ Food assistance (e.g., child nutrition programs, including school meals) & food banks
- ✓ Emergency housing assistance: rental assistance, mortgage assistance, utility assistance, assistance paying delinquent property taxes, counseling and legal aid to prevent eviction and homelessness & emergency programs or services for homeless individuals, including temporary residences for people experiencing homelessness
- ✓ Health insurance coverage expansion
- ✓ Benefits for surviving family members of individuals who have died from COVID-19
- ✓ Assistance to individuals who want and are available for work, including job training, public jobs programs and fairs, support for childcare and transportation to and from a jobsite or interview, incentives for newly-employed workers, subsidized employment, grants to hire underserved workers, assistance to unemployed individuals to start small businesses & development of job and workforce training centers
- ✓ Financial services for the unbanked and underbanked
- ✓ Burials, home repair & home weatherization
- ✓ Programs, devices & equipment for internet access and digital literacy, including subsidies for costs of access
- ✓ Cash assistance
- ✓ Paid sick, medical, and family leave programs
- ✓ Assistance in accessing and applying for public benefits or services
- ✓ Childcare and early learning services, home visiting programs, services for child welfare-involved families and foster youth & childcare facilities
- ✓ Assistance to address the impact of learning loss for K-12 students (e.g., high-quality tutoring, differentiated instruction)
- ✓ Programs or services to support long-term housing security: including development of affordable housing and permanent supportive housing
- ✓ Certain contributions to an Unemployment Insurance Trust Fund⁴

⁴ Recipients may only use SLFRF funds for contributions to unemployment insurance trust funds and repayment of the principal amount due on advances received under Title XII of the Social Security Act up to an amount equal to (i) the difference between the balance in the recipient's unemployment insurance trust fund as of January 27, 2020 and the balance of such account as of May 17, 2021, plus (ii) the principal amount outstanding as of May 17, 2021 on any advances received under Title XII of the Social Security Act between January 27, 2020 and May 17, 2021. Further, recipients may use SLFRF funds for the payment of any interest due on such Title XII advances. Additionally, a recipient that deposits SLFRF funds into its unemployment insurance trust fund to fully restore the pre-pandemic balance may not draw down that balance and deposit more SLFRF funds, back up to the pre-pandemic balance. Recipients that deposit SLFRF funds into an unemployment insurance trust fund, or use SLFRF funds to repay principal on Title XII advances, may not take action to reduce benefits available to unemployed workers by changing the computation method governing regular unemployment compensation in a way that results in a reduction of average weekly benefit amounts or the number of weeks of benefits payable (i.e., maximum benefit entitlement).



Disproportionately Impacted Households and Communities

Treasury presumes the following households and communities are disproportionately impacted by the pandemic:

- ✓ Low -income households and communities
- ✓ Households residing in Qualified Census Tracts
- ✓ Households that qualify for certain federal benefits⁵
- ✓ Households receiving services provided by Tribal governments
- ✓ Households residing in the U.S. territories or receiving services from these governments

Low-income households and communities are those with (i) income at or below 185 percent of the Federal Poverty Guidelines for the size of its household based on the most recently published poverty guidelines or (ii) income at or below 40 percent of area median income for its county and size of household based on the most recently published data. For the vast majority of communities, the Federal Poverty Guidelines level is higher than the area median income level and using this level would result in more households and communities being presumed eligible. Treasury has provided an easy-to-use spreadsheet with Federal Poverty Guidelines and area median income levels on its website.

Recipients can measure income for a specific household or the median income for the community, depending on whether the service they plan to provide serves specific households or the general community. The income thresholds vary by household size; recipients should generally use income thresholds for the appropriate household size but can use a default household size of three when easier for administration or when measuring income for a general community.

The income limit for 185 percent of the Federal Poverty Guidelines for a household of three is \$40,626 per year.⁶ In other words, recipients can always presume that a household earning below this level, or a community with median income below this level, is disproportionately impacted by the pandemic and eligible for services to respond.

⁵ These programs are Temporary Assistance for Needy Families (TANF), Supplemental Nutrition Assistance Program (SNAP), Free- and Reduced-Price Lunch (NSLP) and/or School Breakfast (SBP) programs, Medicare Part D Low-Income Subsidies, Supplemental Security Income (SSI), Head Start and/or Early Head Start, Special Supplemental Nutrition Program for Women, Infants, and Children (WIC), Section 8 Vouchers, Low-Income Home Energy Assistance Program (LIHEAP), and Pell Grants. For services to address educational disparities, Treasury will recognize Title I eligible schools as disproportionately impacted and responsive services that support the school generally or support the whole school as eligible.

⁶ For recipients in Alaska, the income limit for 185 percent of the Federal Poverty Guidelines for a household of three is \$50,783 per year. For recipients in Hawaii, the income limit for 185 percent of the Federal Poverty Guidelines for a household of three is \$46,731 per year



Treasury recognizes the enumerated projects below, which have been expanded under the final rule, as eligible to respond to disproportionate impacts of the pandemic on households and communities:

- ✓ Pay for community health workers to help households access health & social services
- ✓ Remediation of lead paint or other lead hazards
- ✓ Primary care clinics, hospitals, integration of health services into other settings, and other investments in medical equipment & facilities designed to address health disparities
- ✓ Housing vouchers & assistance relocating to neighborhoods with higher economic opportunity
- ✓ Investments in neighborhoods to promote improved health outcomes
- ✓ Improvements to vacant and abandoned properties, including rehabilitation or maintenance, renovation, removal and remediation of environmental contaminants, demolition or deconstruction, greening/vacant lot cleanup & conversion to affordable housing⁷
- ✓ Services to address educational disparities, including assistance to high-poverty school districts & educational and evidence-based services to address student academic, social, emotional, and mental health needs
- ✓ Schools and other educational equipment & facilities

⁷ Please see the final rule for further details and conditions applicable to this eligible use. This includes Treasury's presumption that demolition of vacant or abandoned residential properties that results in a net reduction in occupiable housing units for low- and moderate-income individuals in an area where the availability of such housing is lower than the need for such housing is ineligible for support with SLFRF funds.



Assistance to Small Businesses

Small businesses have faced widespread challenges due to the pandemic, including periods of shutdown, declines in revenue, or increased costs. The final rule provides many tools for recipients to respond to the impacts of the pandemic on small businesses, or disproportionate impacts on businesses where pre-existing disparities like lack of access to capital compounded the pandemic's effects.

Small businesses eligible for assistance are those that experienced negative economic impacts or disproportionate impacts of the pandemic and meet the definition of "small business," specifically:

1. Have no more than 500 employees, or if applicable, the size standard in number of employees [established](#) by the Administrator of the Small Business Administration for the industry in which the business concern or organization operates, and
2. Are a small business concern as defined in section 3 of the Small Business Act⁸ (which includes, among other requirements, that the business is independently owned and operated and is not dominant in its field of operation).

Impacted Small Businesses

Recipients can identify small businesses impacted by the pandemic, and measures to respond, in many ways; for example, recipients could consider:

- | | |
|---------------------------------------|--|
| ✓ Decreased revenue or gross receipts | ✓ Capacity to weather financial hardship |
| ✓ Financial insecurity | ✓ Challenges covering payroll, rent or mortgage, and other operating costs |
| ✓ Increased costs | |

Assistance to small businesses that experienced negative economic impacts includes the following enumerated uses:

- | | |
|---|--|
| ✓ Loans or grants to mitigate financial hardship, such as by supporting payroll and benefits, costs to retain employees, and mortgage, rent, utility, and other operating costs | ✓ Technical assistance, counseling, or other services to support business planning |
|---|--|

Disproportionately Impacted Small Businesses

Treasury presumes that the following small businesses are disproportionately impacted by the pandemic:

⁸ 15 U.S.C. 632.



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- ✓ Small businesses operating in Qualified Census Tracts
- ✓ Small businesses operated by Tribal governments or on Tribal lands
- ✓ Small businesses operating in the U.S. territories

Assistance to disproportionately impacted small businesses includes the following enumerated uses, which have been expanded under the final rule:

- ✓ Rehabilitation of commercial properties, storefront improvements & façade improvements
- ✓ Technical assistance, business incubators & grants for start-up or expansion costs for small businesses
- ✓ Support for microbusinesses, including financial, childcare, and transportation costs



Assistance to Nonprofits

Nonprofits have faced significant challenges due to the pandemic's increased demand for services and changing operational needs, as well as declines in revenue sources such as donations and fees.

Nonprofits eligible for assistance are those that experienced negative economic impacts or disproportionate impacts of the pandemic and meet the definition of "nonprofit"—specifically those that are 501(c)(3) or 501(c)(19) tax-exempt organizations.

Impacted Nonprofits

Recipients can identify nonprofits impacted by the pandemic, and measures to respond, in many ways; for example, recipients could consider:

- ✓ Decreased revenue (e.g., from donations and fees)
- ✓ Financial insecurity
- ✓ Increased costs (e.g., uncompensated increases in service need)
- ✓ Capacity to weather financial hardship
- ✓ Challenges covering payroll, rent or mortgage, and other operating costs

Assistance to nonprofits that experienced negative economic impacts includes the following enumerated uses:

- ✓ Loans or grants to mitigate financial hardship
- ✓ Technical or in-kind assistance or other services that mitigate negative economic impacts of the pandemic

Disproportionately Impacted Nonprofits

Treasury presumes that the following nonprofits are disproportionately impacted by the pandemic:

- ✓ Nonprofits operating in Qualified Census Tracts
- ✓ Nonprofits operated by Tribal governments or on Tribal lands
- ✓ Nonprofits operating in the U.S. territories

Recipients may identify appropriate responses that are related and reasonably proportional to addressing these disproportionate impacts.



Aid to Impacted Industries

Recipients may use SLFRF funding to provide aid to industries impacted by the COVID-19 pandemic. Recipients should first designate an impacted industry and then provide aid to address the impacted industry's negative economic impact.

This sub-category of eligible uses does not separately identify disproportionate impacts and corresponding responsive services.

1. Designating an impacted industry. There are two main ways an industry can be designated as "impacted."

1. If the industry is in the travel, tourism, or hospitality sectors (including Tribal development districts), the industry is impacted.
2. If the industry is outside the travel, tourism, or hospitality sectors, the industry is impacted if:
 - a. The industry experienced at least 8 percent employment loss from pre-pandemic levels,⁹ or
 - b. The industry is experiencing comparable or worse economic impacts as the national tourism, travel, and hospitality industries as of the date of the final rule, based on the totality of economic indicators or qualitative data (if quantitative data is unavailable), and if the impacts were generally due to the COVID-19 public health emergency.

Recipients have flexibility to define industries broadly or narrowly, but Treasury encourages recipients to define narrow and discrete industries eligible for aid. State and territory recipients also have flexibility to define the industries with greater geographic precision; for example, a state may identify a particular industry in a certain region of a state as impacted.

2. Providing eligible aid to the impacted industry. Aid may only be provided to support businesses, attractions, and Tribal development districts operating prior to the pandemic and affected by required closures and other efforts to contain the pandemic. Further, aid should be generally broadly available to all businesses within the impacted industry to avoid potential conflicts of interest, and Treasury encourages aid to be first used for operational expenses, such as payroll, before being used on other types of costs.

⁹ Specifically, a recipient should compare the percent change in the number of employees of the recipient's identified industry and the national Leisure & Hospitality sector in the three months before the pandemic's most severe impacts began (a straight three-month average of seasonally-adjusted employment data from December 2019, January 2020, and February 2020) with the latest data as of the final rule (a straight three-month average of seasonally-adjusted employment data from September 2021, October 2021, and November 2021). For parity and simplicity, smaller recipients without employment data that measure industries in their specific jurisdiction may use data available for a broader unit of government for this calculation (e.g., a county may use data from the state in which it is located; a city may use data for the county, if available, or state in which it is located) solely for purposes of determining whether a particular industry is an impacted industry.



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Treasury recognizes the enumerated projects below as eligible responses to impacted industries.

- ✓ Aid to mitigate financial hardship, such as supporting payroll costs, lost pay and benefits for returning employees, support of operations and maintenance of existing equipment and facilities
- ✓ Technical assistance, counseling, or other services to support business planning
- ✓ COVID-19 mitigation and infection prevention measures (see section Public Health)

As with all eligible uses, recipients may pursue a project not listed above by undergoing the steps outlined in the section Framework for Eligible Uses Beyond Those Enumerated.



PUBLIC SECTOR CAPACITY

Recipients may use SLFRF funding to restore and bolster public sector capacity, which supports government's ability to deliver critical COVID-19 services. There are three main categories of eligible uses to bolster public sector capacity and workforce: Public Safety, Public Health, and Human Services Staff; Government Employment and Rehiring Public Sector Staff; and Effective Service Delivery.

Public Safety, Public Health, and Human Services Staff

SLFRF funding may be used for payroll and covered benefits for public safety, public health, health care, human services and similar employees of a recipient government, for the portion of the employee's time spent responding to COVID-19. Recipients should follow the steps below.

1. **Identify eligible public safety, public health, and human services staff.** Public safety staff include:

- ✓ Police officers (including state police officers)
- ✓ Sheriffs and deputy sheriffs
- ✓ Firefighters
- ✓ Emergency medical responders
- ✓ Correctional and detention officers
- ✓ Dispatchers and supervisor personnel that directly support public safety staff

Public health staff include:

- ✓ Employees involved in providing medical and other physical or mental health services to patients and supervisory personnel, including medical staff assigned to schools, prisons, and other such institutions
- ✓ Laboratory technicians, medical examiners, morgue staff, and other support services essential for patient care
- ✓ Employees of public health departments directly engaged in public health matters and related supervisory personnel

Human services staff include:

- ✓ Employees providing or administering social services and public benefits
- ✓ Child welfare services employees
- ✓ Child, elder, or family care employees

2. **Assess portion of time spent on COVID-19 response for eligible staff.**

Recipients can use a variety of methods to assess the share of an employees' time spent responding to COVID-19, including using reasonable estimates—such as estimating the share of time based on discussions with staff and applying that share to all employees in that position.

For administrative convenience, recipients can consider public health and safety employees entirely devoted to responding to COVID-19 (and their payroll and benefits fully covered by SLFRF) if the



employee, or his or her operating unit or division, is “primarily dedicated” to responding to COVID-19. Primarily dedicated means that more than half of the employee, unit, or division’s time is dedicated to responding to COVID-19.

Recipients must periodically reassess their determination and maintain records to support their assessment, although recipients do not need to track staff hours.

3. **Use SLFRF funding for payroll and covered benefits for the portion of eligible staff time spent on COVID-19 response.** SLFRF funding may be used for payroll and covered benefits for the portion of the employees’ time spent on COVID-19 response, as calculated above, through the period of performance.

Government Employment and Rehiring Public Sector Staff

Under the increased flexibility of the final rule, SLFRF funding may be used to support a broader set of uses to restore and support public sector employment. Eligible uses include hiring up to a pre-pandemic baseline that is adjusted for historic underinvestment in the public sector, providing additional funds for employees who experienced pay cuts or were furloughed, avoiding layoffs, providing worker retention incentives, and paying for ancillary administrative costs related to hiring, support, and retention.

- **Restoring pre-pandemic employment.** Recipients have two options to restore pre-pandemic employment, depending on the recipient’s needs.
 - *If the recipient simply wants to hire back employees for pre-pandemic positions:* Recipients may use SLFRF funds to hire employees for the same positions that existed on January 27, 2020 but that were unfilled or eliminated as of March 3, 2021. Recipients may use SLFRF funds to cover payroll and covered benefits for such positions through the period of performance.
 - *If the recipient wants to hire above the pre-pandemic baseline and/or would like to have flexibility in positions:* Recipients may use SLFRF funds to pay for payroll and covered benefits associated with the recipient increasing its number of budgeted FTEs up to 7.5 percent above its pre-pandemic baseline. Specifically, recipients should undergo the following steps:
 - a. Identify the recipient’s budgeted FTE level on January 27, 2020. This includes all budgeted positions, filled and unfilled. This is called the *pre-pandemic baseline*.
 - b. Multiply the pre-pandemic baseline by 1.075. This is called the *adjusted pre-pandemic baseline*.
 - c. Identify the recipient’s budgeted FTE level on March 3, 2021, which is the beginning of the period of performance for SLFRF funds. Recipients may, but are not required to, exclude the number of FTEs dedicated to responding to the COVID-19 public health emergency. This is called the *actual number of FTEs*.
 - d. Subtract the *actual number of FTEs* from the *adjusted pre-pandemic baseline* to calculate the number of FTEs that can be covered by SLFRF funds. Recipients do not have to hire for the same roles that existed pre-pandemic.

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Recipients may use SLFRF funds to cover payroll and covered benefits through the period of performance; these employees must have begun their employment on or after March 3, 2021. Recipients may only use SLFRF funds for additional FTEs hired over the March 3, 2021 level (i.e., the *actual number of FTEs*).

- **Supporting and retaining public sector workers.** Recipients can also use funds in other ways that support the public sector workforce.¹⁰ These include:
 - **Providing additional funding for employees who experienced pay reductions or were furloughed** since the onset of the pandemic, up to the difference in the employee's pay, taking into account unemployment benefits received.
 - **Maintaining current compensation levels to prevent layoffs.** SLFRF funds may be used to maintain current compensation levels, with adjustments for inflation, in order to prevent layoffs that would otherwise be necessary.
 - **Providing worker retention incentives, including reasonable increases in compensation** to persuade employees to remain with the employer as compared to other employment options. Retention incentives must be entirely additive to an employee's regular compensation, narrowly tailored to need, and should not exceed incentives traditionally offered by the recipient or compensation that alternative employers may offer to compete for the employees. Treasury presumes that retention incentives that are less than 25 percent of the rate of base pay for an individual employee or 10 percent for a group or category of employees are reasonably proportional to the need to retain employees, as long as other requirements are met.
- **Covering administrative costs associated with administering the hiring, support, and retention programs above.**

Effective Service Delivery

SLFRF funding may be used to improve the efficacy of public health and economic programs through tools like program evaluation, data, and outreach, as well as to address administrative needs caused or exacerbated by the pandemic. Eligible uses include:

- **Supporting program evaluation, data, and outreach through:**

¹⁰ Recipients should be able to substantiate that these uses of funds are substantially due to the public health emergency or its negative economic impacts (e.g., fiscal pressures on state and local budgets) and respond to its impacts. See the final rule for details on these uses.



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- ✓ Program evaluation and evidence resources
 - ✓ Data analysis resources to gather, assess, share, and use data
 - ✓ Technology infrastructure to improve access to and the user experience of government IT systems, as well as technology improvements to increase public access and delivery of government programs and services
 - ✓ Community outreach and engagement activities
 - ✓ Capacity building resources to support using data and evidence, including hiring staff, consultants, or technical assistance support
- **Addressing administrative needs, including:**
 - ✓ Administrative costs for programs responding to the public health emergency and its economic impacts, including non-SLFRF and non-federally funded programs
 - ✓ Address administrative needs caused or exacerbated by the pandemic, including addressing backlogs caused by shutdowns, increased repair or maintenance needs, and technology infrastructure to adapt government operations to the pandemic (e.g., video-conferencing software, data and case management systems)

**CAPITAL EXPENDITURES**

As described above, the final rule clarifies that recipients may use funds for programs, services, and capital expenditures that respond to the public health and negative economic impacts of the pandemic. Any use of funds in this category for a capital expenditure must comply with the capital expenditure requirements, in addition to other standards for uses of funds.

Capital expenditures are subject to the same eligibility standard as other eligible uses to respond to the pandemic's public health and economic impacts; specifically, they must be related and reasonably proportional to the pandemic impact identified and reasonably designed to benefit the impacted population or class.

For ease of administration, the final rule identifies enumerated types of capital expenditures that Treasury has identified as responding to the pandemic's impacts; these are listed in the applicable sub-category of eligible uses (e.g., public health, assistance to households, etc.). Recipients may also identify other responsive capital expenditures. Similar to other eligible uses in the SLFRF program, no pre-approval is required for capital expenditures.

To guide recipients' analysis of whether a capital expenditure meets the eligibility standard, recipients (with the exception of Tribal governments) must complete and meet the requirements of a written justification for capital expenditures equal to or greater than \$1 million. For large-scale capital expenditures, which have high costs and may require an extended length of time to complete, as well as most capital expenditures for non-enumerated uses of funds, Treasury requires recipients to submit their written justification as part of regular reporting. Specifically:

If a project has total capital expenditures of	and the use is enumerated by Treasury as eligible, then	and the use is beyond those enumerated by Treasury as eligible, then
Less than \$1 million	No Written Justification required	No Written Justification required
Greater than or equal to \$1 million, but less than \$10 million	Written Justification required but recipients are not required to submit as part of regular reporting to Treasury	Written Justification required and recipients must submit as part of regular reporting to Treasury
\$10 million or more	Written Justification required and recipients must submit as part of regular reporting to Treasury	

A Written Justification includes:

- *Description of the harm or need to be addressed.* Recipients should provide a description of the specific harm or need to be addressed and why the harm was exacerbated or caused by the public health emergency. Recipients may provide quantitative information on the extent and the type of harm, such as the number of individuals or entities affected.



- *Explanation of why a capital expenditure is appropriate.* For example, recipients should include an explanation of why existing equipment and facilities, or policy changes or additional funding to pertinent programs or services, would be inadequate.
- *Comparison of proposed capital project against at least two alternative capital expenditures and demonstration of why the proposed capital expenditure is superior.* Recipients should consider the effectiveness of the capital expenditure in addressing the harm identified and the expected total cost (including pre-development costs) against at least two alternative capital expenditures.

Where relevant, recipients should consider the alternatives of improving existing capital assets already owned or leasing other capital assets.

Treasury presumes that the following capital projects are generally ineligible:

- | | |
|---|---|
| ✖ Construction of new correctional facilities as a response to an increase in rate of crime | ✖ Construction of convention centers, stadiums, or other large capital projects intended for general economic development or to aid impacted industries |
| ✖ Construction of new congregate facilities to decrease spread of COVID-19 in the facility | |

In undertaking capital expenditures, Treasury encourages recipients to adhere to strong labor standards, including project labor agreements and community benefits agreements that offer wages at or above the prevailing rate and include local hire provisions. Treasury also encourages recipients to prioritize in their procurements employers with high labor standards and to prioritize employers without recent violations of federal and state labor and employment laws.

**FRAMEWORK FOR ELIGIBLE USES BEYOND THOSE ENUMERATED**

As described above, recipients have broad flexibility to identify and respond to other pandemic impacts and serve other populations that experienced pandemic impacts, beyond the enumerated uses and presumed eligible populations. Recipients should undergo the following steps to decide whether their project is eligible:

Step	1. Identify COVID-19 public health or economic impact	2. Design a response that addresses or responds to the impact
Analysis	<ul style="list-style-type: none"> Can identify impact to a specific household, business or nonprofit or to a class of households, businesses or nonprofits (i.e., group) Can also identify disproportionate impacts, or more severe impacts, to a specific beneficiary or to a class 	<ul style="list-style-type: none"> Types of responses can include a program, service, or capital expenditure Response should be related and reasonably proportional to the harm Response should also be reasonably designed to benefit impacted individual or class

1. Identify a COVID-19 public health or negative economic impact on an individual or a class.

Recipients should identify an individual or class that is “impacted” or “disproportionately impacted” by the COVID-19 public health emergency or its negative economic impacts as well as the specific impact itself.

- “Impacted” entities are those impacted by the disease itself or the harmful consequences of the economic disruptions resulting from or exacerbated by the COVID-19 public health emergency. For example, an individual who lost their job or a small business that saw lower revenue during a period of closure would both have experienced impacts of the pandemic.
- “Disproportionately impacted” entities are those that experienced disproportionate public health or economic outcomes from the pandemic; Treasury recognizes that pre-existing disparities, in many cases, amplified the impacts of the pandemic, causing more severe impacts in underserved communities. For example, a household living in a neighborhood with limited access to medical care and healthy foods may have faced health disparities before the pandemic, like a higher rate of chronic health conditions, that contributed to more severe health outcomes during the COVID-19 pandemic.

The recipient may choose to identify these impacts at either the individual level or at a class level. If the recipient is identifying impacts at the individual level, they should retain documentation supporting the impact the individual experienced (e.g., documentation of lost revenues from a small business). Such documentation can be streamlined in many cases (e.g., self-attestation that a household requires food assistance).

Recipients also have broad flexibility to identify a “class” – or a group of households, small businesses, or nonprofits – that experienced an impact. In these cases, the recipients should



first identify the class and the impact that it faced. Then, recipients only need to document that the individuals served fall within that class; recipients do not need to document a specific impact to each individual served. For example, a recipient could identify that restaurants in the downtown area faced substantial declines in revenue due to decreased foot traffic from workers; the recipient could develop a program to respond to the impact on that class and only needs to document that the businesses being served are restaurants in the downtown area.

Recipients should keep the following considerations in mind when designating a class:

- **There should be a relationship between the definition of the class and the proposed response.** Larger and less-specific classes are less likely to have experienced similar harms, which may make it more difficult to design a response that appropriately responds to those harms.
- **Classes may be determined on a population basis or on a geographic basis,** and the response should be appropriately matched. For example, a response might be designed to provide childcare to single parents, regardless of which neighborhood they live in, or a response might provide a park to improve the health of a disproportionately impacted neighborhood.
- **Recipients may designate classes that experienced disproportionate impact,** by assessing the impacts of the pandemic and finding that some populations experienced meaningfully more severe impacts than the general public. To determine these disproportionate impacts, recipients:
 - May designate classes based on academic research or government research publications (such as the citations provided in the supplementary information in the final rule), through analysis of their own data, or through analysis of other existing data sources.
 - May also consider qualitative research and sources to augment their analysis, or when quantitative data is not readily available. Such sources might include resident interviews or feedback from relevant state and local agencies, such as public health departments or social services departments.
 - Should consider the quality of the research, data, and applicability of analysis to their determination in all cases.
- **Some of the enumerated uses may also be appropriate responses to the impacts experienced by other classes of beneficiaries.** It is permissible for recipients to provide these services to other classes, so long as the recipient determines that the response is also appropriate for those groups.
- **Recipients may designate a class based on income level, including at levels higher than the final rule definition of "low- and moderate-income."** For example, a recipient may identify that households in their community with incomes above the final rule threshold for low-income nevertheless experienced disproportionate impacts from the pandemic and provide responsive services.

2. **Design a response that addresses or responds to the impact.** Programs, services, and other interventions must be reasonably designed to benefit the individual or class that experienced



the impact. They must also be related and reasonably proportional to the extent and type of impact experienced. For example, uses that bear no relation or are grossly disproportionate to the type or extent of the impact would not be eligible.

“Reasonably proportional” refers to the scale of the response compared to the scale of the harm, as well as the targeting of the response to beneficiaries compared to the amount of harm they experienced; for example, it may not be reasonably proportional for a cash assistance program to provide a very small amount of aid to a group that experienced severe harm and a much larger amount to a group that experienced relatively little harm. Recipients should consider relevant factors about the harm identified and the response to evaluate whether the response is reasonably proportional. For example, recipients may consider the size of the population impacted and the severity, type, and duration of the impact. Recipients may also consider the efficacy, cost, cost-effectiveness, and time to delivery of the response.

For disproportionately impacted communities, recipients may design interventions that address broader pre-existing disparities that contributed to more severe health and economic outcomes during the pandemic, such as disproportionate gaps in access to health care or pre-existing disparities in educational outcomes that have been exacerbated by the pandemic.



Premium Pay

The Coronavirus State and Local Fiscal Recovery Funds may be used to provide premium pay to eligible workers performing essential work during the pandemic. Premium pay may be awarded to eligible workers up to \$13 per hour. Premium pay must be in addition to wages or remuneration (i.e., compensation) the eligible worker otherwise receives. Premium pay may not exceed \$25,000 for any single worker during the program.

Recipients should undergo the following steps to provide premium pay to eligible workers.

- 1. Identify an “eligible” worker.** Eligible workers include workers “needed to maintain continuity of operations of essential critical infrastructure sectors.” These sectors and occupations are eligible:

- ✓ Health care
- ✓ Emergency response
- ✓ Sanitation, disinfection & cleaning
- ✓ Maintenance
- ✓ Grocery stores, restaurants, food production, and food delivery
- ✓ Pharmacy
- ✓ Biomedical research
- ✓ Behavioral health
- ✓ Medical testing and diagnostics
- ✓ Home and community-based health care or assistance with activities of daily living
- ✓ Family or child care
- ✓ Social services
- ✓ Public health
- ✓ Mortuary
- ✓ Critical clinical research, development, and testing necessary for COVID-19 response
- ✓ State, local, or Tribal government workforce
- ✓ Workers providing vital services to Tribes
- ✓ Educational, school nutrition, and other work required to operate a school facility
- ✓ Laundry
- ✓ Elections
- ✓ Solid waste or hazardous materials management, response, and cleanup
- ✓ Work requiring physical interaction with patients
- ✓ Dental care
- ✓ Transportation and warehousing
- ✓ Hotel and commercial lodging facilities that are used for COVID-19 mitigation and containment

Beyond this list, the chief executive (or equivalent) of a recipient government may designate additional non-public sectors as critical so long as doing so is necessary to protecting the health and wellbeing of the residents of such jurisdictions.

- 2. Verify that the eligible worker performs “essential work,”** meaning work that:

- Is not performed while teleworking from a residence; and
- Involves either:
 - a. regular, in-person interactions with patients, the public, or coworkers of the individual that is performing the work; or
 - b. regular physical handling of items that were handled by, or are to be handled by, patients, the public, or coworkers of the individual that is performing the work.



3. Confirm that the premium pay “responds to” workers performing essential work during the COVID-19 public health emergency. Under the final rule, which broadened the share of eligible workers who can receive premium pay without a written justification, recipients may meet this requirement in one of three ways:

- Eligible worker receiving premium pay is earning (with the premium included) at or below 150 percent of their residing state or county’s average annual wage for all occupations, as defined by the Bureau of Labor Statistics’ [Occupational Employment and Wage Statistics](#), whichever is higher, on an annual basis; or
- Eligible worker receiving premium pay is not exempt from the Fair Labor Standards Act overtime provisions; or
- If a worker does not meet either of the above requirements, the recipient must submit written justification to Treasury detailing how the premium pay is otherwise responsive to workers performing essential work during the public health emergency. This may include a description of the essential worker’s duties, health, or financial risks faced due to COVID-19, and why the recipient determined that the premium pay was responsive. Treasury anticipates that recipients will easily be able to satisfy the justification requirement for front-line workers, like nurses and hospital staff.

Premium pay may be awarded in installments or lump sums (e.g., monthly, quarterly, etc.) and may be awarded to hourly, part-time, or salaried or non-hourly workers. Premium pay must be paid in addition to wages already received and may be paid retrospectively. A recipient may not use SLFRF to merely reimburse itself for premium pay or hazard pay already received by the worker, and premium pay may not be paid to volunteers.



Water & Sewer Infrastructure

The Coronavirus State and Local Fiscal Recovery Funds may be used to make necessary investments in water and sewer infrastructure. State, local, and Tribal governments have a tremendous need to address the consequences of deferred maintenance in drinking water systems and removal, management, and treatment of sewage and stormwater, along with additional resiliency measures needed to adapt to climate change.

Recipients may undertake the eligible projects below:

PROJECTS ELIGIBLE UNDER EPA'S CLEAN WATER STATE REVOLVING FUND (CWSRF)

Eligible projects under the CWSRF, and the final rule, include:

- ✓ Construction of publicly owned treatment works
- ✓ Projects pursuant to implementation of a nonpoint source pollution management program established under the Clean Water Act (CWA)
- ✓ Decentralized wastewater treatment systems that treat municipal wastewater or domestic sewage
- ✓ Management and treatment of stormwater or subsurface drainage water
- ✓ Water conservation, efficiency, or reuse measures
- ✓ Development and implementation of a conservation and management plan under the CWA
- ✓ Watershed projects meeting the criteria set forth in the CWA
- ✓ Energy consumption reduction for publicly owned treatment works
- ✓ Reuse or recycling of wastewater, stormwater, or subsurface drainage water
- ✓ Security of publicly owned treatment works

Treasury encourages recipients to review the EPA handbook for the [CWSRF](#) for a full list of eligibilities.

PROJECTS ELIGIBLE UNDER EPA'S DRINKING WATER STATE REVOLVING FUND (DWSRF)

Eligible drinking water projects under the DWSRF, and the final rule, include:

- ✓ Facilities to improve drinking water quality
- ✓ Transmission and distribution, including improvements of water pressure or prevention of contamination in infrastructure and lead service line replacements
- ✓ New sources to replace contaminated drinking water or increase drought resilience, including aquifer storage and recovery system for water storage
- ✓ Green infrastructure, including green roofs, rainwater harvesting collection, permeable pavement
- ✓ Storage of drinking water, such as to prevent contaminants or equalize water demands
- ✓ Purchase of water systems and interconnection of systems
- ✓ New community water systems

Treasury encourages recipients to review the EPA handbook for the [DWSRF](#) for a full list of eligibilities.

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ADDITIONAL ELIGIBLE PROJECTS

With broadened eligibility under the final rule, SLFRF funds may be used to fund additional types of projects— such as additional stormwater infrastructure, residential wells, lead remediation, and certain rehabilitations of dams and reservoirs — beyond the CWSRF and DWSRF, if they are found to be “necessary” according to the definition provided in the final rule and outlined below.

- ✓ Culvert repair, resizing, and removal, replacement of storm sewers, and additional types of stormwater infrastructure
- ✓ Infrastructure to improve access to safe drinking water for individual served by residential wells, including testing initiatives, and treatment/remediation strategies that address contamination
- ✓ Dam and reservoir rehabilitation if primary purpose of dam or reservoir is for drinking water supply and project is necessary for provision of drinking water
- ✓ Broad set of lead remediation projects eligible under EPA grant programs authorized by the Water Infrastructure Improvements for the Nation (WIIN) Act, such as lead testing, installation of corrosion control treatment, lead service line replacement, as well as water quality testing, compliance monitoring, and remediation activities, including replacement of internal plumbing and faucets and fixtures in schools and childcare facilities

A “necessary” investment in infrastructure must be:

- (1) responsive to an identified need to achieve or maintain an adequate minimum level of service, which may include a reasonable projection of increased need, whether due to population growth or otherwise,
- (2) a cost-effective means for meeting that need, taking into account available alternatives, and
- (3) for investments in infrastructure that supply drinking water in order to meet projected population growth, projected to be sustainable over its estimated useful life.

Please note that DWSRF and CWSRF-eligible projects are generally presumed to be necessary investments. Additional eligible projects generally must be responsive to an identified need to achieve or maintain an adequate minimum level of service. Recipients are only required to assess cost-effectiveness of projects for the creation of new drinking water systems, dam and reservoir rehabilitation projects, or projects for the extension of drinking water service to meet population growth needs. Recipients should review the supplementary information to the final rule for more details on requirements applicable to each type of investment.

APPLICABLE STANDARDS & REQUIREMENTS

Treasury encourages recipients to adhere to strong labor standards, including project labor agreements and community benefits agreements that offer wages at or above the prevailing rate and include local hire provisions. Treasury also encourages recipients to prioritize in their procurements employers with high labor standards and to prioritize employers without recent violations of federal and state labor and employment laws.



Broadband Infrastructure

The Coronavirus State and Local Fiscal Recovery Funds may be used to make necessary investments in broadband infrastructure, which has been shown to be critical for work, education, healthcare, and civic participation during the public health emergency. The final rule broadens the set of eligible broadband infrastructure investments that recipients may undertake.

Recipients may pursue investments in broadband infrastructure meeting technical standards detailed below, as well as an expanded set of cybersecurity investments.

BROADBAND INFRASTRUCTURE INVESTMENTS

Recipients should adhere to the following requirements when designing a broadband infrastructure project:

1. **Identify an eligible area for investment.** Recipients are encouraged to prioritize projects that are designed to serve locations without access to reliable wireline 100/20 Mbps broadband service (meaning service that reliably provides 100 Mbps download speed and 20 Mbps upload speed through a wireline connection), but are broadly able to invest in projects designed to provide service to locations with an identified need for additional broadband investment. Recipients have broad flexibility to define need in their community. Examples of need could include:

- ✓ Lack of access to a reliable high-speed broadband connection
- ✓ Lack of affordable broadband
- ✓ Lack of reliable service

If recipients are considering deploying broadband to locations where there are existing and enforceable federal or state funding commitments for reliable service of at least 100/20 Mbps, recipients must ensure that SLFRF funds are designed to address an identified need for additional broadband investment that is not met by existing federal or state funding commitments. Recipients must also ensure that SLFRF funds will not be used for costs that will be reimbursed by the other federal or state funding streams.

2. **Design project to meet high-speed technical standards.** Recipients are required to design projects to, upon completion, reliably meet or exceed symmetrical 100 Mbps download and upload speeds. In cases where it is not practicable, because of the excessive cost of the project or geography or topography of the area to be served by the project, eligible projects may be designed to reliably meet or exceed 100/20 Mbps and be scalable to a minimum of symmetrical 100 Mbps download and upload speeds.

Treasury encourages recipients to prioritize investments in fiber-optic infrastructure wherever feasible and to focus on projects that will achieve last-mile connections. Further, Treasury encourages recipients to prioritize support for broadband networks owned, operated by, or affiliated with local governments, nonprofits, and co-operatives.



3. **Require enrollment in a low-income subsidy program.** Recipients must require the service provider for a broadband project that provides service to households to either:

- ✓ Participate in the FCC's Affordable Connectivity Program (ACP)
- ✓ Provide access to a broad-based affordability program to low-income consumers that provides benefits commensurate to ACP

Treasury encourages broadband services to also include at least one low-cost option offered without data usage caps at speeds sufficient for a household with multiple users to simultaneously telework and engage in remote learning. Recipients are also encouraged to consult with the community on affordability needs.

CYBERSECURITY INVESTMENTS

SLFRF may be used for modernization of cybersecurity for existing and new broadband infrastructure, regardless of their speed delivery standards. This includes modernization of hardware and software.

APPLICABLE STANDARDS & REQUIREMENTS

Treasury encourages recipients to adhere to strong labor standards, including project labor agreements and community benefits agreements that offer wages at or above the prevailing rate and include local hire provisions. Treasury also encourages recipients to prioritize in their procurements employers with high labor standards and to prioritize employers without recent violations of federal and state labor and employment laws.



Restrictions on Use

While recipients have considerable flexibility to use Coronavirus State and Local Fiscal Recovery Funds to address the diverse needs of their communities, some restrictions on use of funds apply.

OFFSET A REDUCTION IN NET TAX REVENUE

- **States and territories may not use this funding to directly or indirectly offset a reduction in net tax revenue resulting from a change in law, regulation, or administrative interpretation beginning on March 3, 2021, through the last day of the fiscal year in which the funds provided have been spent.** If a state or territory cuts taxes during this period, it must demonstrate how it paid for the tax cuts from sources other than SLFRF, such as by enacting policies to raise other sources of revenue, by cutting spending, or through higher revenue due to economic growth. If the funds provided have been used to offset tax cuts, the amount used for this purpose must be repaid to the Treasury.

DEPOSITS INTO PENSION FUNDS

- **No recipients except Tribal governments may use this funding to make a deposit to a pension fund.** Treasury defines a “deposit” as an extraordinary contribution to a pension fund for the purpose of reducing an accrued, unfunded liability. While pension deposits are prohibited, recipients may use funds for routine payroll contributions connected to an eligible use of funds (e.g., for public health and safety staff). Examples of extraordinary payments include ones that:
 - ✗ Reduce a liability incurred prior to the start of the COVID-19 public health emergency and occur outside the recipient's regular timing for making the payment
 - ✗ Occur at the regular time for pension contributions but is larger than a regular payment would have been

ADDITIONAL RESTRICTIONS AND REQUIREMENTS

Additional restrictions and requirements that apply across all eligible use categories include:

- **No debt service or replenishing financial reserves.** Since SLFRF funds are intended to be used prospectively, recipients may not use SLFRF funds for debt service or replenishing financial reserves (e.g., rainy day funds).
- **No satisfaction of settlements and judgments.** Satisfaction of any obligation arising under or pursuant to a settlement agreement, judgment, consent decree, or judicially confirmed debt restructuring in a judicial, administrative, or regulatory proceeding is itself not an eligible use. However, if a settlement requires the recipient to provide services or incur other costs that are an eligible use of SLFRF funds, SLFRF may be used for those costs.
- **Additional general restrictions.** SLFRF funds may not be used for a project that conflicts with or contravenes the purpose of the American Rescue Plan Act statute (e.g., uses of funds that

Coronavirus State & Local Fiscal Recovery Funds: Overview of the Final Rule



U.S. DEPARTMENT OF THE TREASURY

undermine COVID-19 mitigation practices in line with CDC guidance and recommendations) and may not be used in violation of the Award Terms and Conditions or conflict of interest requirements under the Uniform Guidance. Other applicable laws and regulations, outside of SLFRF program requirements, may also apply (e.g., laws around procurement, contracting, conflicts-of-interest, environmental standards, or civil rights).



Program Administration

The Coronavirus State and Local Fiscal Recovery Funds final rule details a number of administrative processes and requirements, including on distribution of funds, timeline for use of funds, transfer of funds, treatment of loans, use of funds to meet non-federal match or cost-share requirements, administrative expenses, reporting on use of funds, and remediation and recoupment of funds used for ineligible purposes. This section provides a summary for the most frequently asked questions.

TIMELINE FOR USE OF FUNDS

Under the SLFRF, funds must be used for costs incurred on or after March 3, 2021. Further, costs must be obligated by December 31, 2024, and expended by December 31, 2026.

TRANSFERS

Recipients may undertake projects on their own or through subrecipients, which carry out eligible uses on behalf of a recipient, including pooling funds with other recipients or blending and braiding SLFRF funds with other sources of funds. Localities may also transfer their funds to the state through section 603(c)(4), which will decrease the locality's award and increase the state award amounts.

LOANS

Recipients may generally use SLFRF funds to provide loans for uses that are otherwise eligible, although there are special rules about how recipients should track program income depending on the length of the loan. Recipients should consult the final rule if they seek to utilize these provisions.

NON-FEDERAL MATCH OR COST-SHARE REQUIREMENTS

Funds available under the "revenue loss" eligible use category (sections 602(c)(1)(C) and 603(c)(1)(C) of the Social Security Act) generally may be used to meet the non-federal cost-share or matching requirements of other federal programs. However, note that SLFRF funds may not be used as the non-federal share for purposes of a state's Medicaid and CHIP programs because the Office of Management and Budget has approved a waiver as requested by the Centers for Medicare & Medicaid Services pursuant to 2 CFR 200.102 of the Uniform Guidance and related regulations.

SLFRF funds beyond those that are available under the revenue loss eligible use category may not be used to meet the non-federal match or cost-share requirements of other federal programs, other than as specifically provided for by statute. As an example, the Infrastructure Investment and Jobs Act provides that SLFRF funds may be used to meet the non-federal match requirements of authorized Bureau of Reclamation projects and certain broadband deployment projects. Recipients should consult the final rule for further details if they seek to utilize SLFRF funds as a match for these projects.

ADMINISTRATIVE EXPENSES

SLFRF funds may be used for direct and indirect administrative expenses involved in administering the program. For details on permissible direct and indirect administrative costs, recipients should refer to Treasury's [Compliance and Reporting Guidance](#). Costs incurred for the same purpose in like circumstances must be treated consistently as either direct or indirect costs.

Coronavirus State & Local Fiscal Recovery Funds: Overview of the Final Rule



REPORTING, COMPLIANCE & RECOUPMENT

Recipients are required to comply with Treasury's [Compliance and Reporting Guidance](#), which includes submitting mandatory periodic reports to Treasury.

Funds used in violation of the final rule are subject to remediation and recoupment. As outlined in the final rule, Treasury may identify funds used in violation through reporting or other sources. Recipients will be provided with an initial written notice of recoupment with an opportunity to submit a request for reconsideration before Treasury provides a final notice of recoupment. If the recipient receives an initial notice of recoupment and does not submit a request for reconsideration, the initial notice will be deemed the final notice. Treasury may pursue other forms of remediation and monitoring in conjunction with, or as an alternative to, recoupment.

REVISIONS TO THE OVERVIEW OF THE FINAL RULE:

- January 18, 2022 (p. 4, p. 16): Clarification that the revenue loss standard allowance is “up to” \$10 million under the Replacing Lost Public Sector Revenue eligible use category; addition of further information on the eligibility of general infrastructure, general economic development, and worker development projects under the Public Health and Negative Economic Impacts eligible use category.
- March 17, 2022 (p. 18): Specified that provision of child nutrition programs is available to respond to impacts of the pandemic on households and communities.



RENEWAL PROPOSAL FOR **CITY OF DEVILS LAKE**



Client Number:	251249
Client Representative:	Kari Hunt
Renewal Period:	January 1, 2024 through December 31, 2024
Experience Period:	August 1, 2021 through July 31, 2023
Date Prepared:	8/15/2023



CITY OF DEVILS LAKE

Health Renewal	Current	Renewal
Effective Date	1/1/2023	1/1/2024
Plan Design Basics	NGF CompChoice 500	NGF CompChoice 500
All calculations use renewal year subscriber counts		
Individual:	27	27
Parent and Child:	4	4
Parent and Children:	14	14
Two Person:	6	6
Family:	11	11
Current subscribers by plan design	62	62
Subscribers at time of renewal calculation	67	62
Stop Loss Insurance		
Specific Deductible	\$20,000	\$20,000
Aggregate Corridor	120%	120%
Contract Basis	Incurred	Incurred
Coverage Included	Health	Health
Stop Loss Premium (Specific & Aggregate)		
Individual:	\$390.33	\$416.87
Parent and Child:	\$686.83	\$733.53
Parent and Children:	\$686.83	\$733.53
Two Person:	\$1,014.63	\$1,083.62
Family:	\$1,014.63	\$1,083.62
Annual Specific & Aggregate Premium	\$481,807	\$514,567
Percentage Increase		6.8%
Aggregate Stop Loss Attachment Point		
Individual:	\$518.42	\$487.32
Parent and Child:	\$912.59	\$857.85
Parent and Children:	\$912.59	\$857.85
Two Person:	\$1,348.15	\$1,267.28
Family:	\$1,348.15	\$1,267.28
Total Expected Claims	\$533,425	\$501,427
Total Maximum Claims at Aggregate Corridor	\$640,110	\$601,712
Percentage Increase		-6.0%
Administrative Fee		
Administrative Fee Type	Percent of Claims	Percent of Claims
Administrative Fee	9.9%	9.9%
Expected Administrative Fee	\$52,809	\$49,641
Maximum Administrative Fee	\$63,371	\$59,570
Broker Fees		
Broker Fee Type	None	None
Broker Fee Type Amount	\$0.00	\$0.00
Per Subscriber Per Month	\$0.00	\$0.00
Annual Broker Fees	\$0	\$0
Total Expected Cost - (Equals Annual Spec & Agg Prem + Expected Claims + Admin Fees)		
	\$1,068,041	\$1,065,635
Total Maximum Cost - (Equals Annual Spec & Agg Prem + Maximum Claims + Admin Fees)		
	\$1,185,288	\$1,175,849
Minimum Aggregate Deductible	\$576,099	\$541,541

**ND****CITY OF DEVILS LAKE**

Health Renewal	Current	Renewal
Effective Date	1/1/2023	1/1/2024
Plan Design Basics	NGF CompChoice 500	NGF CompChoice 500

All calculations use renewal year subscriber counts

Individual:	27	27
Parent and Child:	4	4
Parent and Children:	14	14
Two Person:	6	6
Family:	11	11
Current subscribers by plan design	62	62
Subscribers at time of renewal calculation	67	62

Stop Loss Insurance

Specific Deductible	\$20,000	\$20,000
Aggregate Corridor	120%	120%
Contract Basis	Incurred	Incurred
Coverage Included	Health	Health

Suggested Funding Levels based on Expected Claims*Equals Monthly Spec & Agg Prem + Monthly Expected Claims (including value-based programs, i.e. Blue Alliance) + Monthly Admin Fees broken out by tier*

Individual:	\$865.12	\$863.17
Parent and Child:	\$1,522.61	\$1,519.18
Parent and Children:	\$1,522.61	\$1,519.18
Two Person:	\$2,249.31	\$2,244.24
Family:	\$2,249.31	\$2,244.24
Annual Funding at Expected Claims	\$1,068,042	\$1,065,635
Percentage Increase		-0.2%

Suggested Funding Levels based on Maximum Claims*Equals Monthly Spec & Agg Prem + Monthly Maximum Claims (including value-based programs, i.e. Blue Alliance) + Monthly Admin Fees broken out by tier*

Individual:	\$960.07	\$952.43
Parent and Child:	\$1,689.77	\$1,676.31
Parent and Children:	\$1,689.77	\$1,676.31
Two Person:	\$2,496.25	\$2,476.36
Family:	\$2,496.25	\$2,476.36
Annual Funding at Maximum Claims	\$1,185,288	\$1,175,848
Percentage Increase		-0.8%

ID (Internal Use Only) R240125124901

BCBSND does not provide actuarial services. Any cost estimates, suggested funding levels and the like are based on a variety of assumptions and variables including, but not limited to, expected enrollment, expected claims, claims weighting, claims trend and rating factors, each of which may or may not prove accurate. You should consult with your qualified financial or actuarial professional on all aspects of funding the Plan.



CITY OF DEVILS LAKE

	Current	Option 1
Effective Date	1/1/2023	1/1/2024
Plan Design Basics	NGF CompChoice 500	NGF YourBlue 80 500
All calculations use renewal year subscriber counts		
Current Subscriber Count		
Individual:	27	27
Parent and Child:	4	4
Parent and Children:	14	14
Two Person:	6	6
Family:	11	11
Current subscribers by plan design	62	62
Subscribers at time of renewal calculation	67	62
Stop Loss Insurance		
Specific Deductible	\$20,000	\$20,000
Aggregate Corridor	120%	120%
Contract Basis	Incurred	Incurred
Coverage Included	Health	Health
Stop Loss Premium (Specific & Aggregate)		
Individual:	\$390.33	\$416.87
Parent and Child:	\$686.83	\$733.53
Parent and Children:	\$686.83	\$733.53
Two Person:	\$1,014.63	\$1,083.62
Family:	\$1,014.63	\$1,083.62
Annual Specific & Aggregate Premium	\$481,807	\$514,567
Percentage Increase		6.8%
Aggregate Stop Loss Attachment Point		
Individual:	\$518.42	\$477.91
Parent and Child:	\$912.59	\$841.47
Parent and Children:	\$912.59	\$841.47
Two Person:	\$1,348.15	\$1,243.09
Family:	\$1,348.15	\$1,243.09
Total Expected Claims	\$533,425	\$491,826
Total Maximum Claims at Aggregate Corridor	\$640,110	\$590,191
Percentage Increase		-7.8%
Administrative Fee		
Administrative Fee Type	Percent of Claims	Percent of Claims
Administrative Fee	9.9%	9.9%
Expected Administrative Fee	\$52,809	\$48,691
Maximum Administrative Fee	\$63,371	\$58,429
Broker Fees		
Broker Fee Type	None	None
Broker Fee Type Amount	\$0.00	\$0.00
Per Subscriber Per Month	\$0.00	\$0.00
Annual Broker Fees	\$0	\$0
Total Expected Cost - (Equals Annual Spec & Agg Prem + Expected Claims + Admin Fees)		
	\$1,068,041	\$1,055,084
Total Maximum Cost - (Equals Annual Spec & Agg Prem + Maximum Claims + Admin Fees)		
	\$1,185,288	\$1,163,187
Minimum Aggregate Deductible	\$576,099	\$531,172



ND

CITY OF DEVILS LAKE

	Current	Option 1
Effective Date	1/1/2023	1/1/2024
Plan Design Basics	NGF CompChoice 500	NGF YourBlue 80 500

All calculations use renewal year subscriber counts

Current Subscriber Count

Individual:	27	27
Parent and Child:	4	4
Parent and Children:	14	14
Two Person:	6	6
Family:	11	11
Current subscribers by plan design	62	62
Subscribers at time of renewal calculation	67	62

Stop Loss Insurance

Specific Deductible	\$20,000	\$20,000
Aggregate Corridor	120%	120%
Contract Basis	Incurred	Incurred
Coverage Included	Health	Health

Suggested Funding Levels based on Expected Claims

Equals Monthly Spec & Agg Prem + Monthly Expected Claims (including value-based programs, i.e. Blue Alliance) + Monthly Admin Fees broken out by tier

Individual:	\$865.12	\$854.56
Parent and Child:	\$1,522.61	\$1,504.18
Parent and Children:	\$1,522.61	\$1,504.18
Two Person:	\$2,249.31	\$2,222.08
Family:	\$2,249.31	\$2,222.08
Annual Funding at Expected Claims	\$1,068,042	\$1,055,085
Percentage Increase		-1.2%

Suggested Funding Levels based on Maximum Claims

Equals Monthly Spec & Agg Prem + Monthly Maximum Claims (including value-based programs, i.e. Blue Alliance) + Monthly Admin Fees broken out by tier

Individual:	\$960.07	\$942.09
Parent and Child:	\$1,689.77	\$1,658.31
Parent and Children:	\$1,689.77	\$1,658.31
Two Person:	\$2,496.25	\$2,449.78
Family:	\$2,496.25	\$2,449.78
Annual Funding at Maximum Claims	\$1,185,288	\$1,163,187
Percentage Increase		-1.9%
ID (Internal Use Only)		Q240125124901

BCBSND does not provide actuarial services. Any cost estimates, suggested funding levels and the like are based on a variety of assumptions and variables including, but not limited to, expected enrollment, expected claims, claims weighting, claims trend and rating factors, each of which may or may not prove accurate. You should consult with your qualified financial or actuarial professional on all aspects of funding the Plan.



Health Attachment A

Client & Contract Information

Contract Period: 1/1/2024 - 12/31/2024
Client Name: CITY OF DEVILS LAKE
Client Number: 251249

Coverage: Health
Specific/Individual Deductible: \$20,000
Aggregate Corridor: 120%
Contract Basis: Incurred

Renewal Plan Design

NGF YourBlue 80
500

Grandfathered Status: NGF
Rx Creditable: YES

Expected Monthly Enrollment Levels

Individual:	27
Parent and Child:	4
Parent and Children:	14
Two Person:	6
Family:	11
Total:	62

Stop Loss Insurance

Stop Loss Monthly Premium (Specific/Individual and Aggregate)

Individual:	\$416.87
Parent and Child:	\$733.53
Parent and Children:	\$733.53
Two Person:	\$1,083.62
Family:	\$1,083.62

Aggregate Stop Loss Attachment Point (Per Subscriber x 12 for Contract Period)

Individual:	\$477.91
Parent and Child:	\$841.47
Parent and Children:	\$841.47
Two Person:	\$1,243.09
Family:	\$1,243.09

Broker Fees

Broker Fee (Per Subscriber Per Month): \$0.00
Broker Fee Type: None

Administrative Fees

Expected Administrative fees:	9.9% of claims	\$48,691
Maximum Administrative fees:	9.9% of claims	\$58,429

Summary of Estimated Maximum Contract Period Costs (At enrollment levels above)

Stop Loss Premium:	\$514,567
Aggregate Stop Loss Attachment Point:	\$590,191
Administrative fees:	\$58,429
Broker Fees:	\$0
Total Maximum Cost:	\$1,163,186
Minimum Aggregate Deductible:	\$531,172

The terms stated in Section V.B. of the most recently executed Administrative Service Agreement (ASA) shall continue to be in effect until a new ASA is fully executed, up to 120 days, allowing the Plan Sponsor to continue to receive PHI reports. The information and pricing data included in this Attachment A is non-binding and for evaluation purposes only and is subject to adjustment modification by the parties until execution of the ASA. The Client's review and signature below indicates the Client's desire to proceed with formation of a definitive ASA.

Client Name: CITY OF DEVILS LAKE

BCBSND Reviewed By: _____

By: _____

Date: _____

Title: _____

ID (Internal Use Only): Q240125124901

Date: _____

	In-Network		Out-of-Network	
	⊕ Deductible	⚠ OOPM	⊕ Deductible	⚠ OOPM
Individual	\$500	\$3,000	\$1,000	\$6,000
Parent and Child	\$750	\$4,500	\$1,500	\$9,000
Parent and Children	\$750	\$4,500	\$1,500	\$9,000
Two Person	\$1,000	\$6,000	\$2,000	\$12,000
Family	\$1,000	\$6,000	\$2,000	\$12,000

In-Network Benefit Highlights: Your Cost Sharing Amounts			
Service/Benefit	Ⓢ Copay	Ⓜ Coinsurance	⊕ Deductible does not apply
Preventive Services		0%	X
Home and Office Visits	\$30		X
Diagnostic Services		20%	
Inpatient and Outpatient Surgical Services		20%	
Emergency Services		20%	
Provider Visits	\$30		X
Emergency Room Charge	\$150		X
Outpatient Prescription Drugs not on the value-based design drug list			
Formulary Drugs	\$15	20%	X
Nonformulary Drugs	\$15	50% Sanction*	X
<i>Number of copays may vary based on day supply.</i>			
Outpatient Prescription Drugs on the value-based design drug list			
Retail Pharmacy	\$5		X
Preferred Mail Order Pharmacy	\$5		X
<i>Number of copays may vary based on day supply.</i>			

Amounts are the % of allowed charge after the deductible is met and before out-of-pocket maximum is met when covered services are received from the Blue Cross Blue Shield of North Dakota (BCBSND) participating provider network.

After the out-of-pocket maximum is met, services are covered at 100% when received from a participating BCBSND provider.

* The sanction does not apply to any cost sharing amounts.

YOURBLUE IS A NETWORK PLAN

You get the best coverage when you get care within the Preferred Provider Organization (PPO) network.

If a family member resides outside of North Dakota, their network is the BlueCard PPO/EPO. A network deductible may apply to certain out-of-network services. Providers who are not Preferred Blue or BlueCard PPO health care providers are out-of-network.

Certain covered services received out-of-network are paid at a lower benefit or no benefit amount and will increase out-of-pocket expenses.

Refer to your benefit plan for details.

COMMON TERMS

Deductible

The dollar amount paid by you for certain covered services during the benefit period.

Coinsurance

A percentage of the allowed charge for covered services that is your responsibility. Some medical providers may require that the coinsurance amount be paid at the time of service.

Copayment (Copay)

A set amount paid for a certain covered service at the time the service is received.

Formulary drug

A preferred drug on the formulary drug list.

Nonformulary drug

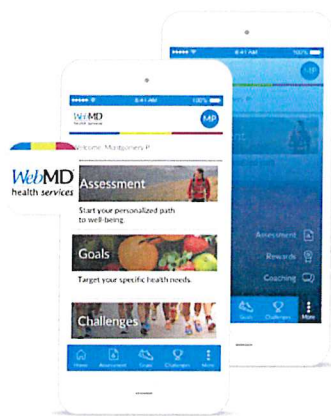
A drug not on the formulary drug list.

Out-of-pocket maximum (OOPM)

The most you will pay for covered services received during the benefit period, which includes applicable cost sharing amounts (copays, deductibles and coinsurance). After that, BCBSND pays 100% for covered expenses. The benefit period is on a calendar year (January 1 through December 31). The OOPM amount does not include the nonformulary drug sanction amounts.

FIND A DOCTOR OR A SPECIALIST

You should select a health care provider in your network through the “Find a Doctor” link on your online member services account at BCBSND.com.



Your plan includes HealthyBlue online wellness center powered by WebMD

BCBSND partners with WebMD Health Services to provide powerful online tools to help you meet your personal health goals. You can access WebMD through your online member services account at BCBSND.com.



QUESTIONS?

Call the number on the back of your member ID card.

This health plan is that of your employer. Blue Cross Blue Shield of North Dakota is serving only as the Claims Administrator and does not assume any financial risk except for stop-loss coverage.

www.BCBSND.com

This benefit grid presents a brief overview of covered services and payment levels of this product. It should not be used to determine whether your health care expenses will be paid. The written benefit plan governs the benefits available. For premium rates and further details of the coverage, including definitions; exclusions; criteria for medically appropriate and necessary care; credentialing process; confidentiality policy; description of experimental drugs, medical devices or treatments; grievance and appeals process; provider listings; drugs eligible for coverage; reductions or limitations; and the terms under which this benefit plan may be continued, call, write or visit Blue Cross Blue Shield of North Dakota (BCBSND).

WebMD Health Services is an independent company that assists with the administration of BCBSND's health and wellness programs.

Blue Cross Blue Shield of North Dakota is an independent licensee of the Blue Cross Blue Shield Association

	(\$ Deductible	(% OOPM
Individual	\$500	\$3,000
Parent and Child	\$750	\$4,500
Parent and Children	\$750	\$4,500
Two Person	\$1,000	\$6,000
Family	\$1,000	\$6,000

Benefit Highlights: Your Cost Sharing Amounts			
Service/Benefit	(\$ Copay	(% Coinsurance	(+/-) Deductible does not apply
Preventive Services		0%	X
Home and Office Visits	\$25	20%	X
Diagnostic Services		20%	
Inpatient and Outpatient Surgical Services		20%	
Emergency Services		20%	
Provider Visit	\$25	20%	X
Emergency Room Charge	\$75	20%	X
Outpatient Prescription Drugs not on the value based design drug list			
Formulary Drugs	\$15	20%	X
Nonformulary Drugs	\$15	50% sanction*	X
<i>Number of copays may vary based on day supply.</i>			
Outpatient Prescription Drugs on the value based design drug list			
Retail Pharmacy	\$5	0%	X
Preferred Mail Order Pharmacy	\$5	0%	X
<i>Number of copays may vary based on day supply.</i>			

Amounts are the % of allowed charge after the deductible is met and before out-of-pocket maximum is met when covered services are received from the BCBSND participating provider network.

After the out-of-pocket maximum is met, services are covered at 100% when received from a participating BCBSND provider.

Certain covered services received from a non-participating BCBSND provider are paid at a lower benefit or no benefit amount and will increase out-of-pocket expenses.

* The sanction does not apply to any cost sharing amounts.

Refer to your benefit plan for details.

COMMON TERMS



Deductible

The dollar amount paid by you for certain covered services during the benefit period.



Coinsurance

A percentage of the allowed charge for covered services that is your responsibility. Some medical providers may require that the coinsurance amount be paid at the time of service.



Copayment (Copay)

A set amount paid for a certain covered service at the time the service is received.



Formulary drug

A preferred drug on the formulary drug list.



Nonformulary drug

A drug that is not on the formulary drug list.

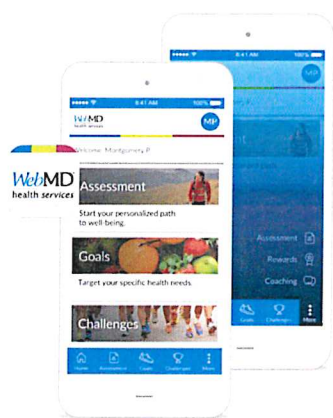


Out-of-pocket maximum (OOPM)

The most you will pay for covered services received during the benefit period, which includes applicable cost sharing amounts (copays, deductibles and coinsurance). After that, BCBSND pays 100% for covered expenses. The benefit period is on a calendar year (January 1 through December 31). The OOPM amount does not include the nonformulary drug sanction amounts.

FIND A DOCTOR OR A SPECIALIST:

You should select a health care provider in your network through the "Find a Doctor" link on your online member services account at BCBSND.com.



Your plan includes HealthyBlue online wellness center powered by WebMD

BCBSND partners with WebMD Health Services to provide powerful online tools to help you meet your personal health goals. You can access WebMD through your online member services account at BCBSND.com.



QUESTIONS?

Call the number on the back of your member ID card.



WWW.BCBSND.COM

This benefit grid presents a brief overview of covered services and payment levels of this product. It should not be used to determine whether your health care expenses will be paid. The written benefit plan governs the benefits available. For premium rates and further details of the coverage, including definitions, exclusions; criteria for medically appropriate and necessary care; credentialing process; confidentiality policy; description of experimental drugs, medical devices or treatments; grievance and appeals process; provider listings; drugs eligible for coverage; reductions or limitations; and the terms under which this benefit plan may be continued, call, write or visit Blue Cross Blue Shield of North Dakota (BCBSND).

WebMD Health Services is an independent company that assists with the administration of BCBSND's health and wellness programs.

Blue Cross Blue Shield of North Dakota is an independent licensee of the Blue Cross & Blue Shield Association.

**ND**

CITY OF DEVILS LAKE

Vision Renewal	Current	Renewal
Effective Date	1/1/2023	1/1/2024
Plan Design Basics	BlueVision Essential	BlueVision Essential
All calculations use renewal year enrollee counts		
Current Enrollee Count		
Individual:	22	22
Parent and Child:	1	1
Parent and Children:	9	9
Two Person:	9	9
Family:	20	20
Enrollees at time of renewal calculation	61	61
Contract Basis	Incurred	Incurred
Coverage Included	Vision	Vision
Total Expected Claims	\$11,679	\$10,043
Percentage Increase		-14.0%
Administrative Fee		
Administrative Fee Percent of Claims	10.9%	10.9%
Expected Administrative Fee	\$1,273	\$1,095
Expected Administrative Fee PEPM		
Broker Fees		
Broker Fee Type	None	None
Broker Fee Type Amount	\$0.00	\$0.00
Per Enrollee Per Month	\$0.00	\$0.00
Annual Broker Fees	\$0	\$0
Percentage Increase		0.0%
Total Expected Cost - (Equals Expected Claims + Admin Fees + Broker Fees)		
	\$12,952	\$11,138
Suggested Funding Levels based on Expected Claims		
Monthly Expected Claims + Monthly Admin Fees + Broker Fees broken out by tier		
Individual:	\$9.36	\$8.05
Parent and Child:	\$16.52	\$14.21
Parent and Children:	\$16.52	\$14.21
Two Person:	\$24.42	\$21.00
Family:	\$24.42	\$21.00
Annual Funding at Expected Claims	\$12,952	\$11,138
Percentage Increase		-14.0%

BLUE CROSS BLUE SHIELD OF NORTH DAKOTA (BCBSND) / VSP

Your Coverage with a VSP Provider	
Benefit	Description
WellVision Exam®	Every calendar year Focuses on your eyes and overall wellness
Prescription Glasses Lenses Frame	Every calendar year Single vision, lined bifocal, and lined trifocal lenses Progressive lenses Polycarbonate lenses for dependent children under age 19 Every other calendar year \$100 allowance for a wide selection of frames
Contact Lenses Contact Lens Fitting & Exam Contact Lens Allowance	Elective contact lens fitting and evaluation once every calendar year. A 15% discount applies when seeing a Member Doctor. The copay is up to \$60. Contact lenses are available under this vision plan in place of all other lens and frame benefits for the current calendar year, up to a maximum benefit allowance of \$150.
Extra Savings	<p>Glasses and Sunglasses Extra \$20 to spend on featured frame brands. Go to vsp.com/specialoffers for details. 30% savings on additional glasses and sunglasses, including lens enhancements, from the same VSP provider on the same day as your WellVision Exam. Or get 20% from any VSP provider within 12 months of your last WellVision Exam</p> <p>Retinal Screening No more than a \$39 copay on routine retinal screening as an enhancement to a WellVision Exam</p> <p>Laser Vision Correction Average 15% off the regular price or 5% off the promotional price; discounts only available from contracted facilities After surgery, use your frame allowance (if eligible) for sunglasses from any VSP doctor</p>

Your Coverage with Non-Member Providers

Get the most out of your benefits and greater savings with a VSP network doctor. Your coverage with Non-Member Providers will be less or you'll receive a lower level of benefits. Visit BCBSND.com for plan details.

Exam	up to \$60	Lined Trifocal Lenses	up to \$100
Frame	up to \$78	Progressive Lenses	up to \$75
Single Vision Lenses	up to \$50	Contacts	up to \$135
Lined Bifocal Lenses	up to \$75		

Plan allowances at some retail chains may differ, but are of equivalent value. Once your benefit is effective, visit BCBSND.com for details. Coverage information is subject to change. In the event of a conflict between this information and your organization's contract with BCBSND, the terms of the contract will prevail.

This vision plan is that of your employer. BCBSND is serving only as the Claims Administrator.

YOUR VISION BENEFITS SUMMARY

Get access to the best eye care and eyewear with BCBSND BlueVision.

Using Your BlueVision Benefit is Easy

Log in to your account at BCBSND.com. Your member portal is your one stop shop for managing your vision coverage with BCBSND. Within the portal, you can access additional information from our vision partner, VSP.

Once your plan is effective, you can review your benefit information:

- View individuals covered by your BCBSND vision plan
- View your vision benefits information

To access additional information on the VSP portal, log into your member services account at BCBSND.com and select the Claims tab on the top. Then, the link can be found on the left-hand side. Once there you can:

- View your claims history
- Download your VSP savings statements, which outline the discounts available with your coverage
- Find an in-network provider through the online directory. You can choose from a large network of independent doctors, including premier program locations for the best value, retail chains, or any non-member provider.
- View and download forms

Best Eye Care

You'll get the highest level of care, including a WellVision Exam – the most comprehensive exam designed to detect eye and health conditions. Plus, when you see a VSP provider, you'll get the most out of your benefit, have lower out-of-pocket costs, and your satisfaction is guaranteed.

Plan Information

VSP Provider Network: VSP Signature

Visit BCBSND.com or call 800.877.7195 for more details on your vision coverage and exclusive savings and promotions for VSP members.

For further details of the coverage, including exclusions, any reductions or limitations and the terms under which the benefit plan may be continued, see your Sales and Account Executive. This is a brief explanation of covered services and payment levels of this product. It should not be used to determine whether vision expenses will be paid. The written certificate of insurance governs the benefits available.

Blue Cross Blue Shield of North Dakota is an independent licensee of the Blue Cross Blue Shield Association

VSP® Vision Care is an independent company providing vision benefit management services and access to the VSP vision network for Blue Cross Blue Shield of North Dakota vision products.

**ND**

Vision Attachment A

Client & Contract Information

Contract Period: 01/01/2024 - 12/31/2024
Client Name: CITY OF DEVILS LAKE
Client Number: 251249

Coverage: Vision
Contract Basis: Incurred

Renewal Plan Design:

BlueVision Essential

Expected Monthly Enrollment Levels:

Individual:	22
Parent and Child:	1
Parent and Children:	9
Two Person:	9
Family:	20
Total:	61

Broker Fees

Broker Fee (Per Enrollee Per Month): \$0
Broker Fee Type: None

Administrative Fees:

Administrative fees: (10.9% of claims)

The terms stated in Section V.B. of the most recently executed Administrative Service Agreement (ASA) shall continue to be in effect until a new ASA is fully executed, up to 120 days, allowing the Plan Sponsor to continue to receive PHI reports. The information and pricing data included in this Attachment A is non-binding and for evaluation purposes only and is subject to adjustment modification by the parties until execution of the ASA. The Client's review and signature below indicates the Client's desire to proceed with formation of a definitive ASA.

Client Name: CITY OF DEVILS LAKE

BCBSND Reviewed By: _____

By: _____

Date: _____

Title: _____

ID (Internal Use Only): _____

Date: _____

**ND****CITY OF DEVILS LAKE**

Dental Renewal	Current	Renewal
Effective Date	1/1/2023	1/1/2024
Plan Design Basics	BlueDental Elite+ 50 1000	BlueDental Elite+ 50 1000
<i>All calculations use renewal year participant counts</i>		
Current Participant Count		
Individual:	23	23
Parent and Child:	1	1
Parent and Children:	9	9
Two Person:	9	9
Family:	20	20
Participants at time of renewal calculation	62	62
Contract Basis	Incurred	Incurred
Coverage Included	Dental	Dental
Total Expected Claims	\$67,234	\$69,252
Percentage Increase		3.0%
Administrative Fee		
Administrative Fee Percent of Claims	10.9%	10.9%
Expected Administrative Fee	\$7,329	\$7,549
Expected Administrative Fee PPPM		
Broker Fees		
Broker Fee Type	None	None
Broker Fee Type Amount	\$0.00	\$0.00
Per Participant Per Month	\$0.00	\$0.00
Annual Broker Fees	\$0	\$0
Percentage Increase		0.0%
Total Expected Cost - (Equals Expected Claims + Admin Fees + Broker Fees)		
	\$74,563	\$76,801
Suggested Funding Levels based on Expected Claims		
Equals Monthly Expected Claims + Monthly Admin Fees + Broker Fees broken out by tier		
Individual:	\$52.54	\$54.12
Parent and Child:	\$94.69	\$97.53
Parent and Children:	\$94.69	\$97.53
Two Person:	\$139.94	\$144.14
Family:	\$139.94	\$144.14
Annual Funding at Expected Claims	\$74,563	\$76,801
Percentage Increase		3.0%

Deductible Amount	\$50 per member per benefit period, \$100 per family per benefit period. Claims for covered services incurred October 1 through December 31 include a deductible carry-over to the next year
Annual Maximum	\$1,000 per member per benefit period
Orthodontic Services and Maximum	Covered at 50% of allowed charge. Deductible does not apply. \$1,500 lifetime maximum per member
Covered Services	
Diagnostic Services	
*Oral Evaluations, two per calendar year	100% (Deductible does not apply)
Radiographs	
*Bitewing X-rays, one set per calendar year	100% (Deductible does not apply)
*Full Mouth X-rays or Panoramic X-rays, once every five years	
*Occlusal Films	
Preventive Services	
*Prophylaxis (Cleanings), four per calendar year. One additional for members under the care of a medical professional during pregnancy	100% (Deductible does not apply)
*Topical Fluoride, twice per calendar year	
Sealants	80% (After deductible is met)
Space Maintainers	
Restorative Services	
Amalgam Restorations	80% (After deductible is met)
Resin Based Composite-Anterior & Posterior (White Fillings)	
Single and Stainless Steel Crowns and Repairs	50% (After deductible is met)
Inlays, Onlays and Repairs	
Endodontic Services	
Endodontic Therapy (Root Canals etc.)	80% (After deductible is met)
Root Canal Retreatment	
Apicoectomy/Periradicular (Root Surgery)	
Periodontal Services	
Surgical and Non-Surgical Periodontics	80% (After deductible is met)
Periodontal Maintenance	
Prosthodontic Services	
Removable Complete and Partial Dentures	50% (After deductible is met)
Fixed Partial Dentures (Bridges)	
Adjustments and Repairs of Complete and Partial Dentures	
Implant Services	
Surgical Placement	50% (After deductible is met)
Supporting Structures	
Treatment of Implant Defects	
Fixed Partial Denture and Removable Denture	
*Cone Beam CT Images	100% (Deductible does not apply)
Removal of Teeth	
Simple and Surgical Extractions	80% (After deductible is met)
Complex Oral Surgery	50% (After deductible is met)
Adjunctive General Services	
Consultations	80% (After deductible is met)
General Anesthesia, Nitrous Oxide and/or IV Sedation	
*Palliative Treatment (Emergency)	100% (Deductible does not apply)
Orthodontic Services	
Orthodontics Services	50% (Deductible does not apply)

*Covered service does not apply to benefit maximums.

This chart presents a brief explanation of the covered services and payment levels of this product. It should not be used to determine whether your dental expenses will be paid. The written benefit plan governs the benefits available. For further details of the coverage, including exclusions, reductions or limitations and the terms under which the benefit plan may be continued, see your Sales & Account Executive or write to Blue Cross Blue Shield of North Dakota. For the list of exclusions and limitations, refer to the written benefit plan. This information is available to individuals with disabilities in alternate formats, free of charge, by calling Member Services at 1-844-653-4056 (toll-free) or through the North Dakota Relay at 1-800-366-6888 or 711.

United Concordia Companies, Inc. is an independent company providing dental benefit administrative services and access to a provider network for Blue Cross Blue Shield of North Dakota dental products. This dental plan is that of your employer. Blue Cross Blue Shield of North Dakota is serving only as the Claims Administrator.

**ND**

Dental Attachment A

Client & Contract Information

Contract Period:	01/01/2024 - 12/31/2024	Coverage:	Dental
Client Name:	CITY OF DEVILS LAKE	Contract Basis:	Incurred
Client Number:	251249		

Renewal Plan Design

BlueDental Elite+ 50
1000

Expected Monthly Enrollment Levels

Individual:	23
Parent and Child:	1
Parent and Children:	9
Two Person:	9
Family:	20
Total:	<hr/> 62

Broker Fees

Broker Fee (Per Participant Per Month):	\$0
Broker Fee Type:	None

Administrative Fees

Administrative fees:	(10.9% of claims)
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The terms stated in Section V.B. of the most recently executed Administrative Service Agreement (ASA) shall continue to be in effect until a new ASA is fully executed, up to 120 days, allowing the Plan Sponsor to continue to receive PHI reports. The information and pricing data included in this Attachment A is non-binding and for evaluation purposes only and is subject to adjustment modification by the parties until execution of the ASA. The Client's review and signature below indicates the Client's desire to proceed with formation of a definitive ASA.

Client Name: CITY OF DEVILS LAKE

BCBSND Reviewed By: _____

By: _____

Date: _____

Title: _____

ID (Internal Use Only): _____

Date: _____



ND

CITY OF DEVILS LAKE

Enrollment and Claims by Month

Month	Individual	Parent + Child	Parent + Children	Two Person	Family	Subscribers	Members	Claims	Claims PMPM
8/1/2021	27	2	17	6	14	66	161	\$45,108	\$280.17
9/1/2021	27	2	17	6	14	66	161	\$81,072	\$503.56
10/1/2021	26	2	17	6	13	64	155	\$93,158	\$601.02
11/1/2021	27	2	17	6	12	64	152	\$122,828	\$808.08
12/1/2021	28	2	17	6	11	64	149	\$50,136	\$336.48
1/1/2022	28	2	16	6	12	64	151	\$102,092	\$676.11
2/1/2022	28	2	16	7	13	66	159	\$44,733	\$281.34
3/1/2022	29	2	15	7	12	65	153	\$58,769	\$384.11
4/1/2022	28	4	13	8	12	65	152	\$50,763	\$333.97
5/1/2022	27	5	14	8	12	66	156	\$50,174	\$321.63
6/1/2022	27	5	14	9	11	66	154	\$54,769	\$355.64
7/1/2022	28	5	14	9	11	67	155	\$42,421	\$273.68
Period 2 Total	330	35	187	84	147	783	1,858	\$796,023	\$428.43
8/1/2022	30	5	14	7	10	66	150	\$58,619	\$390.79
9/1/2022	31	5	14	8	10	68	153	\$47,326	\$309.32
10/1/2022	30	4	13	8	10	65	146	\$43,500	\$297.94
11/1/2022	31	4	14	8	9	66	147	\$87,930	\$598.16
12/1/2022	31	4	14	8	10	67	152	\$37,135	\$244.31
1/1/2023	30	4	14	8	11	67	154	\$121,539	\$789.21
2/1/2023	30	4	14	8	11	67	154	\$48,017	\$311.80
3/1/2023	30	4	14	8	11	67	154	\$43,652	\$283.46
4/1/2023	29	4	14	8	11	66	151	\$76,967	\$509.71
5/1/2023	28	4	14	7	11	64	148	\$95,407	\$644.64
6/1/2023	28	4	14	6	11	63	146	\$33,589	\$230.06
7/1/2023	27	4	14	6	11	62	145	\$30,948	\$213.44
Period 1 Total	355	50	167	90	126	788	1,800	\$724,628	\$402.57



ND

Self-Funded Renewal Requirements

Group Requirements

Minimum employee participation is 70% of eligible employees

Minimum employer contribution is 50% of the employee only premium

BCBSND is the only health carrier offered

BCBSND is the only Stop-Loss Carrier allowed.

Prescription Drugs

Prime Therapeutics is the Pharmacy Benefits Manager for BCBSND

Pricing

BCBSND reserves the right to rerate if enrollment changes +/- 15% in one month, or +/- 30% in three months during contract period.

Applicable BlueCard® fees and compensation will apply

The renewal and option(s) quotes will expire 2 calendar months prior to the Anniversary Date

**ND**

Contribution and Eligibility Form

Client Information

Client Name:	CITY OF DEVILS LAKE	BCBSND Representative:	
Client Number:	251249	Broker Name:	
Effective Date:	01/01/2023	Parent Account:	
Anniversary:	January	SIC Code:	9111
Physical Address:	423 6TH ST NE DEVILS LAKE, ND 58301	EIN:	45-6002052
Consortium (if applicable):		Tefra/Obra:	OBRA

Current Contribution for Eligible Employees

Type	Individual	Parent & Child	Parent & Children	Two Person	Family	Health Plan	Class
Health	100%	90%	90%		80%		
Dental	100%	90%	90%		80%		
Vision	100%	90%	90%		80%		

Eligibility Information

Number of Benefit Eligible Employees: 65

Weekly Minimum Hours: 40

New Hire Eligibility: 1st or 16th of the Month

Probation Period: 0 days of continuous employment for new hire eligibility.

Note: The probation period must be the same for all products offered. Any time a client has health coverage along with dental and/or vision, the probation period must not exceed 60 days.

Standard Measurement Period

Time period between 3 and 12 consecutive months where employer tracks on-going employees' hours of service and determines if employees work an average of 30 hours per week and are considered full-time.

Does the employer utilize a standard measurement period? NA

If yes, how many months is the employer's standard measurement period?

**ND**

Contribution and Eligibility Form

Product Renewal Information

Group Number	Group Name	Product Name
10351138	CITY OF DEVILS LAKE	CompChoice 80 CMM w/Rx IND E1D ECH ESP FAM
10351140	CITY OF DEVILS LAKE	BlueDental Elite+ 50 1000 LG - Jan
10351143	CITY OF DEVILS LAKE	BlueVision Essential LG - Jan
10351139	CITY OF DEVILS LAKE COBRA	CompChoice 80 CMM w/Rx IND E1D ECH ESP FAM
10351141	CITY OF DEVILS LAKE COBRA	BlueDental Elite+ 50 1000 LG - Jan
10351144	CITY OF DEVILS LAKE COBRA	BlueVision Essential LG - Jan
10351142	CITY OF DEVILS LAKE RETIREE	BlueDental Elite+ 50 1000 LG - Jan
10351145	CITY OF DEVILS LAKE RETIREE	BlueVision Essential LG - Jan
10777913	CITY OF DEVILS LAKE RETIREE	CompChoice 80 CMM w/Rx IND E1D ECH ESP FAM

Contact Information

Contract Signor	Billing	Correspondence
Name: Spencer Halvorson Mailing Address: 423 6TH ST NE DEVILS LAKE, ND 58301 Email: spencerh@dvind.com Phone: 701-662-7600 Fax:	Name: Spencer Halvorson Mailing Address: 423 6TH ST NE DEVILS LAKE, ND 58301 Email: spencerh@dvind.com Phone: 701-662-7600 Fax:	Name: Spencer Halvorson Mailing Address: 423 6TH ST NE DEVILS LAKE, ND 58301 Email: spencerh@dvind.com Phone: 701-662-7600 Fax:
Name: Brina Abrahamson Mailing Address: 423 6TH ST NE DEVILS LAKE, ND 58301 Email: brinaa@dvind.com Phone: 7016627600 Fax:	Name: Brina Abrahamson Mailing Address: 423 6TH ST NE DEVILS LAKE, ND 58301 Email: brinaa@dvind.com Phone: 7016627600 Fax:	Name: Brina Abrahamson Mailing Address: 423 6TH ST NE DEVILS LAKE, ND 58301 Email: brinaa@dvind.com Phone: 7016627600 Fax:
		Name: Jessica Kuntz Mailing Address: 423 6TH ST NE DEVILS LAKE, ND 58301 Email: jessicak@dvind.com Phone: Fax:

Client Changes and/or Comments



ND

Contribution and Eligibility Form

Signature

This information is gathered to ensure compliance with federal law.

_____ I certify this information is accurate. I acknowledge the continuing obligation to notify BCBSND of any changes to this information.

Client's Signature _____ Date _____

Date: August 29, 2023
 To: President Moe and City Commissioners
 From: Michael Grafsgaard, City Engineer
 Re: 2023 Curb, Gutter & Sidewalk - 4352-000-56600
 Contract Amount: \$55,044.00



I hereby certify the work listed below has been completed and inspected and has been done in conformity with the plans and specifications for the above mentioned project. All work was completed by Elshaug Concrete, PO Box 478, Devils Lake, ND 58301.

Estimate No 1

Item Description	Quantity	Unit	Unit price	Bid Amount	QUANTITIES		AMOUNT	
					Current	Total to Date	Current	Total to Date
Saw Bituminous Surfacing	50.00	LF	\$3.25	\$162.50	0.00	0.00	\$0.00	\$0.00
Saw Concrete	100.00	LF	\$5.50	\$550.00	0.00	0.00	\$0.00	\$0.00
Removal of Concrete	360.00	SY	\$28.00	\$10,080.00	580.08	580.08	\$16,242.24	\$16,242.24
Removal of Block Sidewalk	20.00	SY	\$25.00	\$500.00	0.00	0.00	\$0.00	\$0.00
Removal of Curb & Gutter	120.00	LF	\$12.25	\$1,470.00	157.50	157.50	\$1,929.38	\$1,929.38
Removal of Retaining Wall	10.00	LF	\$13.00	\$130.00	0.00	0.00	\$0.00	\$0.00
Curb & Gutter - Type I	20.00	LF	\$72.00	\$1,440.00	0.00	0.00	\$0.00	\$0.00
Over 10'	100.00	LF	\$68.00	\$6,800.00	157.50	157.50	\$10,710.00	\$10,710.00
Valley Gutter - 8" Reinforced	5.00	SY	\$94.00	\$470.00	0.00	0.00	\$0.00	\$0.00
Over 3 SY	20.00	SY	\$93.00	\$1,860.00	0.00	0.00	\$0.00	\$0.00
4" Sidewalk Concrete	275.00	SY	\$66.25	\$18,218.75	190.89	190.89	\$12,646.46	\$12,646.46
4" Sidewalk Concrete - Reinforced	5.00	SY	\$63.50	\$317.50	0.00	0.00	\$0.00	\$0.00
6" Sidewalk/Driveway Concrete	60.00	SY	\$76.75	\$4,605.00	347.36	347.36	\$26,659.88	\$26,659.88
6" Sidewalk/Driveway Concrete - Rein	5.00	SY	\$78.75	\$393.75	20.17	20.17	\$1,588.39	\$1,588.39
8" Concrete	10.00	SY	\$90.00	\$900.00	0.00	0.00	\$0.00	\$0.00
8" Concrete - Reinforced	5.00	SY	\$95.00	\$475.00	0.00	0.00	\$0.00	\$0.00
Detectable Warning Panel (Cast Iron)	32.00	SF	\$94.50	\$3,024.00	0.00	0.00	\$0.00	\$0.00
Earthen Excavation	10.00	CY	\$29.75	\$297.50	0.00	0.00	\$0.00	\$0.00
Earthen Embankment	10.00	CY	\$30.00	\$300.00	0.00	0.00	\$0.00	\$0.00
Gravel Base	10.00	CY	\$40.00	\$400.00	0.00	0.00	\$0.00	\$0.00
Topsoil and Seeding	25.00	SY	\$30.00	\$750.00	0.00	0.00	\$0.00	\$0.00
Concrete Full Depth Street Repair	10.00	SY	\$190.00	\$1,900.00	0.00	0.00	\$0.00	\$0.00
Total Bid Amount:				\$55,044.00	\$69,776.35			

Total Work Completed: \$69,776.35
Retainage @ 4% \$2,791.05
Previous Payments: \$0.00
Total Due This Estimate \$66,985.29

Date: 8/29/2023

To: President Moe and City Commissioners

From: Michael Grafsgaard, City Engineer

Re: City Project 230301 - Stromquist Storm Sewer - 4532-000-56600

Contract Cost: \$369,142.00



I hereby certify the work listed below has been completed and inspected and has been done in conformity with the plans and specifications for the above mentioned project. All work was completed by DL Barkie, 3820 Willow Rd, West Fargo, ND 58078.

Estimate No. 2 - Final

City Project 230301 - Stromquist Storm Sewer

						QUANTITIES		AMOUNT	
Spec	Code	Item Description	Quantity	Unit	Unit Price	Bid Amount	Current	Total to Date	Current
103	0100	CONTRACT BOND	1	L SUM	\$6,000.00	\$6,000.00	0.00	1.00	\$0.00
202	0114	REMOVAL OF CONCRETE	10	SY	\$90.00	\$900.00	0.00	10.00	\$0.00
202	0132	REMOVAL OF BITUMINOUS SURFACING	22	SY	\$60.00	\$1,320.00	0.00	22.00	\$0.00
203	0125	REMOVE AND SALVAGE TOPSOIL	2261	SY	\$11.00	\$24,871.00	4,061.00	4061.00	\$44,671.00
702	0100	MOBILIZATION	1	L SUM	\$17,000.00	\$17,000.00	0.00	1.00	\$0.00
704	0001	TRAFFIC CONTROL	1	L SUM	\$5,000.00	\$5,000.00	0.00	1.00	\$0.00
714	0310	PIPE CONC REINF 18IN CL III	99	LF	\$120.00	\$11,880.00	0.00	86.00	\$0.00
714	0505	PIPE CONC REINF 24IN CL II	93	LF	\$139.00	\$12,927.00	0.00	95.00	\$0.00
714	9999	CONNECTION TO EXISTING STORM SEWER	1	EA	\$2,500.00	\$2,500.00	0.00	1.00	\$0.00
722	0100	MANHOLE 48IN	3	EA	\$5,950.00	\$17,850.00	0.00	3.00	\$0.00
722	0110	MANHOLE 60IN	2	EA	\$9,950.00	\$19,900.00	0.00	2.00	\$0.00
722	3510	INLET-TYPE 2	4	EA	\$5,175.00	\$20,700.00	0.00	4.00	\$0.00
722	3720	INLET SPECIAL CATCH BASIN 6IN BEEHIVE 48IN	3	EA	\$4,650.00	\$13,950.00	0.00	3.00	\$0.00
Total Current Amount:									\$44,671.00
Bid Amount:						\$154,798.00			\$173,316.00
Option 1									
714	0615	PIPE CONC REINF 24IN CL III	1752	LF	\$91.00	\$159,432.00	0.00	1754.00	\$0.00
714	0820	PIPE CONC REINF 30IN CL III	416	LF	\$132.00	\$54,912.00	0.00	414.00	\$0.00
Total Current Amount:									\$0.00
Bid Amount:						\$214,344.00			\$214,262.00
Total Work Completed:						\$387,578.00			
Retainage @ 0%:						\$0.00			
Previous Payments:						\$329,190.72			
Total Due This Estimate:						\$58,387.28			



Date: September 1, 2023

To: President Moe and City Commissioners

MEB

From: Mike Grafsgaard, City Engineer/Public Works Director

Re: Recommendation of Award of Design Contract
PROJECT SU-3-982(040), PCN 23179, CITY PROJECT #240101

The City completed a Request For Proposals (RFP) to retain an engineering firm to help the City with the environmental documentation, design and other paperwork necessary to utilize federal funds to help offset the construction cost for paving 17th St SE, 10th Ave SE, and 8th Ave SE. We plan to pave these roadways, in addition to 16th St SE next year. The planned improvement will eliminate the complaints received from property owners in the area that currently have to deal with issues caused by gravel roadways leading to and adjacent to their residences.

KLJ was the only firm that responded to the RFP. They were interviewed and, based on their qualifications, selected to complete the work. The engineering department then met with KLJ representatives to identify the scope of work that needed to be completed for the improvements and developed the attached contract.

The contract is an hourly to maximum contract that identifies the work items needed to meet federal requirements to utilize federal funding for the aforementioned roadways. The dollar amount shown in Attachment B is the maximum dollar amount for the contract to complete the necessary work items. Barring encountering any significant unforeseen issues, I hope we are able to complete the necessary work items below the identified maximum contract amount. City staff retained some of the required work items to reduce the overall contract cost.

Utilization of federal funds to improve unpaved roadways requires significant work that City Engineering staff will not be able to complete based on our other current projects and workload. Therefore, I recommend the City Commission approve the attached contract with KLJ.

Michael Grafsgaard, City Engineer/Public Works Director
Devin Gathman, Assistant City Engineer
Helen Carlson, Engineering Admin Tech

SHORT FORM OF AGREEMENT BETWEEN OWNER AND ENGINEER FOR PROFESSIONAL SERVICES

KLJ Project Number: 2304-01324

THIS IS AN AGREEMENT effective as of 09/05/2023 ("Effective Date") between City of Devils Lake; 423 6th St NE; PO Box 1048; Devils Lake, ND 58301; a Municipal Corporation ("Owner") and KLJ Engineering LLC ("Engineer").

Owner's Project, of which Engineer's services under this Agreement are a part, is generally identified as follows: City Project 240101, SU-3-982(040) PCN 23179 ("Project").

Engineer's services under this Agreement are generally identified as follows: Preliminary & Design Engineering Services - See Exhibit A ("Services").

Owner and Engineer further agree as follows:

1.01 *Basic Agreement and Period of Service*

- A. Engineer shall provide or furnish the Services set forth in this Agreement. If authorized by Owner, or if required because of changes in the Project, Engineer shall furnish services in addition to those set forth above ("Additional Services").
- B. Engineer shall complete its Services within the following specific time period: **See Exhibit A**. If no specific time period is indicated, Engineer shall complete its Services within a reasonable period of time.
- C. If, through no fault of Engineer, such periods of time or dates are changed, or the orderly and continuous progress of Engineer's Services is impaired, or Engineer's Services are delayed or suspended, then the time for completion of Engineer's Services, and the rates and amounts of Engineer's compensation, shall be adjusted equitably.

2.01 *Payment Procedures*

- A. **Invoices:** Engineer shall prepare invoices in accordance with its standard invoicing practices and submit the invoices to Owner on a monthly basis. Invoices are due and payable within 30 days of receipt. If Owner fails to make any payment due Engineer for Services, Additional Services, and expenses within 30 days after receipt of Engineer's invoice, then (1) the amounts due Engineer will be increased at the rate of 1.0% per month (or the maximum rate of interest permitted by law, if less) from said thirtieth day, and (2) in addition Engineer may, after giving seven days written notice to Owner, suspend Services under this Agreement until Engineer has been paid in full all amounts due for Services, Additional Services, expenses, and other related charges. Owner waives any and all claims against Engineer for any such suspension.
- B. **Payment:** As compensation for Engineer providing or furnishing Services and Additional Services, Owner shall pay Engineer as set forth in Paragraphs 2.01, 2.02 (Services), and 2.03 (Additional Services). If Owner

disputes an invoice, either as to amount or entitlement, then Owner shall promptly advise Engineer in writing of the specific basis for doing so, may withhold only that portion so disputed, and must pay the undisputed portion.

2.02 *Basis of Payment—Direct Labor Costs Times Factor, Plus Reimbursable Expenses*

A. Owner shall pay Engineer for Services as follows:

1. An amount equal to Engineer's Direct Labor Costs times a factor of 3.4 for Services provided by Engineer's employees, plus reimbursement of expenses incurred in connection with providing the Services and Engineer's consultants' charges, if any.
2. Direct Labor Costs means salaries and wages paid to employees but does not include payroll-related costs or benefits.
3. The total compensation for Services and reimbursable expenses is estimated to be **(See Exhibit B)**.
4. Compensation for services provided under this contract shall be hourly and will not exceed \$249,331.40 without prior written approval from Owner.

~~2.03 *Additional Services:* For Additional Services, Owner shall pay Engineer an amount equal to the cumulative hours charged in providing the Additional Services by each class of Engineer's employees, times standard hourly rates for each applicable billing class; plus reimbursement of expenses incurred in connection with providing the Additional Services and Engineer's consultants' charges, if any. Engineer's standard hourly rates are attached as Appendix 1.~~

3.01 *Termination*

A. The obligation to continue performance under this Agreement may be terminated:

1. For cause,
 - a. By either party upon 30 days written notice in the event of substantial failure by the other party to perform in accordance with the Agreement's terms through no fault of the terminating party. Failure to pay Engineer for its services is a substantial failure to perform and a basis for termination.
 - b. By Engineer:
 - 1) upon seven days written notice if Owner demands that Engineer furnish or perform services contrary to Engineer's responsibilities as a licensed professional; or
 - 2) upon seven days written notice if the Engineer's Services are delayed for more than 90 days for reasons beyond Engineer's control, or as the result of the presence at the Site of undisclosed Constituents of Concern, as set forth in Paragraph 5.01.I.
 - c. Engineer shall have no liability to Owner on account of a termination for cause by Engineer.
 - d. Notwithstanding the foregoing, this Agreement will not terminate as a result of a substantial failure under Paragraph 3.01.A.1.a if the party receiving such notice begins, within seven days of receipt of

such notice, to correct its substantial failure to perform and proceeds diligently to cure such failure within no more than 30 days of receipt of notice; provided, however, that if and to the extent such substantial failure cannot be reasonably cured within such 30 day period, and if such party has diligently attempted to cure the same and thereafter continues diligently to cure the same, then the cure period provided for herein shall extend up to, but in no case more than, 60 days after the date of receipt of the notice.

2. For convenience, by Owner effective upon Engineer's receipt of written notice from Owner.

- B. In the event of any termination under Paragraph 3.01, Engineer will be entitled to invoice Owner and to receive full payment for all Services and Additional Services performed or furnished in accordance with this Agreement, plus reimbursement of expenses incurred through the effective date of termination in connection with providing the Services and Additional Services, and Engineer's consultants' charges, if any.

4.01 *Successors, Assigns, and Beneficiaries*

- A. Owner and Engineer are hereby bound and the successors, executors, administrators, and legal representatives of Owner and Engineer (and to the extent permitted by Paragraph 4.01.B the assigns of Owner and Engineer) are hereby bound to the other party to this Agreement and to the successors, executors, administrators, and legal representatives (and said assigns) of such other party, in respect of all covenants, agreements, and obligations of this Agreement.
- B. Neither Owner nor Engineer may assign, sublet, or transfer any rights under or interest (including, but without limitation, money that is due or may become due) in this Agreement without the written consent of the other party, except to the extent that any assignment, subletting, or transfer is mandated by law. Unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under this Agreement.
- C. Unless expressly provided otherwise, nothing in this Agreement shall be construed to create, impose, or give rise to any duty owed by Owner or Engineer to any Constructor, other third-party individual or entity, or to any surety for or employee of any of them. All duties and responsibilities undertaken pursuant to this Agreement will be for the sole and exclusive benefit of Owner and Engineer and not for the benefit of any other party.

5.01 *General Considerations*

- A. The standard of care for all professional engineering and related services performed or furnished by Engineer under this Agreement will be the care and skill ordinarily used by members of the subject profession practicing under similar circumstances at the same time and in the same locality. Engineer makes no warranties or guarantees, express or implied, under this Agreement or otherwise in connection with Consultant's services. Notwithstanding any other representations made elsewhere in this Agreement or in the execution of the Project, this Standard of Care shall not be modified. Subject to the foregoing Standard of Care, Engineer and its consultants may use or rely upon design elements and information ordinarily or customarily furnished by others, including, but not limited to, specialty contractors, manufacturers, suppliers, and the publishers of technical standards.
- B. Engineer shall not at any time supervise, direct, control, or have authority over any Constructor's work, nor shall Engineer have authority over or be responsible for the means, methods, techniques, sequences, or

procedures of construction selected or used by any Constructor, or the safety precautions and programs incident thereto, for security or safety at the Project site, nor for any failure of a Constructor to comply with laws and regulations applicable to such Constructor's furnishing and performing of its work. Engineer shall not be responsible for the acts or omissions of any Constructor.

- C. Engineer neither guarantees the performance of any Constructor nor assumes responsibility for any Constructor's failure to furnish and perform its work.
- D. Engineer's opinions (if any) of probable construction cost are to be made on the basis of Engineer's experience, qualifications, and general familiarity with the construction industry. However, because Engineer has no control over the cost of labor, materials, equipment, or services furnished by others, or over contractors' methods of determining prices, or over competitive bidding or market conditions, Engineer cannot and does not guarantee that proposals, bids, or actual construction cost will not vary from opinions of probable construction cost prepared by Engineer. If Owner requires greater assurance as to probable construction cost, then Owner agrees to obtain an independent cost estimate.
- E. Engineer shall not be responsible for any decision made regarding the construction contract requirements, or any application, interpretation, clarification, or modification of the construction contract documents other than those made by Engineer or its consultants.
- F. All documents prepared or furnished by Engineer are instruments of service, and Engineer retains an ownership and property interest (including the copyright and the right of reuse) in such documents, whether or not the Project is completed. Owner shall have a limited license to use the documents on the Project, extensions of the Project, and for related uses of the Owner, subject to receipt by Engineer of full payment due and owing for all Services and Additional Services relating to preparation of the documents and subject to the following limitations:
 - 1. Owner acknowledges that such documents are not intended or represented to be suitable for use on the Project unless completed by Engineer, or for use or reuse by Owner or others on extensions of the Project, on any other project, or for any other use or purpose, without written verification or adaptation by Engineer;
 - 2. any such use or reuse, or any modification of the documents, without written verification, completion, or adaptation by Engineer, as appropriate for the specific purpose intended, will be at Owner's sole risk and without liability or legal exposure to Engineer or to its officers, directors, members, partners, agents, employees, and consultants;
 - 3. Owner shall indemnify and hold harmless Engineer and its officers, directors, members, partners, agents, employees, and consultants from all claims, damages, losses, and expenses, including attorneys' fees, arising out of or resulting from any use, reuse, or modification of the documents without written verification, completion, or adaptation by Engineer; and
 - 4. such limited license to Owner shall not create any rights in third parties.
- G. Owner and Engineer may transmit, and shall accept, Project-related correspondence, documents, text, data, drawings, information, and graphics, in electronic media or digital format, either directly, or through access to a secure Project website, in accordance with a mutually agreeable protocol.

- H. To the fullest extent permitted by law, Owner and Engineer (1) waive against each other, and the other's employees, officers, directors, members, agents, insurers, partners, and consultants, any and all claims for or entitlement to special, incidental, indirect, or consequential damages arising out of, resulting from, or in any way related to this Agreement or the Project, and (2) agree that Engineer's total liability to Owner under this Agreement shall be limited to \$100,000 or the total amount of compensation received by Engineer, whichever is greater.
- I. Neither Party shall be considered to be in default of this Agreement if delays in or failure of performance are due to forces beyond the reasonable control of the nonperforming Party, the effect of which the nonperforming Party could not avoid by the exercise of reasonable diligence. Such forces include, but are not limited to: fire, acts of God, flood, earthquake, storm, lightning, tornados, epidemic, war, riot, civil disturbance, sabotage, strike, work slowdown, or other labor disturbances, judicial restraint, action or inaction of any Government entity in either its sovereign or contractual capacity, quarantine restrictions, freight embargoes, delays in long lead time items and severe weather. Any changes to the terms of this agreement impacted by a Force Majeure event shall be documented in an Amendment to the Agreement.
- J. The parties acknowledge that Engineer's Services do not include any services related to unknown or undisclosed Constituents of Concern. If Engineer or any other party encounters, uncovers, or reveals an unknown or undisclosed Constituent of Concern, then Engineer may, at its option and without liability for consequential or any other damages, suspend performance of Services on the portion of the Project affected thereby until such portion of the Project is no longer affected, or terminate this Agreement for cause if it is not practical to continue providing Services.
- K. Owner and Engineer agree to negotiate each dispute between them in good faith during the 30 days after notice of dispute. If negotiations are unsuccessful in resolving the dispute, then the dispute shall be mediated. If mediation is unsuccessful, then the parties may exercise their rights at law.
- L. This Agreement is to be governed by the law of the state in which the Project is located.
- M. Engineer's Services and Additional Services do not include: (1) serving as a "municipal advisor" for purposes of the registration requirements of Section 975 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (2010) or the municipal advisor registration rules issued by the Securities and Exchange Commission; (2) advising Owner, or any municipal entity or other person or entity, regarding municipal financial products or the issuance of municipal securities, including advice with respect to the structure, timing, terms, or other similar matters concerning such products or issuances; (3) providing surety bonding or insurance-related advice, recommendations, counseling, or research, or enforcement of construction insurance or surety bonding requirements; or (4) providing legal advice or representation.
- N. Engineer shall abide by the requirements of 41 CFR 60-1.4(a), 60-300.5(a) and 60-741.5(a). These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities, and prohibit discrimination against all individuals based on their race, color, religion, sex, sexual orientation, gender identity or national origin. Moreover, these regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, disability or veteran status.

6.01 *Total Agreement*

- A. This Agreement (including any expressly incorporated attachments), constitutes the entire agreement between Owner and Engineer and supersedes all prior written or oral understandings. This Agreement may only be amended, supplemented, modified, or canceled by a duly executed written instrument.

Definitions

- B. *Constructor*—Any person or entity (not including the Engineer, its employees, agents, representatives, and consultants), performing or supporting construction activities relating to the Project, including but not limited to contractors, subcontractors, suppliers, Owner's work forces, utility companies, construction managers, testing firms, shippers, and truckers, and the employees, agents, and representatives of any or all of them.
- C. *Constituent of Concern*—Asbestos, petroleum, radioactive material, polychlorinated biphenyls (PCBs), hazardous waste, and any substance, product, waste, or other material of any nature whatsoever that is or becomes listed, regulated, or addressed pursuant to (a) the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. §§9601 et seq. ("CERCLA"); (b) the Hazardous Materials Transportation Act, 49 U.S.C. §§5101 et seq.; (c) the Resource Conservation and Recovery Act, 42 U.S.C. §§6901 et seq. ("RCRA"); (d) the Toxic Substances Control Act, 15 U.S.C. §§2601 et seq.; (e) the Clean Water Act, 33 U.S.C. §§1251 et seq.; (f) the Clean Air Act, 42 U.S.C. §§7401 et seq.; or (g) any other federal, State, or local statute, law, rule, regulation, ordinance, resolution, code, order, or decree regulating, relating to, or imposing liability or standards of conduct concerning, any hazardous, toxic, or dangerous waste, substance, or material.

Attachments: Exhibit A (Scope of Work), Exhibit B (Fee Summary).

IN WITNESS WHEREOF, the parties hereto have executed this Agreement, the Effective Date of which is indicated on page 1.

Owner: City of Devils Lake

Engineer: KLJ Engineering LLC

By: _____

By: _____

Print name: _____

Print name: _____

Title: _____

Title: _____

Date Signed: _____

Date Signed: _____

Engineer License or Firm's Certificate No. (if required):

061C

State of: North Dakota

Address for Owner's receipt of notices:

Address for Engineer's receipt of notices:

KLJ Engineering LLC

4585 Coleman Street

Bismarck ND 58503

Legal Notices to: legal@kljeng.com



**EXHIBIT A
SCOPE OF SERVICES
ENVIRONMENTAL DOCUMENTATION AND
PRELIMINARY & DESIGN ENGINEERING**

September 5, 2023

KLJ Engineering, LLC

SU-3-982(040), PCN 23179

**17th St SE, 16th St SE, 10th Ave SE, & 8th Ave SE
Subgrade Repair, Hot Mix Asphalt, & Curb and Gutter**

PURPOSE

The purpose of this exhibit is to describe the scope of work and responsibilities required to complete Preliminary and Design Engineering services for the proposed project. KLJ Engineering, LLC (KLJ) will provide Project Management, Survey, Environmental, Preliminary and Design Engineering for the proposed project.

OBJECTIVE

The general objective of this study is to provide documented information necessary for the City to reach a consensus on the improvements necessary for the project, obtain environmental clearance and prepare final plans and specifications. KLJ will prepare a documented CATEX, survey, final design and preparation of final construction plans, specifications, and estimates; develop utility conflict for adjustments and relocation; and right of way acquisition.

SUB CONSULTANTS

It is anticipated that there will be a sub-consultant associated with the project. The sub-consultant is listed below along with a brief description of their role in the project. Please refer to their full scope of services for additional details.

- Braun Intertec – Geotechnical Evaluation

1.1. PROJECT MANAGEMENT & COORDINATION

Management & Coordination

KLJ will manage the project and provide overall coordination of the work completed by the project teams. This work will consist of managing work assignments, internal team meetings, client coordination, subconsultant coordination, project budget and schedule.

Progress Reports (Bi-weekly updates)(Est. 12 Updates)

KLJ will submit a biweekly status report via email to the City and NDDOT which will summarize the work performed in the current period, upcoming activities in the next period, summary of project decisions and potential out of scope work activities. The reports will include percent complete for key

project activities. The status report will also identify any milestone activity that is not completed or anticipated not to be completed on time. The report will include the reasons why any milestone date was missed and what actions will be taken to get the project back on schedule.

Scoping Meeting

KLJ will lead a project scoping meeting with representatives from the City. Existing plans, reports, data and materials relevant to the environmental and engineering concerns will be gathered prior to the field review. Preliminary project information will be discussed at the meeting to determine the scope of services and identify potential concerns and alternative solutions that will be addressed in later phases of the project.

1.2. PRELIMINARY SURVEY

Field Survey

KLJ will complete field surveys for items such as topography, utility locations and right-of-way. This is anticipated to include a 120' corridor centered (60' each way) on the alignments indicated in Figure 1- Study Area. KLJ will download the survey information for use in the environmental documentation and design phases of the project. KLJ will use information provided by the City to help expedite locating underground facilities.

1.3. PRELIMINARY ENGINEERING

Storm Drain Evaluation

KLJ will evaluate the existing storm drainage layout provided by the City of Devils Lake and recommend any modifications/extensions/additions, if any, to the storm sewer network and develop a cost estimate for the system. It is assumed that the existing storm sewer is adequately sized. A hydraulic storm sewer analysis will not be completed as part of this project. KLJ will review the locations and elevations of the existing storm sewer infrastructure in conjunction with the roadway design to establish vertical profiles. It is assumed that only minor adjustments may be necessary to inlets and catch basins. Modifications or extensions of the existing storm sewer trunkline is not anticipated and not included in this scope.

FIGURE 1 – STUDY AREA



KLJ will be responsible for the necessary activities detailed below.



Task 1 – Existing Conditions Assessment

Pavement Design

A pavement design report will be completed for an asphalt pavement section. The pavement design will be in accordance with the 1993 AASHTO Guide for Design of Pavement Structures.

Design Concepts

KLJ will review design concepts and prepare one preliminary build alternatives, which will include a proposed alignment, profile, typical sections and construction limits.

Construction Cost Estimates

KLJ will prepare preliminary construction cost estimates in present dollars and add an allowance for inflation based on the construction year for each of the build alternatives.

Preliminary Utility Coordination

KLJ will identify utility conflicts and work with the utility companies to inventory existing utility facilities.

1.4 PUBLIC INVOLVEMENT

Mailing List

KLJ will identify and compile a mailing list (email) of affected, potentially affected, or interested parties, as well as governmental agencies, elected and appointed officials who will be solicited for input regarding the project.

Solicitation of Views

KLJ will prepare and distribute, upon review and approval, a solicitation of views package to affected, potentially affected, or interested parties, as well as governmental agencies with a possible interest in the project's planning at the beginning of the study process. The letter will be used as a means of scoping issues pertinent to the study and to obtain information about permits, licenses, or other agency requirements needed to construct the project.

Public Input Meeting

KLJ will prepare for and conduct a Public Input Meeting. The purpose of the Public Input Meeting is to present to the public the results of the study to date and obtain comments on the alternatives. The format for the meeting will be an open house format. Preparation for the meeting will include any or all of the following: a PowerPoint presentation, visual displays, public handouts, exhibits, and plan drawings. Input from the meeting will be incorporated into the project.



1.5. Environmental Document

Aquatic Resource Delineation

KLJ will prepare a Field Aquatic Resource Delineation Report in accordance with the NDDOT Design Manual, US Army Corps of Engineers (USACE) 1987 Wetland Delineation Manual, Great Plains Regional Supplement to the 1987 Wetland Delineation Manual, and USACE Minimum Standards for Acceptance of Aquatic Resources Delineation Reports. The study area will consist of a 120-foot-wide corridor (centered on the roadways) spanning for approximately 1.8 miles. A field aquatic resource delineation report will be submitted to the NDDOT, and NDDOT will submit to USACE with a request for a jurisdictional determination. Direct expense included for soil scientist.

Cultural Resources Evaluation

Class I - KLJ will acquire existing cultural resource information for a one-block area surrounding the project area from the State Historical Society of North Dakota (SHSND). Typically, a one-mile search radius is conducted but to reduce costs due to the potential for an abundance of architectural resources that have been previously recorded, reduced record search areas are typically acceptable for urban projects with lesser areas of disturbance. If a one-mile record search radius is required, this will be completed as an out-of-scope cost. Site information may not be depicted in public documents but rather the information is used for avoidance purposes. Additional research may include using historic aerial imagery, plat maps, and any other sources that are easily obtained to provide historical information about the project area. The results of this literature review will be summarized in a report and submitted to the NDDOT cultural division as part of the section 106 review process.

Class III - If requested from the NDDOT and/or NDSHPO, Engineer could perform a Class III Cultural Resource Inventory of the proposed project area. The fieldwork methodology will follow the established guidelines of the NDDOT and the NDSHPO. Engineer would produce and submit two hardcopies and one electronic copy of the Report of Findings to the NDDOT, one hardcopy for the SHPO and one hardcopy for Owner. This report would be completed in accordance with the established guidelines of the NDDOT and NDSHPO. The Class III Cultural Resource Inventory would be out of scope work. An architectural history survey may be requested by the NDDOT and/or NDSHPO. This survey would be out of scope work.

Report - KLJ will produce a Report of Findings. The report will be compiled by the Crew Chief and the Principal Investigator and reviewed by the Project Manager prior to submittal to the agencies.

Draft Documented CATEX

Purpose & Need - KLJ will develop a purpose and need statement for the project consistent with FHWA and NDDOT guidance. The purpose and need statement will clearly and concisely articulate the reasons why the project is needed and what the project is intended to accomplish.

Alternatives Analysis - Based on information provided in the Preliminary Engineering Phase, KLJ will develop and evaluate project alternatives. It is anticipated that one alternative, excluding a no build alternative, will be carried forward into the environmental document.

Impacts - KLJ will identify reasonably foreseeable direct, indirect, and cumulative environmental impacts expected to result from the proposed project alternatives. Potential impacts will be discussed following the description of the affected environment. While the project would include construction immediately adjacent to the Southside Park, impacts to the park itself are not anticipated and Section 4(f) analysis is not included in this scope of services.



Avoidance/Minimization/Mitigation - Measures to avoid or minimize environmental impacts will be developed and documented as part of this study. Unavoidable impacts that require mitigation will also be identified. When appropriate, mitigation measures will be documented.

Draft Documented CATEX - KLJ will prepare and submit electronically the Draft Documented CATEX for review to the City and NDDOT. The document will be a compilation and summary of the work completed in the preliminary engineering phase. Reports from the project meetings, environmental documentation, survey, roadway design and cost estimation will be referenced in the document.

Revisions to the Draft Report

Comments received from the City and NDDOT on the Draft Documented CATEX will be individually addressed. Any revisions resulting from the comment will be summarized.

Final Documented CATEX

Input and comments from review of the draft will be incorporated into the Final Documented CATEX. KLJ will submit one original hard copy of the Documented CATEX to the City of Devils Lake. KLJ will submit an electronic version of the Final Documented CATEX to NDDOT.

Section 404 Permit

It is anticipated that delineated aquatic resources will be under the jurisdiction of the USACE and that a Section 404 permit will be required. It is assumed that the project will fall under a Nationwide Permit and that an Individual Permit will not be required. KLJ will prepare the Nationwide Permit Pre-Construction Notification form (ENG FORM 6082) and related attachments. If necessary, KLJ will coordinate with a wetland bank administrator to obtain a credit availability letter for compensatory mitigation. Upon signature by the City of Devils Lake, KLJ will submit an electronic copy of the application package to USACE for consideration. This task includes one round of review of electronic documents by the City of Devils Lake and revision.

Executive Order 11990

Executive Order (EO) 11990 requires projects with a Federal nexus to mitigate for any permanent impacts to natural wetlands. While there are likely natural wetlands occurring along the project corridor, it is anticipated that the project will be designed to avoid impacts. No mitigation for EO 11990 is anticipated.

Floodplain Development Permit

The project is located within FEMA floodplain Zone X and Zone X Not Included in Area of Special Consideration (EL 1460). The eastern half of 17th Street SE is bordered by FEMA floodplain Zone AH; however, all impacts are anticipated to remain atop the existing 17th Street SE roadway in this area. No floodplain permitting is anticipated, and no floodplain permitting tasks have been included in this scope. Should the project extend into Zone AH, a non-building floodplain permit would be required. While KLJ can assist with these permitting activities, it would be considered outside the scope of services.

3.1. PROJECT MANAGEMENT & COORDINATION

Management & Coordination

KLJ will manage the project and provide overall coordination of the work completed by the project teams. This work will consist of managing work assignments, internal team meetings, client coordination, project budget and schedule.

Progress Reports (Bi-weekly updates)(Est. 12 Updates)

KLJ will submit a biweekly status report via email to the City and NDDOT which will summarize the work performed in the current period, upcoming activities in the next period, summary of project decisions and potential out of scope work activities. The reports will include percent complete for key project activities. The status report will also identify any milestone activity that is not completed or anticipated not to be completed on time. The report will include the reasons why any milestone date was missed and what actions will be taken to get the project back on schedule.

3.2. ROADWAY DESIGN & PLAN PREPARATION

Roadway Design & Plan Preparation

The roadway design will include design and plan development for the following plan sections per NDDOT Design Manual:

- Section 1 Title Sheet
- Section 2 Table of Contents/Standard Drawings
- Section 4 Scope of Work
- Section 6 Notes
- Section 8 Estimate of Quantities
- Section 10 Basis of Estimate
- Section 20 General Details
- Section 30 Typical Sections
- Section 40 Removals
- Section 50 Inlet & Manhole Summary
- Section 55 Utility Plan & Profile
- Section 60 Plan & Profile
- Section 76 Temporary Erosion Control
- Section 77 Permanent Erosion Control
- Section 81 Survey Data Layouts
- Section 90 Paving Layouts
- Section 100 Work Zone Traffic Control
- Section 110 Signing & Pavement Marking
- Section 200 Cross Sections

3.3. UTILITY COORDINATION

Utility Coordination

KLJ will identify utility conflicts and work with the utility companies, with assistance from the City, to inventory and develop relocation or adjustment plans for existing utility facilities. Utility certification will be provided concurrent with the final plan submission.



Utility Conflict Plans

KLJ will develop the utility conflict plans, utility coordination special provision and the utility coordination table for the plans. Per discussion with the City, this effort is anticipated to be minimal.

Utility Coordination Meeting

KLJ will conduct up to one utility coordination meeting with affected utility companies to review conflicts and discuss relocation or plans for adjusting the utility.

3.4. PLAN SUBMITTAL

90% Plan Submittal and PS&E Review

KLJ will assemble and distribute plans at approximately 90% completion for review by the City and NDDOT. KLJ will also conduct and document internal QC/QA reviews within this activity. After the agencies have completed their review, KLJ will attend the PS&E review meeting, if required. Written responses will be provided to all comments from the PS&E review meeting.

Final Plans Revisions and Submittal

Revisions from the PS&E will be incorporated into the final plans. KLJ will complete and document a final internal QA review for the final plan submittal. The final plan submittal will include the special provisions, engineer's opinion of costs, responsible charge certification, design certification, utility certification, and railroad certification.

90% Plan Submittal and PS&E Review

KLJ will create the Opinion of Cost at 90% plans and Final Plans.

Bid Opening

KLJ will be available to answer pre-bid questions from the contractors and assist NDDOT in preparation of bid documents. We will provide staff to prepare addenda, if necessary. KLJ will review the bid results and provide a recommendation to award the project.

Schedule

KLJ will meet the following milestone dates:

- 12/8/2023 Draft Environmental Document Submittal
- 1/5/2023 Final Environmental Document Submittal
- 2/2/2024 90% Plans, Specifications, and Estimates (PS&E) Submittal
- 2/16/2024 90% Plans, Specifications, and Estimates (PS&E) Meeting
- 3/1/2024 Final Plans, Certifications, Permits (Plans Complete)
- 5/10/2024 Bid Opening Date (NDDOT)

Deliverables included in this scope of services

- Meeting Minutes
- Agendas and minutes for project meetings
- Topographic Survey

- Aquatic Resources Report
- Cultural Report
- Public Input Meeting (1)
- Public Involvement Report
- Geotechnical Evaluation (Braun)
- Pavement Section Design
- 90% PS&E Plans
- Final Plans
- Special provisions
- Engineer's opinion of construction cost
- Bid form, instructions to bidders, and other documents required for bidding
- Electronic version of plan drawings and base files
- Surface models
- USACE 404 Permit

Work not included in this scope of services

- Sidewalks and other pedestrian accommodations
- Cultural Class III Investigation & Report
- USACE 408 Permitting
- Traffic Operation Evaluation, Study & Report
- Traffic Signal Design
- Non-Building Floodplain Development Permit Application
- Section 4(f) Analysis
- Lighting Analysis and Lighting Plans
- Waiver Valuations
- Right of Way Negotiations
- Relocation Assistance
- Litigation and court testimony associated with any of the proposed acquisitions
- Construction Administration

KLJ Project Name:	City Project 240101
KLJ Project Number:	2304-01324

Job Classification:		Project Manager	Senior Project Manager	Senior Engineer	Engineer	Engineer	Associate Designer	Environmental Planner IV	Environmental Planner II	GIS Analyst III	Archaeologist III	Archaeologist II	Architectural Historian	Professional Land Surveyor	2-Person Survey Crew	Project Specialist I									
Task Code	Description	Bjornson, Paul R	Petersen, Chad A	Hummel, Todd	Huffman, Kyle T	Strom, Michael R	Bjork, Ryan	TBD	TBD	TBD	TBD	TBD	Rodriguez, Mariel	Ingersoll, Christopher J	TBD	Dubois, Angela L	DIRECT LABOR Subtotal	Expenses (person x days)	Reimb. Rate	REIMB. EXPENSE ¹ Total	Sub-consultant Bill	KLJ's % Markup Subconsultant's Name	Sub-consultant Fee	DIRECT EXPENSE ²	TASK TOTAL
1	Preliminary Engineering	\$ 217.60	\$ 282.20	\$ 241.40	\$ 170.00	\$ 170.00	\$ 122.40	\$ 200.60	\$ 108.80	\$ 129.20	\$ 129.20	\$ 115.60	\$ 119.00	\$ 173.40	\$ 234.60	\$ 122.40			\$160.00						
1.1	Project Management & Coordination																\$ -			\$ -			\$ -		\$ -
	Management & Coordination	24		12												2	\$ 8,364.00			\$ -			\$ -		\$ 8,364.00
	Project Status Reports (Estimated 12)			6												2	\$ 1,693.20			\$ -			\$ -		\$ 1,693.20
	Scoping Meeting	2		2	4												\$ 1,598.00			\$ -			\$ -		\$ 1,598.00
1.2	Preliminary Survey																\$ -			\$ -			\$ -		\$ -
	Field Survey & CADD Edits			2	16		20							16	100		\$ 31,885.20	16		\$ 2,560.00			\$ -		\$ 34,445.20
1.3	Preliminary Engineering																\$ -			\$ -			\$ -		\$ -
	Storm Drain Evaluation					10	6										\$ 2,434.40			\$ -			\$ -		\$ 2,434.40
	Pavement Design	2	20														\$ 6,079.20			\$ -			\$ -		\$ 6,079.20
	Geotech (Braun)																\$ -			\$ -	\$ 9,851.00	Braun Intertec	\$ 9,851.00		\$ 9,851.00
	Design Concepts	4		8	24		24										\$ 9,819.20			\$ -			\$ -		\$ 9,819.20
	Construction Cost Estimates	2		4	8		16										\$ 4,719.20			\$ -			\$ -		\$ 4,719.20
1.4	Public Involvement																\$ -			\$ -			\$ -		\$ -
	Mailing List			1				2	4							2	\$ 1,322.60			\$ -			\$ -		\$ 1,322.60
	Solicitation of Views			1				2	6	2						2	\$ 1,798.60			\$ -			\$ -		\$ 1,798.60
	Public Input Meeting	4		6	6												\$ 3,338.80			\$ -			\$ -		\$ 3,338.80
	Public Involvement Report							4	16								\$ 2,543.20			\$ -			\$ -		\$ 2,543.20
1.5	Environmental Document																\$ -			\$ -			\$ -		\$ -
	Aquatic Resources Delineation - USACE Coordination							2	40								\$ 4,753.20	4		\$ 640.00		Soil Scientist	\$ -	\$ 2,000.00	\$ 7,393.20
	Cultural Resources Class I									8	8	8	24				\$ 5,848.00			\$ -			\$ -		\$ 5,848.00
	Draft Documented CATEx	2		8	8			16	32								\$ 10,417.60			\$ -			\$ -		\$ 10,417.60
	Revisions to Draft Report	1		4	4			6	6								\$ 3,719.60			\$ -			\$ -		\$ 3,719.60
	Final Documented CATEx	1		8	8			4	4								\$ 4,746.40			\$ -			\$ -		\$ 4,746.40
	Section 404 Permit Application			2				4	16								\$ 3,026.00			\$ -			\$ -		\$ 3,026.00
																	\$ -			\$ -			\$ -		\$ -
		42	20	64	78	10	66	40	124	10	8	8	24	16	100	8	\$ 108,106.40	20		\$ 3,200.00	\$ 9,851.00		\$ 9,851.00	\$ 2,000.00	\$ 123,157.40

3	Design	\$ 217.60	\$ 282.20	\$ 241.40	\$ 170.00	\$ 170.00	\$ 122.40	\$ 200.60	\$ 108.80	\$ 129.20	\$ 129.20	\$ 115.60	\$ 119.00	\$ 173.40	\$ 234.60	\$ 122.40									
3.1	Project Management & Coordination																\$ -			\$ -			\$ -		
	Management & Coordination	8		8												2	\$ 3,916.80			\$ -			\$ -	\$ 3,916.80	
	Progress Reports (Bi-Weekly Updates)			6													\$ 1,448.40			\$ -			\$ -	\$ 1,448.40	
3.2	Design & Plan Preparation																\$ -			\$ -			\$ -		
	Pick-Up Survey				4		8							2	12		\$ 4,821.20			\$ -			\$ -	\$ 4,821.20	
	Section 1 - Title Sheet	0.5		1	1		2										\$ 765.00			\$ -			\$ -	\$ 765.00	
	Section 2 - TOC/Std Dwgs				1		2										\$ 414.80			\$ -			\$ -	\$ 414.80	
	Section 4 - Scope of Work	1		1	2		6										\$ 1,533.40			\$ -			\$ -	\$ 1,533.40	
	Section 6 - Plan Notes	2		6	8												\$ 3,243.60			\$ -			\$ -	\$ 3,243.60	
	Section 8 - Quantities	2		4	8		16										\$ 4,719.20			\$ -			\$ -	\$ 4,719.20	
	Section 10 - Basis of Quantities	1		2	4		12										\$ 2,849.20			\$ -			\$ -	\$ 2,849.20	
	Section 20 - General Details	0.5		4	8		12										\$ 3,903.20			\$ -			\$ -	\$ 3,903.20	
	Section 30 - Typical Sections	0.5		2	2		12										\$ 2,400.40			\$ -			\$ -	\$ 2,400.40	
	Section 40 - Removals			2	4		16										\$ 3,121.20			\$ -			\$ -	\$ 3,121.20	
	Section 50 - Inlet & Manhole Summary					12	8										\$ 3,019.20			\$ -			\$ -	\$ 3,019.20	
	Section 55 - Utility Plan & Profile					4	8										\$ 1,659.20			\$ -			\$ -	\$ 1,659.20	
	Section 60 - Plan & Profile	0.5		4	24	16	40										\$ 12,770.40			\$ -			\$ -	\$ 12,770.40	
	Section 76 - Temporary Erosion Control			1	8		24										\$ 4,539.00			\$ -			\$ -	\$ 4,539.00	
	Section 77 - Permanent Erosion Control			1	8		24										\$ 4,539.00			\$ -			\$ -	\$ 4,539.00	
	Section 81 - Survey Data Layouts				4		8							4			\$ 2,352.80			\$ -			\$ -	\$ 2,352.80	
	Section 90 - Paving Layouts	1		8	16	12	16										\$ 8,867.20			\$ -			\$ -	\$ 8,867.20	
	Section 100 - WZTC	1		8	16		24										\$ 7,806.40			\$ -			\$ -	\$ 7,806.40	
	Section 110 - Signing/Pvmt Mk	1		4	16		16										\$ 5,861.60			\$ -			\$ -	\$ 5,861.60	
	Section 200 - Cross Sections	1		8	40		40										\$ 13,844.80			\$ -			\$ -	\$ 13,844.80	
3.3	Utility Coordination																\$ -			\$ -			\$ -		
	Utility Conflict Plans			4	4		8										\$ 2,624.80			\$ -			\$ -	\$ 2,624.80	
	Utility Coordinatin & Meeting			4	4												\$ 1,645.60			\$ -			\$ -	\$ 1,645.60	
3.4	Plan Submittal																\$ -			\$ -			\$ -		
	90% Plan Submittal and PS&E Review	4		8	16	4	24										\$ 9,139.20			\$ -			\$ -	\$ 9,139.20	
	Final Plans Revisions & Submittal	4		8	16	8	24										\$ 9,819.20			\$ -			\$ -	\$ 9,819.20	
	Opinion of Cost	4		2	4												\$ 2,033.20			\$ -			\$ -	\$ 2,033.20	
	Bid Opening	4		4	4												\$ 2,516.00			\$ -			\$ -	\$ 2,516.00	
																	\$ -			\$ -			\$ -		
		36		100	222	56	350							6	12	2	\$ 126,174.00			\$ -	\$ -		\$ -	\$ -	\$ 126,174.00

78	20	164	300	66	416	40	124	10	8	8	24	22	112	10	1402	20							
\$ 234,280.40																	\$ 3,200.00	\$ 9,851.00	\$2,000.00	\$ 249,331.40			

¹ Includes Meals and Lodging : Used for planning purposes only.

² Includes equipment, rental/subscriptions, mileage... etc.



Date: August 29, 2023

To: President Moe and City Commissioners

From: Mike Grafsgaard, City Engineer/Public Works Director
Corey Erickson, Sanitation Supervisor

MEG CES

Re: Recommendation of Award of Truck Chassis

An equipment review group composed of Sanitation Supervisor Corey Erickson and myself reviewed a proposal submitted by Peterbilt of Fargo, Inc for a new truck chassis that will be used to replace one of our sanitation trucks. The compactor currently on the sanitation truck to be replaced is in reasonable condition and will be removed from the current truck and placed on the new chassis.

The proposal included direct purchase of the new truck chassis with an option to trade in the existing sanitation truck chassis for \$5,000.00 credit. The current chassis is a 2012 International with approximately 19,400 hours. The current chassis has posed severe maintenance issues and has been costly to maintain. Repurposing the truck in-house was reviewed but would be costly and is not recommended. Therefore, trading the vehicle seems like a reasonable approach.

The proposal meets all the specifications requested by the City and the truck is available for immediate delivery.

We recommend award of the proposal for direct purchase of the new chassis in the amount of \$153,827 (Bid) less the trade in of \$5,000 for a total chassis purchase price of \$148,827.

In addition to the cost of the truck chassis, an additional approximately \$31,500 will be needed to switch the compactor to the new truck and install a tag axle to reduce axle weights, reduce pavement damage and prevent overweight issues on state highways. Total cost for the chassis, compactor switch and tag axles is near \$180,000. This is \$20,000 over the \$160,000 budgeted for this work.

Michael Grafsgaard, City Engineer/Public Works Director
Devin Gathman, Assistant City Engineer
Helen Carlson, Engineering Admin Tech

LIST OF BILLS FOR THE CITY OF DEVILS LAKE
5-Sep-23

VENDOR	AMOUNT DUE
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AIRPORT

Dennis Olson	\$35.00
Gleason Construction	\$52,200.00
Ironhide Equipment	\$73.44
Klemetsrud Plumbing	\$307,431.00
Mead & Hunt	\$9,031.59
Midco	\$132.13
Rodger Haugen	\$35.00
Scott Cruse	\$794.85
Sparklight Advertising	\$880.00

CITY

4 Leaf Friends 4H Group	\$250.00
Advance Auto Parts	\$6.43
Alken Glass	\$665.00
Allstate Peterbilt	\$148,827.00
Bergstrom Electric	\$354.75
Boy Scouts	\$500.00
Butler Machinery	\$8,085.43
City of Devils Lake	\$5,132.64
Dakota Implement/NAPA	\$1,168.89
David Rader	\$615.00
Decorated Wearables	\$106.51
DL Chamber of Commerce/tourism	\$55,871.89
Devils Lake Park Board	\$60,544.35
Diamond Vogel	\$3,753.00
DL Barkie	\$58,387.28

LIST OF BILLS FOR THE CITY OF DEVILS LAKE
5-Sep-23

VENDOR	AMOUNT DUE
Eclab	\$146.40
Elshaug Concrete Construction	\$66,985.29
Ferguson Waterworks	\$816.40
Gessner Iron Works	\$697.20
Go-Fer Sanitation aka Abe's	\$14,700.00
HE Everson	\$44.14
Harrison Sales & Service	\$652.83
Hawkins	\$9,797.28
International Code Council	\$160.00
Interstate Billing Service	\$1,099.98
JB Vending	\$227.50
Keller's Briteway	\$26.00
Knutson's Body Shop	\$2,623.49
Lake Chevrolet Buick GMC	\$30.00
Lake Region Community Shelter	\$10,000.00
Leevers	\$32.81
Leon's Building Center	\$138.28
M & T Fire and Safety	\$263.53
Mark's Greenhouse	\$625.00
Midstates Wireless	\$11,552.50
Newby's Ace Hardware	\$200.62
North Central Granite	\$1,015.88
Nutrien Ag Solutions	\$403.72
Office Depot	\$89.68
Office of the State Auditor	\$12,500.00
Ottertail Power Co	\$15,290.95
Pomp's Tire Service	\$211.86
Quadrient Leasing	\$260.70
Razor Tracking	\$75.00
Sanitation Products	\$12,326.15
Tanya Weiler	\$1,000.00

LIST OF BILLS FOR THE CITY OF DEVILS LAKE
5-Sep-23

VENDOR	AMOUNT DUE
Tri-State Paving	\$90,576.00
Usable Life	\$582.28
WD Larson Companies/Allstate Peterbilt	\$925.39

TOTAL LIST OF BILLS	\$970,958.04
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