

City Of
Frazee
MINNESOTA

CITY COUNCIL MEETING AGENDA

January 14, 2026 ~ 5:00 p.m. ~ Frazee Event Center

The City of Frazee utilizes TEAMS for meetings. If you would like to participate virtually, please contact City Hall prior to 12:00 pm on the date of the meeting to receive a meeting invitation.

1. Call the Meeting to Order
2. Roll Call
3. Pledge of Allegiance
4. Approve Agenda
5. Open Forum - The City of Frazee welcomes you to this meeting. We have the desire to provide an opportunity to hear from members of the public. This portion of the agenda will be limited to a total of not more than 30 minutes, unless otherwise determined by the council. Individual speakers are asked to limit their comments to not more than 10 minutes, unless otherwise determined by the council. The council requests that all comments be in keeping with, and contribute to, an atmosphere of civil, courteous, thoughtful, and respectful public discourse. The council will not respond to comments at the time of the guest's spot on the agenda; however, if the council feels there needs to be a discussion, comments, or a decision it will be taken up at the New Business part of the agenda with the possibility of future council agenda items. Thank you for attending.
6. Consent Agenda
 - a. [Meeting Minutes – December 22, 2025](#)
 - b. Income Statements
 - c. [Approval of Claims](#)
 - d. [LG230 Application to Conduct Off-Site Gambling – TIP Ottertail Chapter Inc.](#)
 - e. [Resolution 0114-2026A – 2026 Organizational Resolution](#)
 - f. [Resolution 0114-2026B – Setting the 2026 Fee Schedule](#)
 - g. [Resolution 0114-2026C – Acceptance of and Appreciation for Frazee Fire Department Donations](#)
 - h. [Resolution 0114-2026D – Adopting a Policy on Payment Acceptance](#)
7. Committee & Liaison Reports
 - a. [Parks & Recreation Committee – December 23, 2025](#)
 - b. Wannigan Regional Park Committee – No Meeting
 - i. [2025 Annual Report](#)
 - c. [Planning & Zoning – December 22, 2025](#)
 - d. [Personnel Committee – December 4, 2025](#)
 - e. [Finance Committee – December 4, 2025](#)
 - f. [Economic Development Authority – December 23, 2025](#)

- g. Frazee School District Liaison
- h. Frazee Area Action Fund Liaison
- i. Frazee-Burlington-Silver Leaf Joint Powers Board Liaison
- j. Lake Agassiz Regional Library Liaison

8. Staff Reports

- a. [Fire Department](#)
- b. [Rescue](#)
- c. [Event Center](#)
- d. [Liquor Store](#)
- e. [Police Department](#)
- f. [Public Works](#)
- g. Administration

9. Old Business

- a. 2026 Utility Reconstruction
 - i. [Feasibility Report](#)
 - ii. [Resolution 0114-2026E– Resolution Receiving Feasibility Report and Calling Hearing on Improvement](#)

10. New Business

- a. [Liability Insurance Tort Waiver](#)
- b. [Revenue Recapture Service Level Agreement](#)
- c. [Audit Engagement Letter & Peer Review](#)
- d. Rescue Squad Member Resignations
- e. Liquor Store Hire

11. Council Member Comments

12. Addendum

- a. Approval of Additional Claims

13. Adjournment

Consent Agenda

MINUTES – DECEMBER 22, 2025

1. Call the Meeting to Order

- a. Mayor Sharp called the City of Frazee City Council meeting to order on Monday, December 22, 2025, at 5:00 PM in Frazee, MN.

2. Roll Call

- a. Members Present: Mike Sharp, Jim Rader, Andrea Froeber, Mark Kemper, Drew Daggett (attending online)
- b. Members Absent: None
- c. Staff Present: Adam Walker - Fire Chief; Matt Johnson - Rescue Chief; Jolene Tappe - Event Center Manager; Amanda Young - Liquor Store Manager; Tyler Trieglaff - Police Chief; Larry Stephenson - Public Works Superintendent; Stephanie Poegel - City Administrator
- d. Contracted Services: Patrick Bakken - Ramstad, Skolyes & Bakken
- e. Guests: Jim Froeber

3. Pledge of Allegiance

- a. The Pledge of Allegiance was recited.

4. Open Forum

- a. There was no discussion during the open forum.

5. Approve Agenda

- a. Mayor Sharp asked for any changes or corrections to the agenda as presented. He requested to add an item under New Business to address the resignation of Bryce Borough from the Fire Department.

M/S/CU: Froeber/Kemper to approve the agenda with the addition of item C under New Business for Bryce Borough's resignation from the Fire Department.

6. Consent Agenda

- a. Mayor Sharp asked for any changes to the consent agenda as presented.

M/S/CU: Rader/Kemper to approve the consent agenda as presented.

7. Staff Reports

a. Fire Department

- i. Walker reported that the Fire Department currently has 22 active firefighters, with 2 being probationary. He announced the resignation of Bryce Borough effective December 31, 2025, explaining that Borough had moved out of the area a couple of months ago and needed to focus on his young family. Walker noted the resignation was accepted with a heavy heart as Borough was a good young firefighter who would be missed.
- ii. Walker reported 81 calls for service year-to-date, which is slightly above average, with 10 calls in November including structure fires, chimney fires, and mutual aid calls. Regarding training, he mentioned he would be

sitting down with the new officers at the beginning of the year to develop the first three months' training plan.

- iii. For grant updates, Walker reported they had received their radios through the ARMER grant but were waiting on batteries. He was still waiting to hear on the 50/50 grant, with results expected in February or March. The department was also still awaiting ISO inspection results, which the inspector indicated should be available by January at the latest.
- iv. Walker announced the results of the department's December 12th elections: Walker was re-elected as Chief, Joe Nelson was elected as Assistant Chief (Jason Kropuenske had stepped down), and Ross Hetherington was elected as Deputy Chief. The Council agreed to formally approve these election results later in the meeting.

- b. Rescue
 - i. Written report provided by Johnson reviewed.
- c. Event Center
 - i. Tappe reported that the Event Center had a quiet month ahead with only Wednesday night AA meetings scheduled. She noted an increase in booking inquiries, with multiple calls in the past two weeks for the same date in June. She reported having only a couple of dates available in June and one in August.
 - ii. Tappe discussed plans to replace the burlap on the ceiling with sheer white fabric before a July wedding, noting that the bride's mother had offered to pay for the material. She explained they had already taken down some burlap for testing and coordinated with the client through FaceTime to plan the changes.
 - iii. Mayor Sharp raised concerns about the condition of the chairs at the Event Center, noting that many looked damaged and this could negatively impact the venue's reputation. He suggested they needed to find funds to replace some chairs. Tappe estimated they had about 410 chairs total and replacing 100 of the worst ones at approximately \$40 per chair would be beneficial, noting that bulk purchases might reduce the per-chair cost.
 - iv. Poegel suggested investigating whether reupholstering the chairs might be more cost-effective than replacement. Tappe agreed to explore this option, contacting a local upholsterer to get a quote for comparison. Kemper noted it would depend on whether just the seat needed replacing or the entire foam padding.
 - v. Poegel also mentioned that the Event Center's financial position had improved considerably compared to the previous year, though it was not yet completely in the black.
- d. Liquor Store
 - i. Written report provided by Young reviewed.
- e. Police Department
 - i. Trieglaff reported that his department continued to monitor one problematic property that was showing improvement, particularly with the recent snowfall helping to clear up vehicle issues. He explained that

they weren't towing vehicles after the first snowfall but would ticket first and only tow after the plow had gone around them multiple times.

- ii. He mentioned that the department had completed their qualification training on a snowy Friday afternoon. Trieglaff also reported on an incident from Saturday morning that required him and Officer Luhmann to respond at 2:45 AM. He explained that while the Sheriff's Department was already handling the scene, they insisted on being involved and worked until 6:00 PM that day, with investigation continuing through the current week.

f. Public Works

- i. Stephenson referred to his written report and highlighted that the department was currently on a two-day per week backwash schedule for the treatment plant filters due to lower water usage, which was saving approximately 56,000 gallons per month. He explained they would switch back to a three-day schedule in January-February due to colder temperatures to prevent freezing in the water tower.
- ii. He reported that they were maintaining the tower water level between 125,000-145,000 gallons capacity to help with freezing issues, with daily water usage at approximately 80,000-85,000 gallons. Stephenson confirmed that the skating rink and sliding hill were operational with the cold weather, and streets were in good winter driving conditions using a 3:1 sand-to-salt mix for environmental and cost reasons.
- iii. Stephenson requested approval to purchase a small attachment for the skid steer at a cost of \$4,225 to help with salt/sand spreading on sidewalks and paths. He explained that the current method of using the large salt truck was inefficient for these areas. The Council agreed this would be a worthwhile purchase that could prevent potential slip-and-fall insurance claims.

M/S/CU: Froeber/Kemper to approve the purchase of a salt/sand spreader attachment for the skid steer at a cost of \$4,225.

g. Administration

- i. Poegel's written report was reviewed by the Council. She provided additional updates, noting that the trail application they had been working on had been postponed for a year due to some unexpected issues.
- ii. Attorney Bakken provided an update on the Eagle Lake Park closing, mentioning they were working toward closing by the end of the year, possibly on Friday, or if necessary, in early January. He confirmed the previous resolution authorized Mayor Sharp and/or Poegel to sign necessary documents to complete the sale, including any extension if needed.

M/S/CU: Rader/Froeber to approve all staff reports.

8. Old Business

- a. Declaration of Restrictive Covenant for Town Lake Beach
 - i. Poegel explained that while the Council had previously approved this item, Becker County had issues with the map and legal description. She confirmed that the revised document had been reviewed by the county and was now acceptable on all fronts. The Council needed to approve this final draft.

M/S/CU: Kemper/Rader to approve the final draft of the Declaration of Restrictive Covenant for Town Lake Beach.

9. New Business

- a. LCSC 2026 Membership Agreement
 - i. Poegel presented the Lakes Country Service Cooperative 2026 membership agreement, explaining that the city utilizes LCSC for trainings and cooperative purchasing to obtain lower pricing. She noted that the base fee remained at \$100 plus \$3 per full-time equivalent employee, with 11 FTEs listed for the coming year.

M/S/CU: Froeber/Rader to approve the LCSC 2026 Membership Agreement.

- b. Fire Department Election Results
 - i. The Council formally considered the Fire Department election results previously mentioned in Walker's report: Adam Walker as Chief, Joe Nelson as Assistant Chief, and Ross Hetherington as Deputy Chief.

M/S/CU: Froeber/Kemper to approve the Fire Department election results.

- c. Resignation of Bryce Borough
 - i. The Council formally considered the resignation of firefighter Bryce Borough effective December 31, 2025, as mentioned in Walker's report.

M/S/CU: Kemper/Froeber to accept the resignation of Bryce Borough from the Fire Department effective December 31, 2025.

10. Council Member Comments

- i. Mayor Sharp reminded Council members about the upcoming resolution establishing committee assignments for the new year and asked members to inform him if they wished to change their current assignments before the organizational meeting in January. Poegel added that having this information ahead of time would help in preparing the resolution.

11. Addendum

- a. Additional Claims
 - i. The Council reviewed additional claims that had been submitted since the packet was distributed.
- b. Wannigan Regional Park Annual Reports
 - i. Poegel suggested that Council members review the Wannigan Regional Park Annual Reports over the next month and formally accept them at

the next meeting. The Council agreed to table this item until the next meeting to allow time for review.

12. City Administrator Evaluation

- a. The Council conducted Poegel's evaluation, beginning with her self-assessment of accomplishments over the past year. Poegel reported that Banyon financial software was fully operational, and she had been working with staff to ensure comfort with various aspects of the system. She noted that staff evaluations had been implemented, and she was working to ensure timely reimbursements for state and federal grants.
- b. Poegel highlighted that the office environment had significantly improved, and financial reconciliations were progressing much better than the previous year, with May statements recently completed. She acknowledged that communication remained an area for improvement.
- c. Council members then scored Poegel's performance in various categories. The scores resulted in an overall rating of 33 points, which placed her in the "above expectations" range. Areas of strength identified included job knowledge, creativity in finding solutions to budget challenges, and willingness to take on leadership roles. Areas for improvement included communication with Council members, ensuring timely delivery of meeting materials, and cross-training staff.
- d. Poegel discussed her goals for the coming year, which included:
 - i. Increasing quality and affordable housing
 - ii. Economic development initiatives
 - iii. Working with police chief and building inspector to clean up at least two properties of concern
 - iv. Sending well connection letters to identified property owners
 - v. Ensuring more accessible, PDF-compliant forms
 - vi. Implementing credit card payment capabilities for city services
 - vii. Completing monthly financial reconciliations within 35-40 days
 - viii. Improving communication
- e. The Council discussed the importance of timely agenda distribution and ensuring all members have materials with sufficient time for review before meetings. They also discussed potential improvements to financial reporting formats, particularly for the liquor store.

13. Adjournment

M/S/CU: Froeber/Rader to adjourn the meeting at 6:28 PM.

Respectfully submitted,
Stephanie Poegel
Frazee City Administrator

Consent Agenda

INCOME STATEMENTS

Consent Agenda

APPROVAL OF CLAIMS

Consent Agenda

LG230 APPLICATION TO CONDUCT OFF-SITE GAMBLING – TIP OTTERTAIL CHAPTER INC

MINNESOTA LAWFUL GAMBLING

LG230 Application to Conduct Off-Site Gambling

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No Fee

ORGANIZATION INFORMATION

Organization Name: TIP Ottertail Chapter Inc License Number: 05574

Address: PO Box 1673 City: Detroit Lakes, MN Zip: 56502

Chief Executive Officer (CEO) Name: Samantha Eckberg Daytime Phone: 218-849-9682

Gambling Manager Name: Rebecca Folendorf Daytime Phone: 218-841-1019

GAMBLING ACTIVITY

Twelve off-site events are allowed each calendar year not to exceed a total of 36 days.

From 02 / 07 / 2026 to 02 / 07 / 2026

Check the type of games that will be conducted:

Raffle Pull-Tabs Bingo Tipboards Paddlewheel

GAMBLING PREMISES

Name of location where gambling activity will be conducted: Frazee Event Center

Street address and City (or township): 114 Lake Street North, Frazee MN Zip: 56544 County: Becker

- Do not use a post office box.
- If no street address, write in road designations (example: 3 miles east of Hwy. 63 on County Road 42).

Does your organization own the gambling premises?

Yes If yes, a lease is not required.
 No If no, the lease agreement below must be completed, and signed by the lessor.

LEASE AGREEMENT FOR OFF-SITE ACTIVITY (a lease agreement is not required for raffles)

Rent to be paid for the leased area: \$0 (if none, write "0")

All obligations and agreements between the organization and the lessor are listed below or attached.

- Any attachments must be dated and signed by both the lessor and lessee.
- This lease and any attachments is the total and only agreement between the lessor and the organization conducting lawful gambling activities.
- Other terms, if any:

Lessor's Signature: _____ Date: _____

Print Lessor's Name: _____

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Consent Agenda

APPROVAL OF CLAIMS



CITY OF FRAZEE Payments

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Current Period: January 2026

Payments Batch 01142026GEN1 \$130,443.85

Refer	0 RAILROAD MANAGEMENT CO LLC			Total	
Cash Payment	E 601-49400-433	Dues and Subscriptions	Railroad Lisc Fee - Water	\$458.76	
Invoice	540342		12/23/2025		
Cash Payment	E 602-49450-433	Dues and Subscriptions	Railroad Lisc Fee - Sewer	\$458.76	
Invoice	540343		12/23/2025		
Transaction Date	1/7/2026		Main Checking	10100	Total \$917.52
Refer	0 ANDERSON PUMPING AND PORTA			Total	
Cash Payment	E 202-45000-300	Professional Svrs (GEN)	On Call Winter Charge & Portable - Wanning Park	\$332.38	
Invoice	46521		1/1/2026		
Transaction Date	1/7/2026		Main Checking	10100	Total \$332.38
Refer	0 GALLS, LLC			Total	
Cash Payment	E 100-42110-218	Uniforms	Uniform	\$117.17	
Invoice	033576515		12/23/2025		
Transaction Date	1/7/2026		Main Checking	10100	Total \$117.17
Refer	0 SIMPLE WEBSITE CREATIONS, INC			Total	
Cash Payment	E 100-41400-324	Technology/Computer E	Doamin Annual Renewal	\$22.99	
Invoice	9818		1/5/2026		
Transaction Date	1/7/2026		Main Checking	10100	Total \$22.99
Refer	0 MID-STATES WIRELESS, INC			Total	
Cash Payment	E 200-42200-323	Radio Units	Radio Units	\$1,000.00	
Invoice	205019692		7/22/2025		
Transaction Date	1/7/2026		Main Checking	10100	Total \$1,000.00
Refer	0 LAKES COUNTRY EMERGENCY E			Total	
Cash Payment	E 100-42110-311	Contracts/Professional S	BLS Provider CPR	\$100.00	
Invoice	000119		12/29/2025		
Transaction Date	1/7/2026		Main Checking	10100	Total \$100.00
Refer	0 GRAND FORKS FIRE EQUIPMENT			Total	
Cash Payment	E 200-42200-210	Operating Supplies (GE	Class A Foam	\$690.00	
Invoice	45216		11/26/2025		
Transaction Date	1/7/2026		Main Checking	10100	Total \$690.00
Refer	0 LEAGUE OF MN CITIES			Total	
Cash Payment	E 100-41110-433	Dues and Subscriptions	2026 LMC Dues	\$1,912.00	
Invoice	441235		1/5/2026		
Transaction Date	1/7/2026		Main Checking	10100	Total \$1,912.00
Refer	0 DVS RENEWAL			Total	
Cash Payment	E 100-43100-433	Dues and Subscriptions	1996 FORD COL	\$20.25	
Invoice			11/17/2025		
Cash Payment	E 100-43125-406	Repairs/Maint Vehicles	2006 FORD	\$20.25	
Invoice			11/17/2025		
Cash Payment	E 100-43100-433	Dues and Subscriptions	2008 GMC SIE	\$20.25	
Invoice			11/17/2025		
Cash Payment	E 100-43125-406	Repairs/Maint Vehicles	2007 STRG L8500	\$20.25	
Invoice			11/17/2025		



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Payments

Current Period: January 2026

Cash Payment	E 100-43100-433	Dues and Subscriptions	2023 FORD F250	\$6.75
Invoice		11/17/2025		
Cash Payment	E 601-49400-433	Dues and Subscriptions	2023 FORD F250	\$6.75
Invoice		11/17/2025		
Cash Payment	E 602-49450-433	Dues and Subscriptions	2023 FORD F250	\$6.75
Invoice				
Transaction Date	1/7/2026	Main Checking	10100	Total \$101.25
Refer	0 COLONIAL LIFE & ACCIDENT INS C			
Cash Payment	G 601-21709	Aflac/Colonial Life	Life Insurance	\$94.86
Invoice JAN26CL		12/2/2025		
Transaction Date	1/7/2026	Main Checking	10100	Total \$94.86
Refer	0 CREATING COMMUNITY CONSULT			
Cash Payment	E 651-46500-300	Professional Svcs (GEN)	Final Inv 2025 EDA Trans Support	\$3,000.00
Invoice 884		1/5/2026		
Transaction Date	1/7/2026	Main Checking	10100	Total \$3,000.00
Refer	0 FIRST INDEPENDENT BANK			
Cash Payment	E 313-47000-601	Debt Srv Bond Principal	Principal GO Bond 2017A SW Watermain & 4th St S	\$44,000.00
Invoice JAN26FIB				
Cash Payment	E 313-47000-611	Bond Interest	Interest GO Bond 2017A SW Watermain & 4th St S	\$2,040.00
Invoice JAN26FIB				
Transaction Date	1/7/2026	Main Checking	10100	Total \$46,040.00
Refer	0 ALL N ALL INC			
Cash Payment	E 255-49990-430	Miscellaneous (GENERAL)	2020 TIF Payment	\$2,383.46
Invoice JAN26AIATIF		1/6/2026		
Cash Payment	E 255-49990-430	Miscellaneous (GENERAL)	2021 TIF Payment	\$1,998.04
Invoice JAN26AIATIF		1/6/2026		
Cash Payment	E 255-49990-430	Miscellaneous (GENERAL)	2022 TIF Payment	\$1,810.63
Invoice JAN26AIATIF		1/6/2026		
Cash Payment	E 255-49990-430	Miscellaneous (GENERAL)	2023 TIF Payment	\$4,142.39
Invoice JAN26AIATIF		1/6/2026		
Cash Payment	E 255-49990-430	Miscellaneous (GENERAL)	2024 TIF Payment	\$5,660.65
Invoice JAN26AIATIF		1/6/2026		
Transaction Date	1/7/2026	Main Checking	10100	Total \$15,995.17
Refer	0 TYLER TRIEGLAFF			
Cash Payment	E 100-42110-321	Telephone	Cell Phone Stipnd Oct - Dec 2025	\$150.00
Invoice JAN26TT		1/6/2026		
Transaction Date	1/7/2026	Main Checking	10100	Total \$150.00
Refer	0 BRET ANDERSON			
Cash Payment	E 100-42110-321	Telephone	Cell Phone Stipend Oct - Dec 25	\$150.00
Invoice JAN26BA		1/6/2026		
Transaction Date	1/7/2026	Main Checking	10100	Total \$150.00
Refer	0 SCOTT LUHMAN			
Cash Payment	E 100-42110-321	Telephone	Cell Phone Stipend Oct - Dec 25	\$150.00
Invoice JAN26SL		1/6/2026		
Transaction Date	1/7/2026	Main Checking	10100	Total \$150.00

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Payments

Current Period: January 2026

Refer	0	TINA HANSMEIER				
Cash Payment	E 100-41400-321	Telephone	Cell Phone Stipend Oct - Dec 25		\$150.00	
Invoice JAN26TH		1/6/2026				
Cash Payment	E 100-41400-200	Office Supplies (GENER	Dollar General - Office Supplies		\$0.97	
Invoice JAN26TH		1/6/2026				
Transaction Date	1/7/2026		Main Checking	10100	Total	\$150.97
Refer	0	STEPHANIE POEGEL				
Cash Payment	E 100-41400-321	Telephone	Cell Phone Stipend Oct - Dec 25		\$150.00	
Invoice JAN26SP		1/6/2026				
Transaction Date	1/7/2026		Main Checking	10100	Total	\$150.00
Refer	0	JESSE GROSSMAN				
Cash Payment	E 100-43100-321	Telephone	Cell Phone Stipend Oct - Dec 25		\$150.00	
Invoice JAN26JG		1/6/2026				
Transaction Date	1/7/2026		Main Checking	10100	Total	\$150.00
Refer	0	KEVIN RENOLLET				
Cash Payment	E 601-49400-321	Telephone	Cell Phone Stipend Oct - Dec 25		\$150.00	
Invoice JAN26KR		1/6/2026				
Transaction Date	1/7/2026		Main Checking	10100	Total	\$150.00
Refer	0	LARRY STEPHENSON				
Cash Payment	E 100-49010-311	Contracts/Professional S	2025 Sexton Wages		\$500.00	
Invoice JAN26LS		1/6/2026				
Transaction Date	1/7/2026		Main Checking	10100	Total	\$500.00
Refer	0	SUNDHEIM WINDOW CLEANING LL				
Cash Payment	E 100-41400-311	Contracts/Professional S	Jan 2026 Window Cleaning Service		\$80.00	
Invoice JAN26SWC		1/6/2025				
Transaction Date	1/7/2026		Main Checking	10100	Total	\$80.00
Refer	0	STEVE'S SANITATION				
Cash Payment	E 100-43100-384	Refuse/Garbage Dispos	Dec 2025 - Refuse/Garbage Disposal/ Recy		\$134.62	
Invoice JAN26SS		12/31/2025				
Cash Payment	E 100-45200-384	Refuse/Garbage Dispos	Dec 2025 - Refuse/Garbage Disposal/ Recy		\$134.62	
Invoice JAN26SS		12/31/2025				
Cash Payment	E 100-49500-312	Cont/Pro Serv - Refuse/	Dec 2025 - Refuse/Garbage Disposal/ Recy - Res		\$14,545.72	
Invoice JAN26SS		12/31/2025				
Cash Payment	E 654-46500-384	Refuse/Garbage Dispos	Dec 2025 - Refuse/Garbage Disposal/ Recy		\$7.00	
Invoice JAN26SS		12/31/2025				
Cash Payment	E 656-46500-384	Refuse/Garbage Dispos	Dec 2025 - Refuse/Garbage Disposal/ Recy		\$226.80	
Invoice JAN26SS		12/31/2025				
Cash Payment	E 100-41400-384	Refuse/Garbage Dispos	Dec 2025 - Refuse/Garbage Disposal/ Recy		\$32.31	
Invoice JAN26SS		12/31/2025				
Cash Payment	E 200-42200-384	Refuse/Garbage Dispos	Dec 2025 - Refuse/Garbage Disposal/ Recy		\$43.95	
Invoice JAN26SS		12/31/2025				
Transaction Date	1/7/2026		Main Checking	10100	Total	\$15,125.02
Refer	0	SWANSONS REPAIR INC				
Cash Payment	E 100-43100-407	Repairs/Maint Equipmen	Valve Check, Fitting		\$37.58	
Invoice 4277		1/7/2026				

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Payments

Current Period: January 2026

Cash Payment	E 100-43100-407	Repairs/Maint Equipment	Freon		\$89.82
Invoice 4262		1/6/2026			
Cash Payment	E 100-43100-407	Repairs/Maint Equipment	PFT - 4A 14 Plastic		\$2.12
Invoice 4282		1/7/2026			
Cash Payment	E 200-42200-406	Repairs/Maint Vehicles	Deck Gun		\$230.62
Invoice					
Transaction Date	1/8/2026	Main Checking	10100	Total	\$360.14
Refer	<u>0 RMB ENVIRONMENTAL LABORAT</u>				
Cash Payment	E 602-49450-313	Samples/Testing			\$93.01
Invoice D084183		12/15/2025			
Transaction Date	1/8/2026	Main Checking	10100	Total	\$93.01
Refer	<u>0 MN ENERGY RESOURCES</u>				
Cash Payment	E 100-41400-383	Gas Utilities	JAN 2026 Gas Utilities		\$799.84
Invoice JAN26MNE		12/23/2025			
Cash Payment	E 654-46500-383	Gas Utilities	JAN 2026 Gas Utilities		\$502.69
Invoice JAN26MNE		12/23/2025			
Cash Payment	E 200-42200-383	Gas Utilities	JAN 2026 Gas Utilities		\$799.85
Invoice JAN26MNE		12/23/2025			
Cash Payment	E 100-43100-383	Gas Utilities	JAN 2026 Gas Utilities		\$482.94
Invoice JAN26MNE		12/23/2025			
Cash Payment	E 601-49400-383	Gas Utilities	JAN 2026 Gas Utilities		\$322.07
Invoice JAN26MNE		12/23/2025			
Cash Payment	E 421-46500-383	Gas Utilities	JAN 2026 Gas Utilities		\$133.53
Invoice JAN26MNE		12/23/2025			
Transaction Date	1/8/2026	Main Checking	10100	Total	\$3,040.92
Refer	<u>0 VERIZON</u>				
Cash Payment	E 100-42110-321	Telephone	Telephone		\$154.61
Invoice JAN26V		12/23/2025			
Cash Payment	E 100-43100-321	Telephone	Telephone		\$24.78
Invoice JAN26V		12/23/2025			
Cash Payment	E 602-49450-321	Telephone	Telephone		\$24.78
Invoice JAN26V		12/23/2025			
Transaction Date	1/8/2026	Main Checking	10100	Total	\$204.17
Refer	<u>0 ALL N ALL INC</u>				
Cash Payment	E 100-42110-406	Repairs/Maint Vehicles	Repairs/Maint Vehicles		\$48.77
Invoice JAN26AIA		1/1/2026			
Cash Payment	E 100-42110-212	Motor Fuels	Motor Fuels		\$818.34
Invoice JAN26AIA		1/1/2026			
Cash Payment	E 100-43100-212	Motor Fuels	Motor Fuels		\$294.03
Invoice JAN26AIA		1/1/2026			
Cash Payment	E 601-49400-212	Motor Fuels	Motor Fuels		\$75.24
Invoice JAN26AIA		1/1/2026			
Cash Payment	E 100-43100-210	Operating Supplies (GE	Shop Supplies		\$4.29
Invoice JAN26AIA		1/1/2026			
Cash Payment	E 200-42200-212	Motor Fuels	Motor Fuels		\$37.78
Invoice JAN26AIA		1/1/2026			
Cash Payment	E 201-42300-406	Repairs/Maint Vehicles	Repairs/Maint Vehicles		\$29.00
Invoice JAN26AIA		1/1/2026			



CITY OF FRAZEE

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Payments

Current Period: January 2026

Cash Payment	E 201-42300-212	Motor Fuels	Motor Fuels	\$8.00
Invoice	JAN26AIA	1/1/2026		
Cash Payment	E 100-43125-212	Motor Fuels	Motor Fuels	\$1,568.37
Invoice	JAN26AIA	1/1/2026		
Transaction Date	1/8/2026		Main Checking	10100
				Total
				\$2,883.82
Refer	0 AFLAC			
Cash Payment	G 100-21709	Aflac/Colonial Life	Aflac JAN 26	\$257.46
Invoice	JAN26A	1/12/2026		
Transaction Date	1/8/2026		Main Checking	10100
				Total
				\$257.46
Refer	0 FRAZEE AREA COMMUNITY CLUB			
Cash Payment	E 100-41110-493	Employee Recognition	Pickleball Donation	\$25,000.00
Invoice	JAN26FACCDON	1/7/2026		
Transaction Date	1/8/2026		Main Checking	10100
				Total
				\$25,000.00
Refer	0 LAKES COUNTRY SERVICE COOP			
Cash Payment	E 100-41110-324	Technology/Computer	E Repairs/Maint Vehicles	\$105.86
Invoice	102357	1/8/2026		
Cash Payment	E 100-41400-324	Technology/Computer	E Repairs/Maint Vehicles	\$105.86
Invoice	102357	1/8/2026		
Cash Payment	E 700-46700-324	Technology/Computer	E Repairs/Maint Vehicles	\$105.86
Invoice	102357	1/8/2026		
Cash Payment	E 100-42110-324	Technology/Computer	E Repairs/Maint Vehicles	\$105.86
Invoice	102357	1/8/2026		
Cash Payment	E 100-43100-324	Technology/Computer	E Repairs/Maint Vehicles	\$105.86
Invoice	102357	1/8/2026		
Cash Payment	E 200-42200-324	Technology/Computer	E Repairs/Maint Vehicles	\$105.86
Invoice	102357	1/8/2026		
Transaction Date	1/8/2026		Main Checking	10100
				Total
				\$635.16
Refer	0 CITY OF FRAZEE			
Cash Payment	E 100-45183-382	Water/Sewer Utilities	Technology/Computer Expenses	\$47.72
Invoice	JAN26FPU	1/7/2026		
Cash Payment	E 654-46500-382	Water/Sewer Utilities	Technology/Computer Expenses	\$62.17
Invoice	JAN26FPU	1/7/2026		
Cash Payment	E 656-46500-382	Water/Sewer Utilities	Technology/Computer Expenses	\$68.35
Invoice	JAN26FPU	1/7/2026		
Transaction Date	1/8/2026		Main Checking	10100
				Total
				\$178.24
Refer	0 LEIGHTON BROADCASTING-DETR			
Cash Payment	E 651-46500-300	Professional Svcs (GEN)	Technology/Computer Expenses	\$135.00
Invoice	245907-12	12/31/2025		
Transaction Date	1/8/2026		Main Checking	10100
				Total
				\$135.00
Refer	0 WEBBER FAMILY MOTORS & QUIC			
Cash Payment	E 100-42110-406	Repairs/Maint Vehicles	Technology/Computer Expenses - 2014 Ford	\$471.13
Invoice	851701/1	1/5/2026		
Transaction Date	1/8/2026		Main Checking	10100
				Total
				\$471.13
Refer	0 THE J.P. COOKE COMPANY			
Cash Payment	E 100-42110-210	Operating Supplies (GE	Technology/Computer Expenses - Dog Tags 2026	\$88.95
Invoice	908363	12/1/2025		



CITY OF FRAZEE

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Payments

Current Period: January 2026

Transaction Date	1/8/2026	Main Checking	10100	Total	\$88.95
Refer	0 OK LUMBER & HARDWARE				
Cash Payment	E 100-43100-210	Operating Supplies (GE	Spray Bottle		\$5.99
Invoice 59237		12/22/2025			
Cash Payment	E 100-43100-407	Repairs/Maint Equipment	Repairs/Maint Equipment		\$22.95
Invoice 59237		12/22/2025			
Transaction Date	1/8/2026	Main Checking	10100	Total	\$28.94
Refer	0 LAKES COUNTRY SERVICE COOP	Ck# 000441E	1/8/2026		
Cash Payment	G 100-21706	Insurance Payable	Insurance Payable		\$7,155.28
Invoice JAN26LCSCINS		1/1/2026			
Cash Payment	G 601-21706	Insurance Payable	Insurance Payable		\$745.34
Invoice JAN26LCSCINS		1/1/2026			
Cash Payment	G 602-21706	Insurance Payable	Insurance Payable		\$2,086.96
Invoice JAN26LCSCINS		1/1/2026			
Transaction Date	1/8/2026	Main Checking	10100	Total	\$9,987.58

Fund Summary

10100 Main Checking

100 GENERAL FUND	\$56,366.56
200 FIRE FUND	\$2,908.06
201 RESCUE FUND	\$37.00
202 WANNIGAN REGIONAL PARK	\$332.38
255 TIF 1-5 DOWNTOWN INFILL	\$15,995.17
313 DS BOND #1 (5088)	\$46,040.00
421 CAP PROJ - DTI	\$133.53
601 WATER FUND	\$1,853.02
602 SEWER FUND	\$2,670.28
651 ECONOMIC DEVELOPMENT AUTHORITY	\$3,135.00
654 EDA - BUSINESS CENTER	\$571.86
656 EDA - East Main Retail	\$295.15
700 Community Development	\$105.86
	\$130,443.85

Pre-Written Checks	\$9,987.58
Checks to be Generated by the Computer	\$120,456.27
Total	\$130,443.85

CITY OF FRAZEE

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Payments

Current Period: December 2025

Payments Batch 01142026LIQ1		\$4,386.57							
Refer	0 MN ENERGY RESOURCES								
Cash Payment	E 609-49750-383 Gas Utilities	JAN 2026 Gas Utilities	\$218.45						
Invoice	JAN26MNEB 12/23/2025								
Cash Payment	E 609-49751-383 Gas Utilities	JAN 2026 Gas Utilities	\$218.45						
Invoice	JAN26MNEB 12/23/2025								
Cash Payment	E 610-49752-383 Gas Utilities	JAN 2026 Gas Utilities	\$1,240.44						
Invoice	JAN26MNEB 12/23/2025								
Transaction Date	1/8/2026	Liquor Store	10101						
			Total						
			\$1,877.34						
Refer	0 LAKES COUNTRY SERVICE COOP								
Cash Payment	E 609-49750-324 Technology/Computer E	Technology/Computer Expenses	\$52.93						
Invoice	102357B 1/8/2026								
Cash Payment	E 609-49751-324 Technology/Computer E	Technology/Computer Expenses	\$52.93						
Invoice	102357B 1/8/2026								
Cash Payment	E 610-49752-324 Technology/Computer E	Technology/Computer Expenses	\$105.86						
Invoice	102357B 1/8/2026								
Transaction Date	1/8/2026	Liquor Store	10101						
			Total						
			\$211.72						
Refer	0 CITY OF FRAZEE								
Cash Payment	E 609-49750-382 Water/Sewer Utilities	Technology/Computer Expenses	\$156.99						
Invoice	JAN26FPUB 1/7/2026								
Cash Payment	E 609-49751-382 Water/Sewer Utilities	Technology/Computer Expenses	\$156.99						
Invoice	JAN26FPUB 1/7/2026								
Cash Payment	E 610-49752-382 Water/Sewer Utilities	Technology/Computer Expenses	\$96.57						
Invoice	JAN26FPUB 1/7/2026								
Transaction Date	1/8/2026	Liquor Store	10101						
			Total						
			\$410.55						
Refer	0 LAKES COUNTRY SERVICE COOP	Chk# 000325E 1/1/2026							
Cash Payment	G 609-21706 Insurance Payable	Insurance Payable	\$2,086.96						
Invoice	JAN26LCSCINSB 1/1/2026								
Transaction Date	1/8/2026	Liquor Store	10101						
			Total						
			\$2,086.96						
Fund Summary									
		10101 Liquor Store							
	609 MUNICIPAL LIQUOR FUND		\$2,943.70						
	610 EVENT CENTER FUND		\$1,442.87						
			\$4,386.57						
<table border="1"> <tr> <td>Pre-Written Checks</td> <td>\$2,086.96</td> </tr> <tr> <td>Checks to be Generated by the Computer</td> <td>\$2,299.61</td> </tr> <tr> <td>Total</td> <td>\$4,386.57</td> </tr> </table>				Pre-Written Checks	\$2,086.96	Checks to be Generated by the Computer	\$2,299.61	Total	\$4,386.57
Pre-Written Checks	\$2,086.96								
Checks to be Generated by the Computer	\$2,299.61								
Total	\$4,386.57								

Consent Agenda

RESOLUTION 0114-2026A – ORGANIZATIONAL RESOLUTION



Waters Trails Shops Parks

P.O. Box 387, 222 Main Ave. W., Frazee, MN 56544

City Phone: 218-334-4991 | City Fax: 218-334-4992

RESOLUTION No. 0114-2026A 2026 ORGANIZATIONAL RESOLUTION

WHEREAS, the Rules for the Organization and Procedure of the City Council of Frazee, as well as Minnesota Statute Chapter 412 and 427, require certain action by the City Council at the annual organizational council meeting in January;

NOW THEREFORE BE IT RESOLVED by the City Council of the City of Frazee, County of Becker, Minnesota, that it hereby approves the following designations for the year 2026:

Meetings: Regular meetings of the Frazee City Council shall be held on the Second and Fourth Wednesdays of each month at 5:00 p.m. at the Frazee Event Center, except for the 2nd meetings in November and December which will be held on the Monday preceding the Fourth Wednesday. Location for special meetings will be posted as a part of the official meeting posting.

Rules and Procedure: The official "Rules for the Organization and Procedure for the City Council" are hereby approved and attached to this resolution.

Official Newspaper: The official newspaper for the City of Frazee shall be the **Frazee-Vergas Forum**, whose main publication is located in Frazee, Minnesota.

Official City Depositories of City Funds: The following financial institutions shall be designated as the official city depositories: **United Community Bank** and the **4M Fund**.

Vice Mayor: In the absence of the Mayor, the Vice Mayor for the Frazee City Council shall be **James Rader**.

Council Committees 2026: Council Members shall serve as representatives to these specific departments/committees:

Parks & Recreation: **James Rader** and **Andrea Froeber**

Personnel Committee: **Mike Sharp** and **Mark Kemper**

Finance Committee: **Andrew Daggett** and **James Rader**

Council Member Liaisons: Council Members shall serve as liaisons to these specific groups/organizations:

Frazee Area Action Fund: **Mark Kemper**

Frazee-Burlington-Silver Leaf Joint Powers Board: **Mark Kemper** and **Larry Stephenson**

Lake Agassiz Regional Library: **James Rader**

Frazee School District: **James Rader**

Frazee Community Development Corporation Board: **Mike Sharp**

Planning Commission: The Frazee City Council appointed to the Planning Commission shall be **Mark Kemper** and **Mike Sharp**. Other Planning Commission members with an annual appointment starting in January are:

Eric Anderson

Ken Miosek

Tyler Trieglaff

Economic Development Authority Members: The Frazee City Council members appointed by the City Council to the Economic Development Authority shall be Andrea Froeber and Andrew Daggett. Other Economic Development Authority members are:

Bill Daggett	Term Expires 1/1/2032
Ashley Renollet	Term Expires 1/1/2032
Jon Olson	Term Expires 1/1/2031
Heath Peterson	Term Expires 1/1/2031
Hank Lutke	Term Expires 1/1/2031

EDA – MHP Advisor – Jill Hendrickson

Legal Advisors: The firm of **Ramstad, Skoyles & Bakken P.A.** shall be retained as the law firm responsible for legal services and advice, with Tom Winters as the primary City Attorney and Karen Skoyles as the primary prosecuting attorney.

Audit Services: The Frazee City Council hereby retains **Hoffman, Philipp, & Martel** as the firm to audit the financial records of the City of Frazee.

Engineering Services: The Frazee City Council hereby retains **Ulteig Engineering** as the engineering firm responsible for civil engineering services and advice, with Kris Carlson as the primary contact.

Assessing Services: The Frazee City Council hereby appoints **Becker County Assessor's Office** as the responsible agent for property assessing for tax valuation purposes for the City of Frazee.

Building Official: The Frazee City Council hereby appoints **Jon Stewart** as the responsible agent for building inspections/rental inspections and code compliance for the City of Frazee.

Zoning Administrator: The Frazee City Council hereby appoints **City Administrator** as the Zoning Administrator for the City of Frazee.

Assistant Weed Inspector: The Frazee City Council hereby appoints **Public Works Superintendent** as the Assistant Weed Inspector (the mayor is the city weed inspector).

Adopted this 14th of January, 2026 by the City Council of Frazee.

	Daggett	Froeber	Kemper	Rader	Sharp
Aye					
Nay					
Abstain					
Absent					

Mike Sharp,
Mayor

Stephanie Poegel,
City Administrator

Consent Agenda

RESOLUTION 0114-2026B –SETTING THE 2026 FEE SCHEDULE



Waters Trails Shops Parks

P.O. Box 387, 222 Main Ave. W., Frazee, MN 56544

City Phone: 218-334-4991 | City Fax: 218-334-4992

RESOLUTION 0114-2026B

Resolution Setting the 2026 Fee Schedule

Items highlighted in yellow are proposed changes for 2026.

Type of License/Service/Fee	Fee Amount
Administrative Fines & Penalties	
Code Compliance Violation	\$50.00 / day
Parking Ticket	\$10.00 (24 hour/Blocking Alley, Driveway, Crosswalk, Sidewalk or Fire Hydrant/No Parking/Improper Position/Snow Removal/Other) \$200.00 (Handicapped)
Cannabis Retail Registration Form (Initial and 1st Renewal is paid at the time of Initial Application)	
Cannabis Microbusiness	\$0.00 Initial \$1,000.00 Renewal
Cannabis Mezzobusiness	\$500.00 Initial \$1,000.00 Renewal
Cannabis Retailer	\$500.00 Initial \$1,000.00 Renewal
Medical Cannabis Combination Business	\$500.00 Initial \$1,000.00 Renewal
Lower-Potency Hemp Edible Retailer	\$125.00 Initial \$125.00 Renewal
Cemetery Plots	
Cost of Lot/Niche	\$650.00
Cost per Urn (Ashes)	\$125.00
City Facility Rentals – *Rates do not include applicable deposits*	
Fire Hall	\$50.00 / day
Event Center (Sales Tax on Rental Included)	Meetings: \$125.00 / hour Events: \$550.00 / day Sunday-Thursday; \$1600.00 / day Friday or Saturday; \$2600 for Friday & Saturday together \$2100 for Friday 4 Hours & Saturday All Day
Event Center Kitchen (Sales Tax on Rental Included)	\$75.00 / hour
Rescue Meeting Room	\$50.00 / day
Campground Full Electric Hookup	\$30.00 / night
Campground Primitive (no hookups)	\$15.00 / night
Campground – Long Term Contractor	\$20.00 / night minimum 30 days
City Services	
Snow Removal (sidewalks)	\$60.00 / hour
Salt and Sanding	Varies per service area
Mowing	\$100.00 / hour
Mobilization Fee for Mowing	\$200.00 / time

Copies	
Letter Size (8.5x11) – Black and White	\$0.25
Letter Size (8.5x11) – Color	\$0.50
Legal Size (8.5x14) – Black and White	\$0.50
Legal Size (8.5x14) – Color	\$0.75
11x17 – Black and White	\$0.75
11x17 – Color	\$1.00
Laminating	\$1.50 / page 8.5 x 11; \$1.75 / page 8.5 x 14; \$2.00 / page 11 x 17
Fax	\$1.00 / page
Fire Calls	
All Fire Calls/Accidents	
Per Call	\$500.00 (1 st Hour)
Per Hour	\$300.00 (every additional hour)
Alarms	
1 st Alarm	\$150.00
2 nd Alarm	\$500.00
Extraction	\$500.00 / person
Consumables	Costs of Item
Late Fees	10% of unpaid amount at date of invoicing
Filling Swimming Pools	\$20.00 per load and \$1.00 per mile minimum
Liquor Licenses (Annual)	
On Sale Liquor	\$1200.00
Sunday Liquor	\$200.00
Wine License	\$75.00
Club License	\$250.00
Set-ups	\$150.00
3.2 On-Sale	\$75.00
3.2 Off-Sale	\$75.00
Temporary	\$50.00 / day
Miscellaneous License/Service/Fees	
Animal Licenses (Annual) – Dog	\$10.00
Cigarette License (Annual)	\$75.00
NSF Checks	\$30.00
RV Water Fill @ Campground	\$15.00 (per unit)
RV Septic Dump @ Campground	\$15.00 (per unit)
Police Reports	\$10.00
Special Council Meetings – (to expedite a request)	\$250.00
Transient Merchant Fee	\$50.00
Residential Rentals	
Rental Registration – Initial Application	\$100.00
Rental Inspection - 1 st Time	\$100.00
Rental Registration (Annual)	\$20.00
Rental Inspection Fee (Every 3 years)	\$100.00
Re-Inspection Costs	\$55.00 per re-inspection
Re-Instatement Rental Fee	\$100.00
Rental Registration Violations	Up to \$400.00 per occurrence and/or revocation of rental registration

Utilities	
Delinquent Bill Penalty	10% of the charge per month
Requested Turn-On / Turn-Off	\$15 Off & \$15 On (\$30 total)
Delinquent Turn-On / Turn-Off	\$50 Off & \$50 On (\$100.00 total)
Water (Sales Tax on Commercial Water)	
Base Fee*	\$14.47 / month
User Fee*	\$20.00 / month
Residential/Multi-Units/Commercial Less Than 800 Cubic Feet	\$0.0388 / Cubic Foot
Residential/Multi-Units/Commercial More Than 800 Cubic Feet	\$0.0418/ Cubic Foot
Schools/Nursing Homes Less Than 1500 Cubic Feet	\$0.0388 / Cubic Foot
Schools/Nursing Homes More Than 1500 Cubic Feet	\$0.0418/ Cubic Foot
Water Hook-up Assessment	\$100.00
Meter Charge	Based on current market price
Bulk Water	\$15.00 / every 1,000 gallons
Sewer	
Base Fee*	\$11.82 / month
Residential/Multi-Units/Commercial Less Than 800 Cubic Feet	\$0.03 / Cubic Foot
Residential/Multi-Units/Commercial More Than 800 Cubic Feet	\$0.0406 / Cubic Foot
Schools/Nursing Homes Less Than 1500 Cubic Feet	\$0.0377 / Cubic Foot
Schools/Nursing Homes More Than 1500 Cubic Feet	\$0.0406 / Cubic Foot
Sewer Hook-up Assessment	\$350.00
Lawn Watering	
Base Fee	\$14.05 / month
Lawn Meter Rate	\$0.0406 / Cubic Foot
Storm Water	
Base Fee – Residential*	\$1.50 / month
Base Fee – Commercial Single Unit & Trailer Parks*	\$3.50 / month
Base Fee – Commercial Multi-Unit*	\$3.75 / month
Base Fee – Churches & Industrial*	\$4.50 / month
Base Fee – Schools & Nursing Homes*	\$5.50 / month
Garbage (includes tax)	
Senior 35 gal.	\$27.59 / month
35 gallon	\$31.62 / month
65 gallon	\$37.74 / month
95 gallon	\$44.39 / month
Recycling fee	\$7.00 / month
Service fees marked * are charged regardless of service being on or not.	
Zoning/Building	
Building Code Violation	\$100.00 / day
Non-Refundable Application Fees:	
Building Permit	Most Recent State of MN Bldg Permit Fee Statute
Moving Buildings & Structures	\$150.00
Demolition Permit	\$50.00 per Structure
Pre-Built Shed Installation Permit	\$50.00
Fence Permit (over 6 ft high)	\$50.00
Change of Use	\$150.00
Conditional Use	\$150.00 + actual posting & mailing costs
Industrial Development	\$150.00

Platting	\$300.00
Rezoning	\$150.00 + actual posting & mailing costs
Variance	\$150.00 + actual posting & mailing costs
Interim Use	\$150.00 + actual posting & mailing costs
Right-Of-Way Permit	\$40.00 Per Location
Short Term Rental Permit (Includes Registration & Inspection)	\$500.00
Sidewalk Expansion Permit	\$15.00

THEREFORE, BE IT RESOLVED THAT the City of Frazee hereby approves these amounts for all licenses, services, and fees for the 2026 year.

THEREFORE, BE IT KNOWN; Adoption of this resolution this 14th of January, 2026 by the City Council of Frazee. With the following voting:

	Daggett	Froeber	Kemper	Rader	Sharp
Aye					
Nay					
Abstain					
Absent					

Mike Sharp,
Mayor

Stephanie Poegel,
City Administrator

Consent Agenda

RESOLUTION 0114-2026C – ACCEPTANCE OF AND APPRECIATION FOR FRAZEE FIRE DEPARTMENT DONATIONS



P.O. Box 387, 222 Main Ave. W., Frazee, MN 56544

Waters Trails Shops Parks

City Phone: 218-334-4991 | City Fax: 218-334-4992

RESOLUTION No. 0114-2026C

A RESOLUTION EXPRESSING ACCEPTANCE OF AND APPRECIATION FOR FRAZEE FIRE DEPARTMENT DONATIONS

WHEREAS; the City of Frazee is generally authorized to accept donations of real and personal property pursuant to Minnesota Statutes Section 465.03 for the benefit of its citizens, and is specifically authorized to accept gifts and bequests for the benefit of recreational services pursuant to Minnesota Statutes Section 471.17; and

WHEREAS; The Frazee Fire Department is a vital necessity for the City of Frazee, surrounding Townships, and Counties; and

WHEREAS; the following persons have generously donated the amounts set forth below to the Frazee Fire Department:

Name of Donor	Amount
Edward Jones c/o Kathy Carter	\$200.00

WHEREAS: It is the desire of the donor to use this donation towards the needs of the Frazee Fire Department; and

WHEREAS; the City Council is appreciative of these donations and commend the donors for their civic efforts and contributions.

NOW, THEREFORE BE IT RESOLVED, by the City Council of the City of Frazee, Minnesota:

1. that the donations are accepted and acknowledged with gratitude.
2. that the donations will be used towards the needs of the Frazee Fire Department.

THEREFORE, BE IT KNOWN; Adoption of this resolution this 14th day of January, 2026 by the City Council of Frazee. With the following voting:

	Daggett	Froeber	Kemper	Rader	Sharp
Aye					
Nay					
Abstain					
Absent					

Mike Sharp,
Mayor

Stephanie Poegel,
City Administrator

Consent Agenda

RESOLUTION 0114-2026D – ADOPTING A POLICY ON PAYMENT ACCEPTANCE



Waters Trails Shops Parks

P.O. Box 387, 222 Main Ave. W., Frazee, MN 56544

City Phone: 218-334-4991 | City Fax: 218-334-4992

Resolution No. 0114-2026D

A RESOLUTION ADOPTING A POLICY ON PAYMENT ACCEPTANCE

WHEREAS; the City of Frazee is responsible for maintaining accurate financial records and complying with standard municipal accounting, reporting, and auditing requirements; and

WHEREAS; such requirements necessitate the prompt processing and deposit of all payments received by the City; and

WHEREAS; accepting post-dated checks or holding checks for future deposit creates challenges to proper financial controls and audit compliance;

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

1. The City of Frazee shall not accept post-dated checks for any payments owed to the City.
2. The City of Frazee shall not hold checks for future deposit under any circumstances.
3. All checks submitted to the City must be dated for the date on which they are presented.
4. Payments received by the City shall be processed and deposited promptly in accordance with standard financial and auditing procedures.
5. Payments submitted in violation of this policy shall be returned, and the payer must submit an acceptable form of payment to satisfy the obligation.

BE IT FURTHER RESOLVED, that acceptable forms of payment include cash, a check dated for the current date, or any other payment methods authorized by the City.

BE IT FURTHER RESOLVED, that this policy shall take effect immediately upon adoption and shall apply to all City departments and all payments made to the City of Frazee.

THEREFORE, BE IT KNOWN; Adoption of this resolution this 14th day of January, 2026 by the City Council of Frazee. With the following voting:

	Daggett	Froeber	Kemper	Rader	Sharp
Aye					
Nay					
Abstain					
Absent					

Mike Sharp,
Mayor

Stephanie Poegel,
City Administrator

Payment Acceptance Policy

Version 1: Proposed 01-14-2026

Purpose

To maintain sound fiscal control and ensure accurate, timely revenue collection, the City will not accept post-dated checks and will not delay or hold payments. This policy reduces risk, simplifies processing, and ensures clarity for both payers and municipal finance staff.

Scope

Applies to all cashiers, utilities, departments, and divisions authorized to collect payments—whether in-person, by mail, or electronically.

Definitions

- **Post-Dated Check:** A check dated for a future date other than the date of presentation. Under the Uniform Commercial Code (UCC), checks are legally *payable on demand*, regardless of date.
- **Payment Hold:** Any request to defer deposit or acceptance of payment beyond presented date.

Policy Statements

- **No Acceptance of Post-Dated Checks**
 - Any check presented with a future date will be returned as "Not Acceptable — Post-Dated". Payers must present a check dated on the date of presentation or an earlier date.
 - Accepting post-dated checks places undue burden on administrative processes and banking (e.g., potential overdrafts).
- **No Holds on Payments**
 - All payments—including checks, money orders, ACH, or credit cards—must be processed immediately or within the standard deposit timing required by the financial controls policy.

- No payment will be intentionally held at the request of payer or staff.
- **Returned/NSF Checks**
 - If a check bounces, standard returned check procedures apply—e.g., notification to payer, re-presentment, and NSF fees—consistent with municipal administrative and financial policies.

Procedures

- **At Payment Intake**
 - Frontline staff must visually inspect check date.
 - If it's post-dated, refuse payment immediately and guide the payer to issue a current-dated form of payment.
- **Deposit/Clearing**
 - All accepted checks are recorded, prepared, and deposited typically by the next business day.
- **Remittance**
 - Do not delay issuing receipts or posting payments due to internal holds.

Responsibilities

- **All Cashiers/Collectors** must enforce this policy uniformly.
- **Finance Department/Treasurer** ensures timely deposit, provides oversight, maintains returned check follow-up procedures, and includes relevant training in internal controls.
- **Oversight Body** (e.g., City Council) should review compliance during periodic financial policy audits.

Compliance & Oversight

- Violation of this policy (accepting a post-dated check or placing payment on hold) may result in corrective action or discipline consistent with municipal regulations.
- The City Administrator will periodically report compliance, train staff, and make updates to this policy as needed.

Rationale

- **Legal Consistency:** Under UCC, financial institutions treat checks as payable upon presentation; date does not determine banks' obligation.

- **Fiscal Responsibility:** Immediate processing ensures proper revenue tracking, budgeting, reconciliations, and audit readiness.
- **Risk Mitigation:** Reduces risk of overdrafts, stale checks, confusion, or manipulation.

This policy ensures sound financial control, legal compliance, prompt revenue collection, and transparent public service.

Committee Reports

PARKS & RECREATION COMMITTEE – DECEMBER 23, 2025

1. Call the Meeting to Order - Roll Call

- a. The Parks and Recreation Committee meeting was called to order at 3:14 PM on Monday, December 22, 2025, at the Frazee Event Center by Chair Anderson.
- b. Present: Erik Anderson, Tom Watson, Andrea Froeber, Joe Tonihka, Stephanie Poegel, McKenzie Hamm, Mark Kemper

2. Review of Minutes – November 24, 2025

M/S/CU: Froeber/Watson to approve the October 22, 2025 minutes as presented.

3. Open Forum

- a. Hamm reported that the committee had previously discussed applying for a DNR grant for a fish house, but discovered it was a capital expense that couldn't be included in the No Child Left Behind grant. Instead, they submitted a request for portable ice fishing setups and other small items. However, during an MVP meeting, they obtained quotes quickly and secured funding for a 6' x 12' fish house through a different grant. The shop class at the school will build it, and Cornerstone has offered to help with logistics.
- b. The committee discussed several ownership and maintenance questions, including licensing and storage. Hamm explained that while all details weren't finalized, she was willing to help with licensing and storing it at her place. Watson shared his experience leaving an unlocked fish house on the lake for community use without problems.

4. Parks

a. Wannigan Regional Park

- i. Poegel introduced Joe Tonihka, the new Community Development Coordinator. Tonihka shared his background in economic development, including his work with White Earth Nation where he implemented hemp fields, medical marijuana operations, and solar field projects. He also mentioned his experience in data analysis and grant writing.
- ii. Anderson provided an update on the park design work being done by Widseth. The committee had met at the park earlier in the month to review preliminary plans. They discussed relocating the proposed restroom to higher ground near the parking lot to avoid needing a lift station when sewer and water are installed in the future. They also

suggested moving the planned roundabout closer to the existing intersection to avoid low-lying areas and ensure adequate turning radius for large vehicles.

- iii. Anderson noted that he had requested input from the natural playscape committee regarding the playground equipment included in the grant. The project is still on track for bidding in April to take advantage of the construction season.
- iv. The committee discussed access to the park during construction, particularly regarding the troll attraction. They expressed concerns about maintaining visitor access via the 120th Street entrance, noting potential issues with neighboring property owners. Anderson mentioned that FCDC was working with Attorney Bakken to clarify easement questions.
- v. Watson reported that he had groomed cross-country ski trails at the park, though current conditions weren't ideal. The committee discussed plans for winter trail use, including potentially routing trails across the severed bridge, with snowshoers encouraged to stay off groomed ski trails.

b. Eagle Lake Park

- i. Poegel reported that she had prepared the warranty deed for Attorney Bakken to submit to the closing company. While no specific closing date had been set, she expected it to be completed by the end of the year per their purchase agreement which expires December 31st.

c. Hank Lutke/Riverside Park

- i. Froeber reported that she had spoken with Trescha Mitchell about the retaining wall project. Mitchell expressed interest in potentially having students help with the project. The area for the retaining wall has been measured and staked.
- ii. Froeber requested funding for a down payment on the park sign. The committee discussed the budget situation, with Poegel confirming there was \$5,000 remaining in this year's park budget, though it was too late to cut a check before year-end. The committee had previously approved allocating \$2,000 for this project.

d. Lions Park

- i. No updates were provided.

e. Corner Park

- i. The committee noted that the mural was complete and looked great.

f. JoAnn Niemann Memorial Park

- i. No updates were provided.

g. Little Turkey Park

- i. Watson mentioned that repairs to the turkey statue would take place after the holidays.

5. Recreation

a. Heartland Trail Update

- i. Poegel reported that a meeting to determine the southern route from Detroit Lakes had been postponed due to weather. The decision is between routing along Highway 59 or taking a back road by Melissa.
- ii. The committee discussed that while the Highway 87 trail is not technically part of the Heartland Trail, they would like to see it designated on the map to direct people into town. Watson mentioned he would check with the DNR about including the route to downtown Frazee in their official publications.
- iii. Anderson reported that FCDC was closing on the Luke Kangas property (second trailer house across from the football field) on either December 29th or 30th. This acquisition would help facilitate a bike trail to Wannigan Park. The committee discussed the condition of the trailer home, noting it was uninhabitable and would need to be removed from the property.

b. Town Lake Beach

- i. Kemper mentioned that he had checked on the public Wi-Fi cable at Town Lake and found there was a grommet in place, but the wire end was damaged. He suggested pulling more cable from the attic in spring to cut off the damaged portion. Poegel clarified that this affected only the public Wi-Fi, not the security cameras.

c. Walking Path/Unidentified Parcel

- i. Poegel reported that Attorney Bakken had approval to complete the survey and was working on it.

d. Bicycle Friendly Community

- i. The committee discussed the Bicycle Friendly Community designation, which Poegel confirmed was good until 2028. She explained that while they had made improvements, they weren't yet sufficient to move from bronze to silver status, as they needed to implement more policy-driven changes rather than just event-driven ones.

- ii. The committee also discussed the Safe Routes to School plan, which needed updating. Poegel suggested waiting until after the Main Street project in 2027 and the completion of the trail section from Red Willow to Wannigan, to avoid creating a plan that would immediately be outdated.

iii. Bike Rodeo – May 23, 2026 11am-1pm

1. The committee confirmed the date for the Bike Rodeo.

iv. Bike Rally – September 13, 2026

1. The committee confirmed the date for the Bike Rally.

e. National Trails Day – 1st Saturday in June

- i. Poegel distributed a guide on hosting a successful National Trails Day event. The committee discussed potential activities, including a canoe event being planned by Watson and various trail improvement projects.

They noted that the registration deadline is May 1st, but planning should begin earlier.

- ii. Poegel suggested clarifying their goals for the event, which could include fundraising for specific trail improvements or introducing community members to local trails. Watson mentioned plans for a cross-country ski event during winter.
- iii. The committee also discussed questions from a caller about cross-country ski trails and lighting at the troll.

6. Comp Plan Task Updates

- a. The committee briefly discussed incorporating bicycle-related activities into Turkey Days. Hamm mentioned that she and Ashley were considering implementing a triathlon to complement the existing 5K run. Watson noted the ongoing challenge of finding enough volunteers for Turkey Days events.

7. Adjournment

M/S/CU: Froeber/Hamm to adjourn at 3:58 pm.

Respectfully submitted,

Stephanie Poegel

Frazee City Administrator

Committee Reports

WANNIGAN REGIONAL PARK COMMITTEE – 2025 ANNUAL REPORT

Executive Summary of Wannigan Regional Park Funding Worksheet Cash Flow 2024, Wannigan Regional Park 2025 Cash Flow Projections, and Map of Wannigan Park Funding Breakdown – Phase 1

2025 was a banner year for Wannigan Regional Park. We successfully planned, engineered, and constructed at 2.15-mile paved, multi-use trail through the west side of the park. The construction costs for the trail were covered by an Active Transportation grant, which was successfully applied for and awarded in 2024. The additional planning and engineering costs were covered by private donations raised by FCDC. The former shelter from Town Lake Beach was relocated to Wannigan Regional Park and re-purposed as a picnic shelter near the famous Thomas Dambo troll, Jacob Everear. Our pedestrian counter data showed over 35,000 visitors to the park from April-November 2025. FCDC completed a successful “Alumni Challenge” fundraiser, which brought in over \$145,000 in private donations and reached hundreds of Frazee High School alumni. Phase 1 development plans are currently being designed and engineered by Widseth, following the execution of the design contract in November 2025. Phase 1 will be funded largely by a grant from Greater Minnesota Regional Parks and Trails Commission in the amount of \$917,177, with additional funding coming from Becker County in the amount of \$150,000. The balance of the project will be funded through private donations raised by FCDC. The FDCD Board has expanded to include 9 board members in 2025, which will provide some additional capacity as we take on this important work of making Wannigan Regional Park a true destination for recreation, relaxation, and reconnecting with nature.

Our 2024 summary shows where we ended the year. Our 2025 summary provides YTD actual revenue and expenses through October 30, with a forecast provided for where we anticipate landing at the end of the year. Our approach is to show all grants funded, with rough estimates of the expenses we might anticipate in launching construction in 2026. While we do not know at this time when construction will occur, we believe it provides a picture of what we will be working on in the coming year. These amounts will flex and move throughout the year as our work progresses.

WANNIGAN PARK FUNDING WORKSHEET & CASH FLOW 2024			
Source/Expense	Current Cash Flow Analysis:	Total	Notes
Private Fundraising	Donations Received (2024 calendar year) + beginning balance	\$ 491,018	<i>private capital raised</i>
GMRPTC	Grant awarded – Phase 1 Construction	\$ 917,177	<i>25% match requirement</i>
Becker County	Road / Round-about Entrance to Wannigan Regional Park	\$ 150,000	
Active Transportation	Grant awarded – 2.15-mile multi-use paved/lit trail	\$ 663,000	<i>Soft costs not covered by grant</i>
Expense	Park Infrastructure – gates, signage, dog waste, port-a-potties, ped. Counter, etc.	\$ 4,698	
Expense	Park Planning - Engineering - Grant Writing - Lobbying	\$ 90,110	
Expense	Marketing – Open House Costs, Website updates, etc.	\$ 4,135	
Expense	Admin / Property Taxes / Mortgage on Parcel B	\$ 10,210	
Total Balance end of 2024 / Funds Available		\$2,112,042	

WANNIGAN PARK 2025 CASH FLOW PROJECTIONS			
Income/Expenses	Current Cash Flow Analysis: 2025 outlook	Total	Notes
2024 Snapshot	Available Funds (2024 ending balance)	\$2,112,042	<i>Carry forward from 2024</i>
Private Fundraising	FCDC Donations Received through Nov. 30, 2025	\$1,271,204	
Private Fundraising	FCDC Additional Pledges 2025	\$ 14,000	
	Total Projected Grants and Cash Fundraised through 2025	\$3,397,246	
Expense	Holding Costs - Parcel B	\$8,945	
Expense	Marketing / Website / Alumni Challenge Costs	\$869	
Expense	Park Planning – Engineering, Grant Writing, and Lobbying Efforts	\$41,750	
Expense	Picnic Shelter / Parking Pad for River Access	\$112,600	<i>Remaining LCCMR funds</i>
Expense	City of Frazer Reimbursables	\$40,234	
Expense	Construction Costs for Multi-Use Paved Trail	\$663,000	
Expense	FCDC Administrative Expenses	\$4,378	
	2025 Total \$ Projected	\$2,525,470	

WANNIGAN PARK 2026 & BEYOND CASH FLOW PROJECTIONS			
Income/Expenses	Current Cash Flow Analysis: 2026 & beyond outlook	Total	Notes
2025 Snapshot	Estimated Available Funds (2025 ending balance)	\$2,525,470	<i>Carry forward from 2025</i>
Grant Award Estimate	Total of estimated grant awards in 2026	\$250,000	
Capital Campaign	FCDC Private Fundraising 2026	\$250,000	<i>goal</i>
Expense	City staff time/cost 2026	\$10,000	
Expense	Grant Writing and Fundraising Costs	\$45,000	
Expense	Holding Costs - Parcel B	\$9,350	
Expense	FCDC Admin Costs	\$4,500	
Expense	Marketing / Website / Public Outreach	\$5,000	
Expense	Phase 1 Development costs - 2026	\$1,350,000	
Expense	2026 Engineering and Park Planning	\$150,000	
Expense	FCDC contribution to Community Development Coordinator Position	\$40,000	
	2026 Total \$ Projected	\$1,411,620	



Wannigan Park Funding Breakdown

Frazee, MN | October 2024

WIDSETH

Statement of Profit and Loss

Frazee Community Development Corporation

11/01/2024 - 10/31/2025

Cash accounting in U.S. dollars

REVENUE

Beginning Bank Balance	34,387
Cash Receipts from Donations	474,293
Donations through WCI	518,693
Farm Rent Proceeds	4,000
Investment Earnings (WCI Account)	5,625
Interest Earned	3,201
Net Revenue	\$1,040,199

EXPENSES

Year-end Financial Statement Preparation and Annual Filing	750
Office Supplies	84
Website & Community Outreach	3,643
City of Frazee - Reimburse Staff Time & Expenses	14,266
Property Taxes	238
Easement Inquiry - Pemberton Law	1,727
Surety Bond - FCDC	359
Grant Writing and Capital Campaign Services	41,558
Debt Service	8,707
Pedestrian Counter	1,194
Wannigan Park Design & Engineering Services	5,291
Total expenses	\$77,816
 Net operating income	 \$962,382

Committee Reports

PLANNING & ZONING – DECEMBER 22, 2025

1. Call the Meeting to Order - Roll Call

- The meeting was called to order at 5:00 PM.

b. Members Present: Mark Kemper, Ken Miosek, Eric Anderson, Mike Sharp
Members Absent: Tyler Trieglaff Staff Present: Stephanie Poegel, Andrea Froeber

2. Review Minutes – November 25, 2025

M/S/CU: Miosek/Kemper to approve the minutes as presented.

3. Open Forum

a. There were no individuals present for the open forum.

4. Old Business

a. Comprehensive Plan Task Updates

- i. No updates were presented on the Comprehensive Plan tasks.

b. Front Yard Setback – Proposed Ordinance 183 "R4" LARGE LOT RESIDENTIAL DISTRICT

- i. Poegel explained that the format of the ordinance had been changed to match the current zoning format with the outline structure. She detailed the specific changes made to the ordinance, noting that struck items would be removed from the final version that would go to council. The committee discussed permitted uses, which would be the same as in the R1 district. Side yards would be 10 feet, except on corner lots where they would be 12 feet. Accessory structures would have 5 feet setbacks, rear yards would be 25 feet, and front yards would be 45 feet. Minimum structural requirements would be the same as other zones.
- ii. The committee members discussed the permitted uses section and agreed that conditional uses, accessory uses, and interim uses should all reference the R1 district for consistency and simplification. Poegel noted that the next step would be to hold a public hearing in January.

M/S/CU: Miosek/Anderson to hold a public hearing on the ordinance with stated changes.

c. Sidewalk Permit Feedback

- i. Froeber reported that she had received feedback from downtown businesses regarding the sidewalk permit requirements. She explained that businesses were not pulling permits because the insurance requirements were cost prohibitive. After speaking with Brad Solberg, an insurance agent, she learned that standard business liability insurance is typically \$1,000,000, but the city's requirement was \$1,500,000, which would require businesses to purchase an additional umbrella policy at significant additional cost.
- ii. Froeber noted that the original intent of the sidewalk permit was to prevent rental property owners from placing items like couches on sidewalks while allowing businesses to have benches or tables. She asked if the committee would consider changing the requirement to the standard \$1,000,000 liability coverage that most businesses already carry.
- iii. The committee discussed whether the \$1.5 million requirement was a state standard. Miosek expressed concern about potential liability issues

if the city's requirement was less than what the state might require. Kemper and Sharp questioned whether an ordinance change would be necessary or if just modifying the application would be sufficient.

- iv. After further discussion, Miosek found information indicating that Minnesota does not have a state statute setting a single sidewalk liability limit for all businesses, and that cities set their own requirements. The committee learned that their ordinance does not specify an insurance amount; the \$1.5 million requirement was only in the application form.
- v. Poegel noted her concern that business owners had not come directly to city hall with this issue, though Froeber explained that she learned about it during casual conversations with business owners.
- vi. The committee agreed that modifying the application to require "\$1,000,000 or above" liability insurance would be appropriate and would need to go to council for approval.

M/S/CU: Kemper/Anderson to change the liability insurance requirement on the sidewalk permit application to "\$1,000,000 or above."

- vii. Poegel shared a message from Trieglaff that there had been no issues with sidewalks this year.

5. New Business

- a. No new business was presented.

6. Adjournment

M/S/CU: Miosek/Anderson to adjourn at 5:25 PM.

Respectfully submitted

Stephanie Poegel

Frazee City Administrator

Committee Reports

PERSONNEL COMMITTEE – DECEMBER 4, 2025

1. Call the Meeting to Order - Roll Call

- a. The Personnel Meeting was called to order on Thursday, December 4, 2025, at 4:00 PM in Frazee, MN. Present were Stephanie Poegel, Jim Rader, and Matthew Johnson.

2. Minutes – November 24, 2025

- a. The minutes from November 24, 2025 were reviewed with no changes noted.

3. Old Business

a. Overview of Employee Performance Reviews

- i. Poegel reported that she had completed all department head reviews. One department head met expectations while the rest were rated above expectations. She recommended a salary increase for Amanda Young at the liquor store, noting that Young had transformed the establishment "from a surviving liquor store to a thriving one."
- ii. Poegel explained that Young had taken a significant pay cut to work for the city, having previously earned nearly \$80,000 annually in tips at her

former position at "the pit," where she also received a vehicle and car insurance from her employer. Young's current benefits include health insurance, pension, paid holidays, and sick leave.

- iii. Rader recalled previous discussions about whether the city should remain in the liquor business when it was floundering but noted that he remembered when the liquor store had been profitable and believed it could be again.
- iv. Poegel proposed increasing Young's salary from her current Grade 4, Step 3 position at \$26.00 per hour to Step 6 at \$28.41 per hour. She also recommended increasing Liz Krejce's hourly wage from \$16.00 per hour to Step 3 at \$16.97, acknowledging Krejce's long service and reliability in covering for Young when needed. The combined annual cost of these increases would be approximately \$8,000.
- v. Rader asked if other staff might have concerns about these increases. Poegel explained that among full-time staff, Young was currently at the lowest step despite her performance, while other employees were nearing Grade 10 or Step 10. Rader expressed support for the increases, noting that the liquor store operates differently from other city departments as it needs to generate profit.
- vi. There was consensus to recommend both salary increases to the full Council for their Wednesday meeting.

b. **Medical Leave & Return to Work Policy**

- i. Poegel explained that developing policies related to earned sick and safe time and Minnesota paid family medical leave has been challenging, as there are no sample policies available. She noted that Johnson had developed something workable for the rescue squad.
- ii. Johnson presented a new policy that addresses medical exemptions to call participation requirements. The policy outlines conditions for medical leave, including notification procedures, exemption from call requirements, equipment return, and procedures for returning to active status. It specifies a one-year limit for extended medical leave, after which members would need to resign in good standing or be removed from the rescue squad. Those leaving in good standing could reapply within six months.
- iii. The committee reviewed two additional policies: one regarding communication equipment and another on emergency vehicle operations.
- iv. The communication equipment policy establishes accountability for city-owned radio equipment issued to rescue squad members, addressing security concerns and accountability for expensive equipment. Johnson explained that previously there had been thousands of dollars of unaccounted-for equipment, and the new policy would help with inventory management and grant applications.
- v. The emergency vehicle operations policy largely references state statute requirements for when lights and sirens must be used. It specifically addresses adverse weather conditions, recommending that members

- vi. avoid using lights and sirens during poor road conditions unless statutorily required, to reduce the risk of causing additional accidents.
- vi. Rader inquired about tracking lost equipment, and Johnson explained some of the technical capabilities for locating radios, though he noted it hadn't been an issue so far.
- vii. The committee reached consensus to forward all three policies to the full Council.
- viii. Poegel mentioned that she had not completed reviews for Rescue and Fire personnel, expressing uncertainty about whether formal reviews were appropriate for these positions, as they are volunteer positions.
- ix. Johnson provided an update on rescue squad recruitment and participation, noting good participation from new members who are completing their training. He mentioned working with younger members, including a high school student, to adapt to their unique scheduling challenges.

4. New Business

- a. No new business was discussed.

5. Adjournment

- a. The meeting was adjourned at 4:39 PM.

Respectfully submitted,
Stephanie C. Poegel
Frazee City Administrator

Committee Reports

FINANCE COMMITTEE

1. Call the Meeting to Order - Roll Call

- a. The Finance Committee meeting was called to order at 5:22 PM on December 4, 2025. Present were Stephanie Poegel and Committee Members Andrew Daggett and James Rader.

2. Review Minutes – November 5, 2025

- a. The committee reviewed the minutes from the November 5, 2025 meeting with no changes.

3. Old Business

- a. Insurance Agent RFP
 - i. Poegel reported that the city had received two RFPs for insurance agent services: one from United Community Bank (UCB) and one from Solberg Insurance. She explained that UCB does not charge any fees for their services beyond the premium paid to the League of Minnesota Cities for the city's insurance coverage each year.

- ii. Rader questioned whether UCB receives any financial benefit from handling the city's insurance. Poegel indicated that they likely receive some compensation but was unsure of the percentage. The committee discussed the possibility that UCB views this service as a way to build community trust and potentially attract other customers.
- iii. Poegel reviewed the declarations page showing UCB's professional liability coverage of \$1 million per occurrence and \$2 million aggregate. She then noted that Solberg Insurance has higher coverage limits at \$2 million per occurrence and \$4 million aggregate, but proposed a 5% fee for property liability and workers' compensation, which would amount to approximately \$5,000-\$6,000 annually based on the city's current insurance costs of around \$100,000.
- iv. Rader summarized that both options would provide the same insurance through the League of Minnesota Cities, but Solberg would charge an additional fee while UCB would provide the service at no cost. He recommended continuing with UCB, noting that selecting them would represent a three-year commitment.
- v. Daggett asked if there were any compelling reasons to consider Solberg instead. The committee discussed that while Solberg offered higher liability coverage for their errors and omissions, the actual insurance coverage for the city would be identical through either agent.
- vi. Poegel mentioned that approximately 99.9% of Minnesota cities use the League of Minnesota Cities for insurance, with only a few exceptions like Minneapolis. The committee agreed it would be appropriate to thank Solberg for their proposal and potentially explore whether they might provide a quote for the city's liquor liability insurance (Dram Shop coverage), which is currently through a different company and due for renewal soon.
- vii. The committee agreed to recommend to the City Council that the city continue using United Community Bank as their insurance agent for the next three years.

4. **New Business**

- a. No new business was discussed.

5. **Adjournment**

- a. The meeting was adjourned at 5:30 PM.

Respectfully submitted,
Stephanie C. Poegel
Frazee City Administrator

Committee Reports

ECONOMIC DEVELOPMENT AUTHORITY – DECEMBER 23, 2025

1. **Call the Meeting to Order**

- a. Meeting called to order by President Heath Peterson at 11:38 am at the Frazee Fire Hall.

2. Roll Call

- a. Members Present: Ashley Renollet, Heath Peterson, Andrea Froeber, John Olson
Members Absent: Andrew Daggett, Bill Daggett, Hank Ludtke
- b. Staff: Stephanie Poegel, Joe Tonihka
- c. Guests: Bob Williams

3. Approval Of Agenda

- a. The agenda was presented for approval

M/S/CU: Froeber/B. Daggett to approve agenda as presented

4. Open Forum

- a. No members of the public were present for the open forum.

5. Meeting Minutes – November 25, 2025

- a. The meeting minutes from November 25, 2025, were presented. There were no changes requested to the minutes as presented.

M/S/CU: A. Daggett/Froeber to approve minutes as presented

6. Old Business

a. Community Development Coordinator Introduction

- i. It was reported that the previously introduced Community Development Coordinator had resigned after one week. Joe Tonihka has been hired as the new Community Development Coordinator.
- ii. Tonihka introduced himself, explaining that he worked for White Earth's economic development department for the past 7 years as a data analyst and planner. During the last two years, he also took on grant writing responsibilities, bringing in approximately \$22.7 million in the past three years. He shared that he lives about 43 minutes from Frazee.
- iii. When asked what attracted him to the role, Tonihka explained his background in substance abuse treatment for 23 years, including as a treatment director. He described discovering financial irregularities at Fergus Falls Treatment Center, reporting \$2.3 million in fraudulent billing, which led to his departure from state employment. He then returned to White Earth as a data analyst, helping to grow their programs and transition from gaming to other ventures. He established a hemp farm that later became a medical marijuana operation with multiple stores.

b. Snow Removal RFP

- i. Poegel reported that no responses were received for the Snow Removal RFP. The board discussed the challenges of finding contractors willing to complete the required paperwork and insurance requirements. It was determined that by default, Larry (city maintenance) will handle snow removal as needed. The board considered whether to issue an RFP earlier next year or continue with the current arrangement, which appears to be the most economical option at present.

c. Red Willow Heights

- i. The board discussed scheduling public meetings with developer Jason Francis. Due to scheduling conflicts, the meetings will be held on January 20th and potentially January 27th from 5-7pm at the event center, instead of the originally proposed January 13th date. It was noted that January 27th coincides with a Planning and Zoning meeting.
- ii. The board discussed their approach to amending the covenants for Red Willow Heights to allow for multifamily housing. Poegel shared that after consulting with City Engineer Chris Thorson and reviewing the original development plans, it was confirmed that the infrastructure installed was designed with multifamily structures in mind. When the covenants were originally written, multifamily was part of the residential zone classification, but zoning has since changed.
- iii. The board deliberated whether to amend the covenants or dissolve them entirely. They noted that several existing covenant provisions are not currently being enforced, including prohibitions on home occupations. It was determined that amending the covenants to specifically allow for multifamily would be the most pragmatic approach, requiring signatures from 66% of the property owners.
- iv. The EDA owns 20 lots, making them the largest single property owner in the development, but additional signatures will still be needed. The board expressed concerns about obtaining signatures from absentee owners, particularly a company in Washington that owns four lots but has been unresponsive to previous communications.
- v. The board agreed to proceed with public information meetings to explain the benefits of the proposed multifamily housing development, emphasizing that these would be privately funded, market-rate apartments, not low-income housing.

M/S/CU: Froeber/Peterson to amend covenants to include multifamily for the designated lots

- vi. Developer Updates
 - 1. No additional developer updates were discussed beyond the Red Willow Heights information.
- vii. Real Estate Contract Extension
 - 1. Poegel requested approval to extend the contract with realtor Jenna for another year, as the current contract expires in January before the next meeting. The board approved the extension.

M/S/CU: Froeber/Renollet to approve the Real Estate Contract Extension

- viii. Froeber mentioned that Ross Hetherington had expressed interest in building spec homes and twin homes in Red Willow. The board discussed the process for lot purchases and building requirements, noting that construction must be completed within 12 months of purchase. Lot prices range from approximately \$13,900 to \$19,145, with the EDA selling lots at the special assessment price.

d. Transfer Of Ownership – Corner Park

- i. Poegel presented the official quitclaim deed to transfer ownership of the Corner Park (where the mural is located) from the EDA to the City of Frazee. She explained that the EDA is not in the business of maintaining parks, and this transfer had been previously discussed. The parcels have now been combined, allowing for the transfer to proceed.

M/S/CU: Renollet/B. Daggett to approve Heath Peterson and Stephanie Poegel to sign the Quit Claim Deed

e. Goals For 2026

- i. The board began discussing goals for 2026, with housing identified as the top priority. Poegel emphasized the importance of setting attainable goals that would provide direction for Tonihka's work.
- ii. The board expressed interest in focusing on East Main Street, specifically converting structures to commercial use. They identified the "yellow building" and apartments between Jay and the Gobbler as priority properties, along with the creamery building.
- iii. Discussion turned to zoning considerations regarding main floor residential spaces in downtown buildings. Currently, the ordinance only allows residential on second floors of downtown buildings. The board debated whether to maintain this restriction or propose modifications to planning and zoning.
- iv. The board agreed that having commercial space on main floors downtown is important but acknowledged the housing shortage makes this challenging. They considered whether conditional uses could be an option but learned that such designations stay with properties permanently rather than with owners.
- v. Other goals mentioned included utilizing the \$114,000 in revolving loan funds effectively. The board agreed to think about specific goals and potential loan parameters before the next meeting.

7. New Business

a. TV3 Host Stipend

- i. Froeber proposed providing a mileage stipend for Karen, who is voluntarily hosting the TV3 program after previously receiving compensation for this work. Karen lives near Callaway, approximately 40 minutes from Frazee.
- ii. The board discussed potential funding sources for such a stipend, noting that their allotment from the city is already spoken for. They considered whether revolving loan funds could be used but recognized this might not be an appropriate use of those funds. After discussion, the matter was left for individual consideration rather than formal action.

b. Board Member Term Expirations

c. Poegel reported that the terms for Ashley Renollet and Bill Daggett expire on January 1, 2026. Andrea Froeber's position as council representative is determined by the council. Both Renollet and B. Daggett expressed willingness to serve another term.

M/S/CU: Froeber/Peterson (to recommend reappointment of Renollet and Daggett)

8. EDA Financials

- a. Poegel reported that financials have been reconciled through May, with June reconciliation in process. June includes major payment transactions that will significantly change the financial picture. She aims to complete reconciliation by the end of the year before the next meeting and send information to the auditor soon.

M/S/CU: Renollet/Peterson to approve EDA financials as presented

9. Consultant Report

- a. Karen's consultant report was reviewed. Poegel mentioned that Karen and Tonihka had a virtual meeting the previous day, with additional contact planned for the following week. Karen is working on email contacts and is currently on vacation.
- b. The board briefly discussed new businesses, including one planning to open in January (not yet purchased) and another utilizing space in a hair salon. Froeber mentioned her efforts to connect Brikker and Leah with Mary Melody regarding potential space for lease.
- c. Froeber also reported that she had spoken with Dr. Lindeman, who is still looking for a large animal vet to take over his business. She suggested having Tonihka reach out to assist with this transition.
- d. Additionally, Froeber noted that Jay has remodeled space next to the Yak Shack and is looking for a full-time tenant. The board discussed potential businesses that might fit the space.

M/S/CU: Froeber/Peterson to accept the Consultant Report

10. Commissioner Comments

- a. Renollet suggested that board members consider ideas for utilizing approximately \$114,000 in revolving loan funds over the next month. She noted that the board has flexibility in establishing parameters for these funds and could craft loan programs to achieve their identified goals.

11. Adjournment

- a. The meeting was adjourned at 12:50 pm.

Respectfully submitted,

Joe Tonihka

Community Development Coordinator

Committee Reports

FRAZEE AREA ACTION FUND LIAISON

Committee Reports

FRAZEE-BURLINGTON-SILVER LEAF JOINT POWERS BOARD LIAISON

Committee Reports

LAKE AGASSIZ REGIONAL LIBRARY LIAISON

Staff Reports

FIRE DEPARTMENT

Frazee Fire Department, December Report

January 14th. 2025

1. Membership

21 – Active Firefighters

2 – Probationary Firefighters

2. Calls For Service – 82 total calls for service for 2025

December Calls for Service: 7

1 – Structure Fire

3 – Alarm

1 – Rubbish/Garbage Fire

1 – LifeFlight

1 – MA Vergas Fire

3. Training Report

- January 21st. – Firefighter Skills, 4 stations, round robin
- January 28th. – Initial Pump Operators, NERIS Training (Officers)

4. Grant Updates

- ARMER Grant – Radios are in Service! Working on closing out the grant at the state level.
- 2025 DNR 50/50 Grant. 10 new pagers.

5. New Business

- ISO inspection was conducted on July 9th. – Waiting on results (December/January)

Staff Reports

RESCUE

Frazee Rescue

Frazee City Council

Meeting Date: 1/14/26

December 2025 Calls

5 - Burlington

19 - City of Frazee

3 - Erie

1 - Height of Land

5 - Silver Leaf

Total Calls - 33

Responded - 32

- 6 days had multiple calls

2025 Statistics

Responded/Total

January	27/29	93%
February	21/22	95%
March	14/14	100%
April	26/26	100%
May	25/26	96%
June	29/29	100%
July	28/29	96%
August	20/20	100%
September	32/32	100%
October	37/37	100%
November	30/30	100%
December	32/33	97%

Total Calls - 327

Responded - 321

Response Rate 98%

Days with Multiple Calls - 81

Location

Burlington	81
City of Frazee	140
Erie	60
Evergreen	3
Height of Land	26
Hobart	1
Lake View	1
Silver Leaf	15

Member - Total Volunteer Hours 2025 - 1579

Noteworthy

- Minimum Standards for members went into effect on 01/01/26.
 - Members are required to actively participate in at least 6 dispatched calls over the previous 6 month period.
- Resignations
 - Brandon Wiirre - Effective 12/31/25.
 - Ken Miosek - Effective 01/05/26.
 - Ken has been on Frazee Rescue since 1996.
 - He has offered to help out with community outreach activities Rescue is participating in.
- In just a few months of operation, the addition of a Quick Response Vehicle (QRV) has significantly improved response times across our service area. When combined with the continued investment in the equipment issued to our members, allowing them to go directly to a scene and efficiently treat patients, response times are the best they have ever been.
- In 2025 we were dispatched to a total of 327 calls, an increase of 63 calls compared to last year (2024: 264 total calls).

2025 Calls:

- 285 - Medicals
- 15 - Fires
- 14 - Lift Assists
- 10 - Motor Vehicle Crashes
- 9 - Pendent Alarms (False)
- 7 - Assaults
- 5 - Crash Detections (False)
- 3 - Hazmat
- 3 - Welfare Checks
- 2 - Missing Persons Searches
- 1 - Horse Buggy Crash
- 1 - Officer Involved Shooting

Respectfully Submitted - 1/7/26

Matthew Johnson
Rescue Chief

Staff Reports

EVENT CENTER

After quite the search for someone who might reupholster the chairs, I have McKay Galbrecht "test driving" a couple cushions. He is going to try to get to them within the next few days and then get me

an estimate for 100 of them. I'm not even sure I could find someone to give me a 2nd estimate. The seats actually come off pretty easily so hopefully the estimate is reasonable.

Inventory is done for the bar portion. Need to update pricing on spreadsheet yet.
January is quiet.

Thank you

Staff Reports

LIQUOR STORE

Attached is 2024 vs 2025 for comparison. December finished out good. I am expecting a slower month in January with many participating in "dry January." Along with that orders will be on the heavy side to replenish inventory that was depleted for year end. We re-labeled all THC stock that didn't have new labeling by adding a sticker to each can.

2024

1-Liquor (37911)	14.09%	\$98,124.26
2-Beer (37912)	19.67%	\$135,374.98
3-Wine (37913)	0.11%	\$780.50
4-Misc (37915)	0.04%	\$272.86
4-Pop (37915)	0.49%	\$3,517.00
4-Snacks (37915)	0.05%	\$356.50
5-Clothing (37916)	0.03%	\$231.00
6-Pizza (37917)	0.87%	\$6,187.00
7-Food (37918)	4.73%	\$31,938.39
1-Liquor Offsale (37811)	16.77%	\$120,405.10
2-Beer Offsale (37812)	38.88%	\$279,080.94
3-Wine Offsale (37813)	2.69%	\$19,280.63
4-Misc Offsale (37815)	0.74%	\$5,331.30
7-THC Seltzers (37816)	0.83%	\$5,974.32
Other	0.01%	\$70.00
Total		\$706,924.78

2025

1-Liquor (37911)	13.94%	\$103,442.00
-Beer (37912)	19.74%	\$144,796.25
3-Wine (37913)	0.05%	\$381.00
4-Misc (37915)	0.05%	\$345.07
4-Pop (37915)	0.58%	\$4,436.50
4-Snacks (37915)	0.03%	\$263.00
5-Clothing (37916)	0.01%	\$69.00
6-Pizza (37917)	0.94%	\$7,093.00
7-Food (37918)	6.19%	\$45,296.21
1-Liquor Offsale (37811)	16.86%	\$129,077.07
2-Beer Offsale (37812)	37.10%	\$283,993.39
3-Wine Offsale (37813)	2.53%	\$19,342.36
4-Misc Offsale (37815)	0.56%	\$4,304.06
7-THC Seltzers (37816)	1.42%	\$10,825.56
Total		\$753,664.47

Overall, I would say this year was very successful as most liquor stores saw a decrease in sales. Total combined sales were up 6.2%

Staff Reports

POLICE DEPARTMENT

December 2025

Provide code violations of property by quantity and status: 1 new ordinance violation. Couch in front of a residence.

Provide code violations of vehicles by quantity and status: Nothing new, still working on 1 main property.

Report of any vehicle accidents in Frazee: 1 motor vehicle crashes in town.

Report landlord violations and status: 1 possible landlord violation.

Upcoming events for the next month... Moving cameras from MN DOT right of way is in the works.

Might look in to "hard wired" access points in a few areas of the city for our cameras.

Chief Tyler

Staff Reports

PUBLIC WORKS

Public Works Dept: The month of Dec 2025, been a busy month taking care of our daily operations. And trying to get the skating rink useable for the upcoming Christmas season for the kids and adults during the two week holiday vacation for schools, luckily the weather got to a point that prepping the ice turned out quite nice, We endured a few snow falls just before the holidays and somewhat during that made our operations start to stack up a bit! But we were able to keep the city streets in fair driving conditions during this period, along with water meter reading that takes place at the end of the month as well, we also got an emergency call on Christmas morning from Becker Co. where a resident who was watching a home for someone that the basement had around four feet of water occupying that space, we figured it had around 116000 gallons of water that had leaked into the basement, not sure how long it had been leaking but we shut off the curb stop to the property until further notice. Even with the leak that happened during the month our water usage seems to be at an acceptable amount at the water treatment plant and we'll continue to monitor monthly usage very closely. Now we will be moving on to some of our yearend reports to Dept of Health and the DNR on yearly water usage!! That's about all for the month Thanks Larry Kevin and Jesse

Staff Reports

ADMINISTRATION

1. General Updates
 - a. **Year End & Annual Reporting** – This is the listing of annual items being reported to various entities that are required through the first quarter of the year
 - i. W-2's to employees, Social Security Administration & State of Minnesota
 - ii. 1099's to vendors & State of Minnesota
 - iii. Insurance Forms for Taxes to Employees
 - iv. **941 to IRS**
 - v. Minnesota Unemployment Insurance Reporting
 - vi. **Minnesota Withholding Reporting**
 - vii. Summary Budget to State Auditor
 - viii. Report of Outstanding Indebtedness to County Auditor
 - ix. PERA Annual Exclusion Reporting
 - x. PERA Police & Fire Certification
 - xi. PERA Annual Leave Reporting
 - xii. Boundary & Annexation Survey
 - xiii. Lobby Form to State Auditor
 - xiv. Annual PFA Reporting
 - xv. Annual OSHA Reporting – posted in office and reported online
 - xvi. MN Prevailing Wage Survey

- xvii. MN Police & Fire Certification to Dept of Revenue
- xviii. ARPA Annual Report
- xix. RBEG Annual Report
- b. **Just Cause Training** – Policy changes amendments are being reviewed. Once they've approved, it will be sent to Council for final approval
- c. **Property Inquires** –
 - i. There have been no property inquiries this month
- d. **Safety/OSHA Work** –
 - i. Mock OSHA inspections were completed in September – there are a number of items staff will be working to remedy
 - ii. Need to send chemicals/products lists for public works and fire – we have not received lists from these departments as of yet
 - iii. Staff are completing OSHA required trainings – Right to Know, Bloodborne Pathogens, etc.
- e. **Becker County Hazard Mitigation Plan** – The resolution has been sent to Becker County
- f. **Sanders Parcel** - The parcels combination has been completed; the exemption request has been submitted; the warranty deed from the EDA to the City has been approved at the EDA and recorded at the County
- g. **Website Updates** – This has been moved to the back burner on the priority list; changes are being made as they come up, but there are no large-scale updates planned at this time
- h. **Revenue Recapture** – I'll be working with Catreena on getting this setup over the next month; the service level agreement is in the packet for approval

2. Financials

- a. May is done and we're working on getting through the end of the year by the end of February

3. Projects

- a. **Main Street 2027** – Waiting to hear if the County received their funding;
- b. **Town Lake Beach** – The Declaration of Restrictive Covenant has been recorded and submitted to the DNR
- c. **Eagle Lake Park** – Just waiting to hear a closing date
- d. **Heartland Trail** – The committee meeting was cancelled due to weather; no replacement date has been set
- e. **Lift Station Improvements 2026** – Waiting for more info from PFA to move forward

4. In addition to the regular monthly tasks, utility billing and payroll, from December 17 to December 31, we processed

- a. 0 campsite rentals
- b. Dog Licenses – 2026 YTD = 2; 2025 – 63; 2024 – 57; 2023 - 76
- c. 1 building permits
- d. Rental Registration
 - i. Total of 93 inspections - 86 completed; 0 inspections scheduled, 1 inspections to be scheduled, 6 inspections to be rescheduled
 - ii. We have not had response from 1 landlord at this point

5. Grants

- a. Wannigan
 - i. LCCMR Funding –
 - 1. The next reimbursement request for the Romtec shelter will be completed with Joe this month;
 - 2. the Romtec shelter will be erected next spring by volunteers
 - ii. ReLEAF – Waiting to receive the invoice

- iii. TAP – Design work is being completed
- iv. ATI – Waiting for spring to finalize project
- v. GMRPTC (Trails) – Design work is being completed; current plans are to let out to bid in April

b. River Drive North

- i. 2026 Minnesota Bonding Request – The capital bond request has been submitted and the time for updates and changes has passed. On January 15, 2026 the Governor's Strategic Capital Budget will be announced, we will find out at this time if the project made it into that list. If not, we go down path B by connecting with legislators to have a bill written separately to work to obtain funding.

6. Meetings Attended 12/18/25-12/31/2025

- c. Committee Meetings –EDA, Planning & Zoning, Park & Rec
- d. Becker County EDA Collaborative
- e. FCDC Discussions– 12/29/25
- f. Wannigan Walk-Through for GMRPTC Grant Design
- g. Wannigan Discussion on Becker County CDL Grant Application
- h. Orientation Meetings with CDC – 12/22/25, 12/29/25
- i. HSA Bank Review

7. Sick/Vacation Days

- j. January 30 – Vacation

Old Business

2026 UTILITY RECONSTRUCTION – FEASIBILITY REPORT

PRELIMINARY ENGINEERING REPORT

2026 UTILITY AND STREET RECONSTRUCTION

Frazee, Minnesota

UEI No. 24.04282

Prepared for



January 2026



*ULTEIG ENGINEERS, INC.
Consulting Municipal
Engineers Detroit Lakes,
Minnesota*

I hereby certify that this plan, specification, or report was prepared by me or under my direct supervision and I am a duly Licensed Professional Engineer under the laws of the State of Minnesota.

By:

A handwritten signature in black ink.

Kristopher R Carlson, P.E.

Lic. No. 47082

PRELIMINARY ENGINEERING REPORT**2026 UTILITY & STREET RECONSTRUCTION**

Frazee, Minnesota

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EXHIBITS

- Exhibit No. 1 – Proposed Project Areas
- Exhibit No. 2 – North Central Area
- Exhibit No. 3 – Event Center Area
- Exhibit No. 4 – Juniper Avenue E

1. General

This Preliminary Engineering Report (PER) has been prepared at the request of the City of Frazee to consider a preliminary evaluation of the construction requirements for underground utility and street surface improvements within the proposed project areas. The project areas include:

North Central Area

- 5th Street NW from Birch Avenue W to Fir Avenue W
- 4th Street NW from Cedar Avenue W to Fir Avenue W
- 2nd Street NW from Elm Avenue W to Ash Avenue W
- Fir Avenue W from 5th Street NW to 3rd Street NW
- Elm Avenue W from 5th Street NW to 2nd Street NW
- Birch Avenue W from 3rd Street NW to 2nd Street NW

Event Center Area

- Birch Avenue E from Lake Street N to 2nd Street E
- Ash Avenue E from Lake Street N to 2nd Street NE
- Alley from Lake Street N to 2nd Street NE
- 2nd Street NE from Ash Avenue E to Main Avenue E

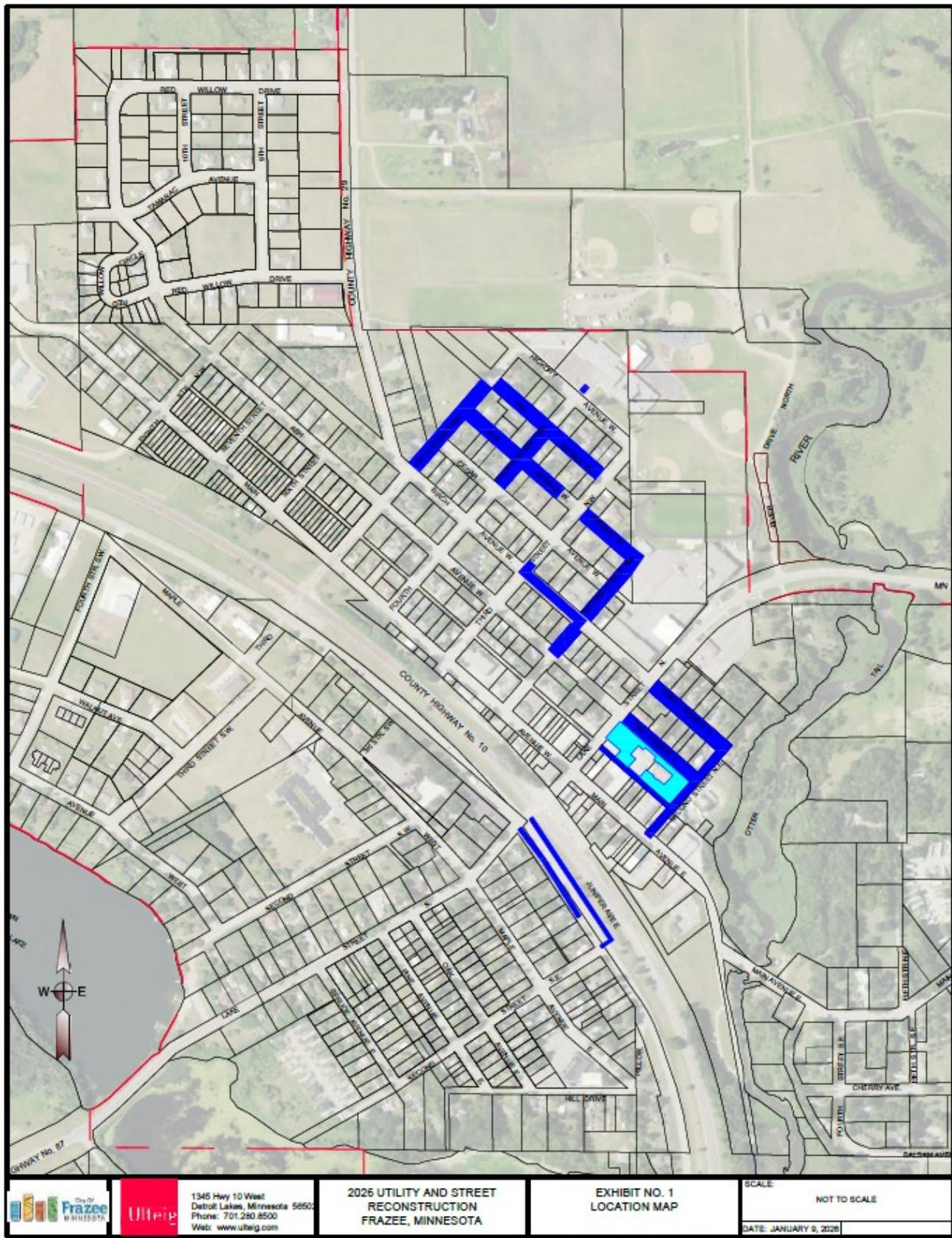
Juniper Avenue E Area

- Juniper Avenue E from Lake Street S to 2nd Street SE

The proposed project areas are shown in Exhibit No. 1.

This PER will examine the existing condition of the water distribution, wastewater collection, and street/pavement infrastructure to be upgraded within the City. Data and information derived from historical documents, such as record drawings and plans, visual observation, sewer pipe televising, and discussion with City maintenance staff, was used to determine the existing condition of the infrastructure. This information will be used to summarize any deficiencies and ultimately make improvement recommendations.

The information and recommendations in this PER are preliminary in nature. The main objective is to provide general guidance for the future project design process, if deemed necessary. More detailed information would be identified during the design process from field surveys, sewer televising, and soil borings. This information can, and often does, dictate changes to the data contained in this document and the resulting recommendations.



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2026 UTILITY AND STREET
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EXHIBIT NO. 1
LOCATION MAP

SCALE

NOT TO SCALE

DATE: JANUARY 9, 2026

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2. Project Planning Area

The proposed improvements would take place within the corporate limits of the City of Frazee.

A. Location

The City of Frazee is located in north central Minnesota along Trunk Highway 87 and adjacent to US Highway 10. The City is located on the shores of the Ottertail River in Becker County.

B. Environmental Resources Present

The economy in and around the City of Frazee is focused primarily around small town businesses, tourism, farming and some light industry. The topography of the region consists of rolling terrain.

The climate of Frazee is mid-continental in nature. Prevailing weather conditions are highly variable due to the mixing of warm gulf air and cold arctic air. Monthly average temperatures vary from 5° Fahrenheit in January to 70° Fahrenheit in July; with the annual average temperature being 40° Fahrenheit. The City receives an average of 24 inches of precipitation every year.

C. Land Use and Adjacent Properties

Adjacent properties to the proposed project areas consist of a combination of city government, commercial and residential property. Some areas experience traffic volumes typical of residential areas, while others see higher traffic volumes as a result of their proximity to the commercial district within the community.

The general soil descriptions taken from the United States Department of Agriculture Natural Resources Conservation Service Web Soil Survey identify the soils within the project areas to be well drained and have surface textures consisting of a loamy coarse sand material. Soil types in the project areas appear to be well drained.

Proposed improvements discussed within this PER are anticipated to have little to no effect on important land resources, historic sites, endangered species, and other environmental resources, as all improvements will take place within the City of Frazee in areas previously developed and disturbed by construction and residential or commercial development.

3. Existing Municipal Utility System

A. Wastewater Collection System

The City of Frazee's existing wastewater system consists of a gravity collection system, along with three (3) wastewater lift stations. Wastewater is routed to the

treatment system by means of a main wastewater lift station and approximately 8,800 linear feet of ten (10) inch forcemain. The City's wastewater treatment facility consists of three (3) stabilization basins and six (6) rapid infiltration basins (RIBs).

B. Water Distribution System

The main water system within the City of Frazee consists of three (3) municipal wells, a water treatment plant, an elevated water storage tank, and a distribution system. The City's water storage consists of a 300,000-gallon pedestal spheroid tank.

4. Project Needs

A. Wastewater Collection System

Based on available data, the sanitary sewer collection system through this corridor was constructed under separate projects during the 1950's & 1960's. The sewer pipe material is Vitrified Clay (VCP). VCP pipes are prone to cracking and/or collapsing and the joints are susceptible to root penetration, which can break apart the pipe or cause blockage. Manholes are currently brick/block or precast concrete.

Service laterals, which connect homes and businesses to the mains, are likely VCP, cast iron pipe (CIP), or orangeburg. These materials were used prior to that of PVC pipe. There may be service laterals that have been replaced with PVC since the original installation.

The existing pipe material has an average life expectancy of 30 to 50 years. The system is still functioning but has reached the end of its useful life. City staff has indicated that more frequent repairs and maintenance are required to keep these segments of the sanitary sewer functioning. Root growth in the sewer mains and service laterals has also created problems. These complications will likely increase in time and could ultimately lead to complete failure, resulting in sewer backup to connected structures.

Most areas of consideration have been televised in the last few years. Review of these televising reports supports the fact that expected deficiencies noted above are occurring in the collection system. Beyond the areas of root intrusion and leaking joints there are also many instances of cracked pipe and collapsed pipe

Hickory Avenue - Sanitary Sewer Pumping Station

The sanitary sewer pumping station is approaching 60 years of age. The pumping station has issues relating to the inability to accurately measure pumping flows, hydraulic inadequacies and electrical consumption inefficiencies based on handling current flows vs. the flows the station was originally designed for. It has become difficult to find replacement parts for equipment in the lift station.

B. Water Distribution System

Based on available data, the water distribution system through this corridor was constructed under various separate projects in the 1950's & 1960's. Based on records, the watermain piping consists of 4-inch and 6-inch Cast Iron Pipe (CIP). CIP pipe can have lead within the connections or service laterals.

C. Streets

There is limited information concerning the original construction of the streets. It is assumed existing streets were installed at approximately the same time of the sewer and water installation.

Based on visual observation and information provided by City staff, streets within the proposed project areas do require elevated levels of maintenance due to potholes, cracking, and other failures. The streets discussed within this PER have reached their useful life and are in need of upgrading.

5. Alternatives Considered**A. Wastewater Collection System****Alternative No. 1 – Do Nothing**

One alternative is to do nothing. This alternative will result in the continuous deterioration of the existing sanitary sewer collection piping, which will result in ongoing I/I problems and ultimately pipe failure, which will result in higher wastewater flows and operation and maintenance costs. If the City does not take steps to replace the existing sanitary sewer piping, it will continue to deteriorate, resulting in flow blockages and possibly a surcharge of the system and backing up into homes and/or businesses. The cost of replacing the existing piping will only increase with time.

Alternate No. 2 – Sanitary Sewer Replacement

Proposed improvements of the sanitary sewer would include replacing the sanitary sewer main, manholes, and service laterals from the main to the property line through the proposed areas.

B. Water Distribution System**Alternative No. 1 – Do Nothing**

The first option would be to do nothing and continue to patch the watermain piping as it fails. This would be a short-term solution, which would result in continued pipe repair and street restoration costs that could be eliminated.

Alternate No. 2 – Water Distribution System Replacement

The most viable long-term alternative is to replace the watermain piping with modern materials using open excavation or directional drilling. Hydrants, gate valves, and service laterals to the property line would also be upgraded. If done in conjunction with the replacement of the sanitary sewer collection piping, street restoration costs would be minimized.

C. Streets, Sidewalks and Storm Sewer

Streets, sidewalks, and storm sewer would be constructed and/or reconstructed in conjunction with the proposed underground utility improvements to be completed by means of open excavation. Most of the utility piping to be upgraded by means of open excavation is located beneath City streets, resulting in the need to reconstruct streets, sidewalk, and storm sewer within areas disturbed by reconstructing the sanitary sewer collection and water distribution systems.

Street reconstruction areas that do not have proposed underground water/sewer utility reconstruction are proposed to be reconstructed due to elevated levels of maintenance to repair potholes, cracking, and other failures. The asphalt streets discussed within this PER have reached their useful life and need upgrading.

6. Proposed Project

A. General Improvements

Existing utility infrastructure would be updated with modern materials that are industry accepted and have been proven to have improved longevity than in-place materials. This section discusses the proposed utility infrastructure upgrades.

Project areas planned for sanitary sewer replacement will have the existing ACP and thin-walled PVC sewer replaced with 8-inch PVC pipe. In the sanitary sewer environment, PVC's corrosion resistance to hydrogen sulfide is the key to its longevity and durability. This is why it has gained so much popularity in the industry. The other significant attribute of PVC is its deep - insertion, gasketed bell, and spigot joints, which help alleviate infiltration problems of other materials like VCP. The pipe will be connected by new pre-cast concrete manholes that allow maintenance of the sewer system and help direct the flow when the alignment changes. Each lot will be serviced by a PVC service lateral that will have a cleanout located near the property line that will allow it to be easily identifiable and accessible for maintenance.

The watermain throughout the project area is proposed to be upgraded with 6-inch to 10-inch PVC pipe. PVC pipe has gained its popularity in watermain due to its ability to resist corrosion as opposed to its predecessor, cast iron pipe. The other significant attribute of PVC for watermain, like sanitary sewer, is its deep - insertion, gasketed bell, and spigot joints, which can withstand pressure common to water distribution systems, as well as earthen forces significantly better. Each

lot will be serviced by a new 1-inch service line with a curb stop located near the edge of the right-of-way. The watermain will also be upgraded with new hydrants, watermain fittings will be upgraded with ductile iron, and the main will be sectioned with new valves that allow isolation of the watermain for both maintenance and emergency purposes.

Streets will be replaced with an asphalt surface with concrete curb to near their original alignments. Storm sewer or drainage improvements will be incorporated to properly drain stormwater to designated areas.

B. Street Improvements

All existing streets listed in Table 1 (above) will be replaced with an asphalt surface and concrete curb, where needed, to near their original alignments. Storm sewer will also be replaced/added on the streets accordingly. Along with the street/storm reconstruction, sidewalk will be replaced with concrete to their original alignments.

The proposed improvements are shown in Exhibit No. 2 - 4.

7. Permits and Easements

Permits have become a mandatory tool to regulate and ensure adequate design criterion is met. The following section discusses permits that are necessary for the proposed project.

A. MPCA Sanitary Sewer Extension

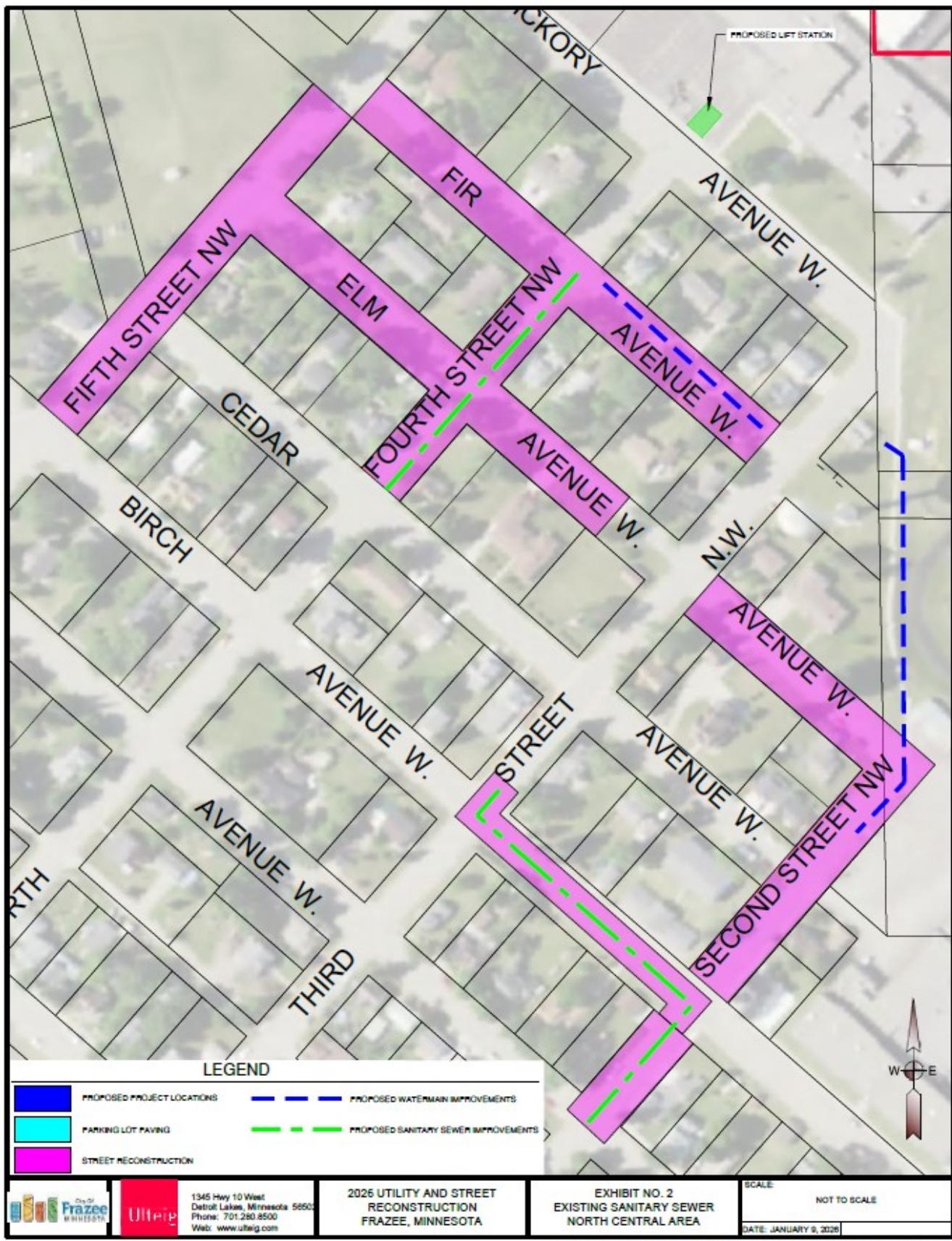
A sanitary sewer extension permit from the MPCA will be required, as we are increasing flows and projecting future expansion.

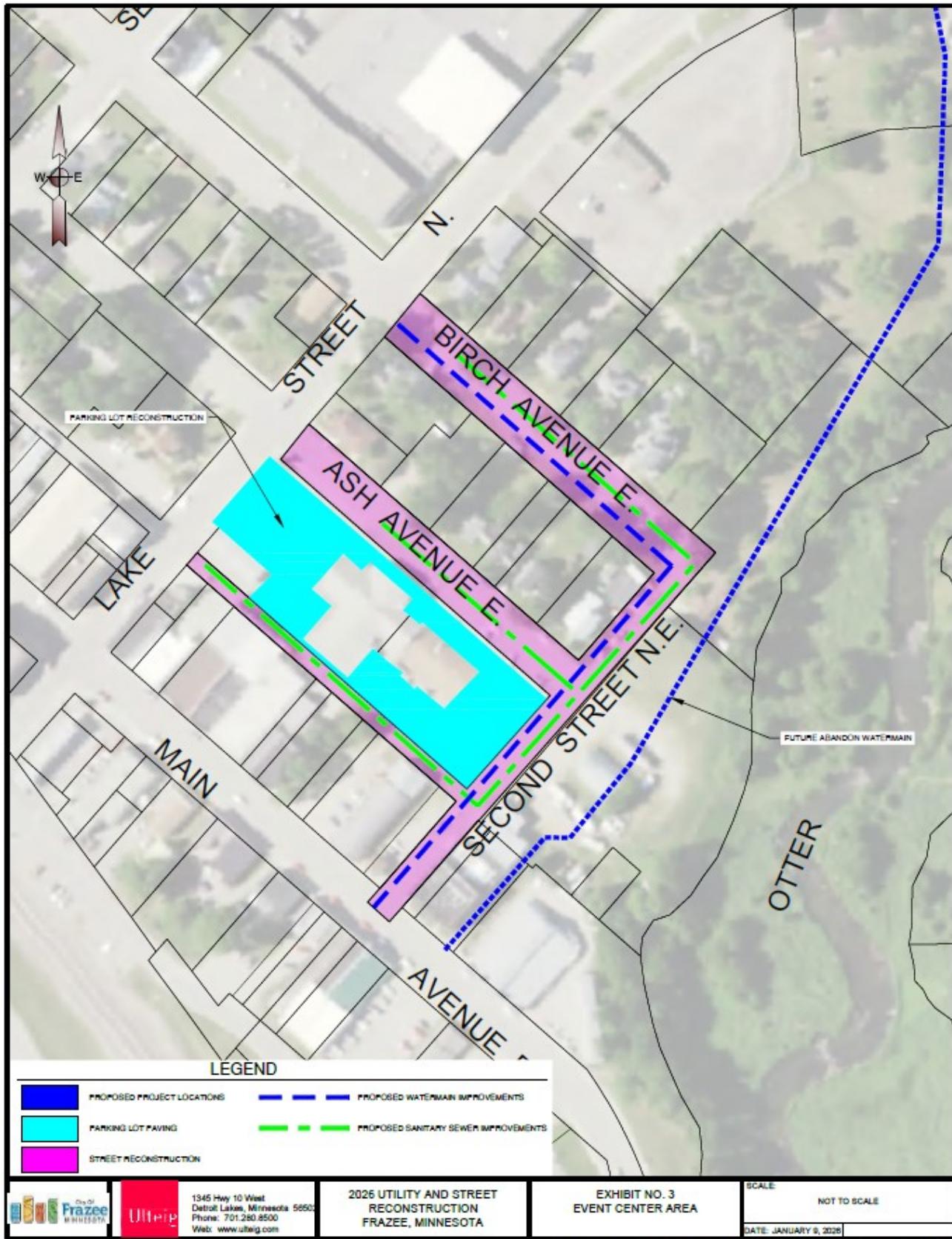
B. NPDES

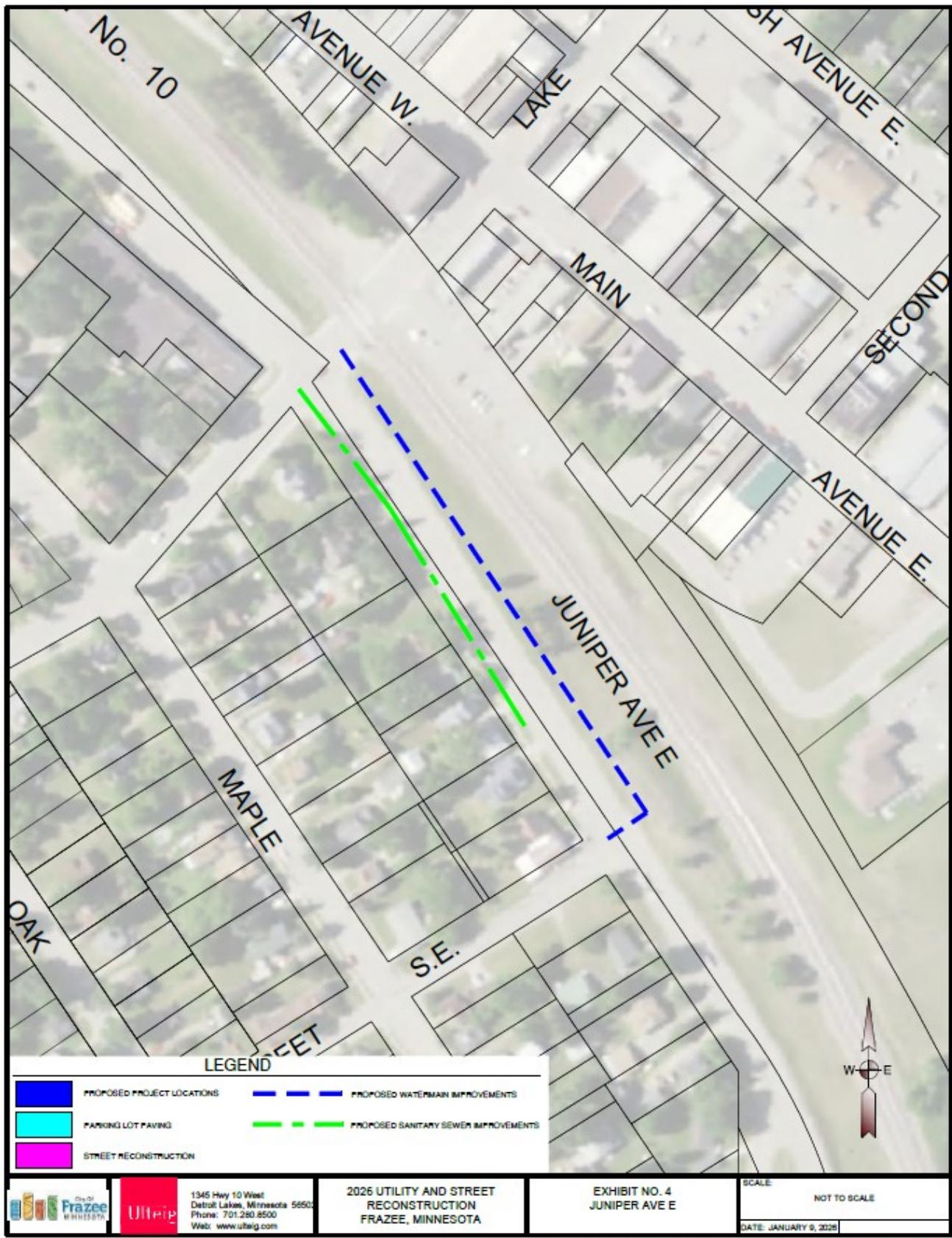
A National Pollutant Discharge Elimination System Permit will be required for project runoff on this project.

C. MDOH Watermain Extension

A watermain extension permit from MDOH will be required, as we do anticipate disturbing any existing watermains.







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2026 UTILITY AND STREET
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FRAZEE, MINNESOTA

EXHIBIT NO. 4
JUNIPER AVE E

SCALE: NOT TO SCALE
DATE: JANUARY 8, 2026

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D. MNDOT/Becker County Highway Department Utility Permit

Right-of-Way permits for both the Becker County Highway and MNDOT will be required, as we do anticipate replacing or modifying utilities within the perspective right-of-way.

E. Easements

Easements may be necessary, depending on the ultimate design. Easements from property owners adjacent to reconstruction areas may be necessary depending on the depth of the sanitary sewer.

8. Estimated Project Cost

A. Estimated Project Cost

Estimated project costs for the improvements outlined in this report are shown in the following table. This table includes estimated costs of construction and engineering only. It does not include any costs for legal work, easements, financing, capitalized interest, permits, or other items which may be necessary to complete the work. These costs are not typically extensive relative to the construction cost and can be more effectively determined as the project scope is refined. The below estimated costs are based on current material prices and bidding climates.

Table No. 1 – Estimated Project Costs

Item	Cost
Watermain	\$ 546,000
Water Service	\$ 69,000
Sanitary Sewer	\$ 495,000
Sewer Service	\$ 55,000
Sanitary Lift Station	\$ 256,000
Street Reconstruction	\$ 1,990,000
Event Center Parking	\$ 309,000
TOTAL ESTIMATED PROJECT COST	\$ 3,720,000

9. Project Financing

The City has applied to the Public Facilities Authority (PFA) for funding assistance on the sanitary sewer and watermain portion of the project. PFA provides funding for improvement projects in the form of low interest 20-year loans and possible principal forgiveness funds. Typically, interest rates range from 1 to 3 percent.

Costs attributed to the sanitary sewer and watermain replacement, along with the street restoration costs, are eligible for this financing. Other improvements, such as extensions of water and sanitary sewer mains, additional street reconstruction (beyond what is necessary for the sewer and water replacements), sidewalk, and storm sewer costs, would need to be financed by other sources. The City may want to consider the gap financing program offered by Minnesota Rural Water Association (MRWA).

It is anticipated costs associated with the proposed improvements will be funded in part by the City of Frazee, while the remaining costs will be recovered through special assessments to benefitting properties in accordance with the City's Assessment Policy, which is summarized below.

Table No. 2 – Assessment Cost Sharing

Item	Assessable	City	Units
Watermain	100%	0%	Front Foot
Water Service	100%	0%	Each
Sanitary Sewer	100%	0%	Front Foot
Sewer Service	100%	0%	Each
Sanitary Lift Station	0%	100%	--
Street Reconstruction	100%	0%	Front Foot
Event Center Parking	0%	100%	--

Table No. 3 – Estimated Cost Sharing

Item	Assessable	City	Total
Watermain	\$ 546,000	\$ 0	\$ 546,000
Water Service	\$ 69,000	\$ 0	\$ 69,000
Sanitary Sewer	\$ 495,000	\$ 0	\$ 751,000
Sewer Service	\$ 55,000	\$ 0	\$ 55,000
Sanitary Lift Station	\$ 0	\$ 256,000	\$ 256,000
Street Reconstruction	\$ 1,990,000	\$ 0	\$ 1,990,000
Event Center Parking	\$ 0	\$ 309,000	\$ 309,000
TOTALS	\$ 3,155,000	\$ 565,000	\$ 3,720,000

Table No. 4 – Summary of Proposed Assessments

Item	Assessment Method	Assessable Cost	Total Units	Cost/Unit
Watermain	Front Foot	\$ 546,000	2,899	\$188.34/FF
Water Service	Each	\$ 69,000	26	\$2,654/Each
Sanitary Sewer	Front Foot	\$ 495,000	2,744	\$180.40/FF
Sanitary Service	Each	\$ 55,000	22	\$2,500/Each
Street Reconstruction	Front Foot	\$ 1,990,000	8,668	\$229.58/FF

Notes:

Based on the assessment methodology outline above, a benefiting property along with 100 feet of frontage receiving new water and sewer services will see an estimated assessment of **\$64,986**.

Based on the assessment methodology outline above, a benefiting property along 100 feet of frontage receiving only street improvements will see an estimated assessment of **\$22,958**.

10. Proposed Project Timeline

Preliminary Assessment Hearing.....	February, 2026
Project Plans and Specifications.....	March, 2026
Bid Advertising Period	March/April, 2026
Receive Bids	April, 2026
Begin Construction	May/June, 2026
Substantial Completion.....	October, 2026
Final Assessment Hearing.....	October/November, 2026

11. Conclusions and Recommendations

The underground utility and street systems within the areas discussed in this PER are in poor structural condition. The City will need to upgrade portions of these systems in the future in order to provide reliable utility and transportation service to its residents.

The estimated costs for the proposed improvements are comparable with past projects of similar size and nature within the region. The proposed improvement is necessary, cost-effective, and feasible and should be made as proposed.

Respectfully submitted,

ULTEIG ENGINEERS, INC.
Detroit Lakes, Minnesota

Old Business

2026 UTILITY RECONSTRUCTION – RESOLUTION 0114-2026E – RESOLUTION RECEIVING FEASIBILITY REPORT AND CALLING HEARING ON IMPROVEMENT



Waters Trails Shops Parks

P.O. Box 387, 222 Main Ave. W., Frazee, MN 56544

City Phone: 218-334-4991 | City Fax: 218-334-4992

RESOLUTION No. 0114-2026E

Resolution Receiving Feasibility Report and Calling Hearing on Improvement

WHEREAS, pursuant to resolution of the council adopted December 10, 2025, a report has been prepared by Ulteig Engineers, Inc., with reference to the proposed improvement of:

- Elm Avenue from 2nd Street NW to 5th Street NW
- Fir Avenue from 3rd Street NW to 5th Street NW
- 5th Street NW from Birch Avenue to Hickory Avenue
- Lift Station near Elementary School on Hickory Avenue
- 2nd Street NW from Ash Avenue to Elm Avenue
- Birch Avenue from 2nd Street NW to 3rd Street NW
- Ash Avenue from Lake Street to 2nd Street NE
- Alley by Frazee Event Center from Lake Street to 2nd Street NE
- Birch Avenue from Lake Street to 2nd Street NE
- 2nd Street NE from Birch Avenue to Main Avenue East
- Parking Lots at the Event Center/Liquor Store
- Juniper Avenue East from Lake Street to 2nd Street SE

and this report was received by the council on January 14, 2026, and

WHEREAS, the report provides information regarding whether the proposed improvement is necessary, cost-effective, and feasible; whether it should best be made as proposed or in connection with some other improvement; the estimated cost of the improvement as recommended; and a description of the methodology used to calculate individual assessments for affected parcels.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF FRAZEE, MINNESOTA:

1. The council will consider the improvement of such streets in accordance with the report and the assessment of abutting property for all of the cost of the improvement pursuant to Minnesota Statutes, Chapter 429 at an estimated total cost of the improvement of \$3,720,000.00.
2. A public hearing shall be held on such proposed improvement on the 11th of February, 2026, at the Frazee City Event Center at 6:01 p.m. and the City Clerk-Administrator shall give mailed and published notice of such hearing and improvement as required by law.

Adopted by the council this 14th day of January, 2026.

THEREFORE, BE IT KNOWN; Adoption of this resolution this 14th day of January, 2026 by the City Council of Frazee. With the following voting:

	Daggett	Froeber	Kemper	Rader	Sharp
Aye					
Nay					
Abstain					
Absent					

Mike Sharp,
Mayor

Stephanie Poegel,
City Administrator

New Business

LIABILITY INSURANCE TORT WAIVER



LIABILITY COVERAGE WAIVER FORM

Members who obtain liability coverage through the League of Minnesota Cities Insurance Trust (LMCIT) must complete and return this form to LMCIT before their effective date of coverage. Email completed form to your city's underwriter, to pstech@lmc.org, or fax to 651.281.1298.

The decision to waive or not waive the statutory tort limits must be made annually by the member's governing body, in consultation with its attorney if necessary.

Members who obtain liability coverage from LMCIT must decide whether to waive the statutory tort liability limits to the extent of the coverage purchased. The decision has the following effects:

- *If the member does not waive the statutory tort limits*, an individual claimant could recover no more than \$500,000 on any claim to which the statutory tort limits apply. The total all claimants could recover for a single occurrence to which the statutory tort limits apply would be limited to \$1,500,000. These statutory tort limits would apply regardless of whether the member purchases the optional LMCIT excess liability coverage.
- *If the member waives the statutory tort limits and does not purchase excess liability coverage*, a single claimant could recover up to \$2,000,000 for a single occurrence (under the waive option, the tort cap liability limits are only waived to the extent of the member's liability coverage limits, and the LMCIT per occurrence limit is \$2,000,000). The total all claimants could recover for a single occurrence to which the statutory tort limits apply would also be limited to \$2,000,000, regardless of the number of claimants.
- *If the member waives the statutory tort limits and purchases excess liability coverage*, a single claimant could potentially recover an amount up to the limit of the coverage purchased. The total all claimants could recover for a single occurrence to which the statutory tort limits apply would also be limited to the amount of coverage purchased, regardless of the number of claimants.

Claims to which the statutory municipal tort limits do not apply are not affected by this decision.

LMCIT Member Name: _____

Check one:

The member **DOES NOT WAIVE** the monetary limits on municipal tort liability established by [Minn. Stat. § 466.04](#).

The member **WAIVES** the monetary limits on municipal tort liability established by [Minn. Stat. § 466.04](#), to the extent of the limits of the liability coverage obtained from LMCIT.

Date of member's governing body meeting: _____

Signature: _____

Position: _____

New Business

REVENUE RECAPTURE SERVICE LEVEL AGREEMENT



2026 Services Level Agreement Administration of Revenue Recapture

State of Minnesota

Department of Revenue

and

City of Frazee

Agency Name

1101648768

Revenue Recapture ID

01/15/2026

Date

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Introduction

This Service Level Agreement for the administration of Revenue Recapture between the agency listed on Page 1 (claimant agency, you, your) and the Minnesota Department of Revenue (the department, our, we, us) defines:

- Statutes and policies you must follow when using Revenue Recapture to resolve debts
- Terms and conditions we will follow when providing collection services to you
- Duties and responsibilities of both parties

Statutory Authorization

Minnesota Statutes, Chapter 270A, also known as the Revenue Recapture Act, authorizes the commissioner of Revenue to collect debts for claimant agencies.

Minnesota Administrative Rules, Chapter 8165, provides additional guidelines for using Revenue Recapture.

Minnesota Statutes, section 541.05, is used by most agencies for their statute of limitations; however, some agencies follow a different statute.

Terms and Definitions

Review the following terms and definitions, as they apply to this Service Level Agreement.

- **Authorized Agent**

An employee of the claimant agency, also referred to as the Service Level Agreement signer, who:

- Makes decisions or signs contracts on your agency's behalf.
- Supervises agency's authorized users who refer debts.
- Resolves administration or participation issues with Revenue Recapture.

- **Authorized Users**

Employees of your agency who earn W-2 wages and are authorized to add, change, and remove claims.

- **Contested Claim**

When a debtor disputes the validity of the claim.

- **Date of Debt**

Date the debt was incurred.

- **e-Services**

The Department of Revenue's online payment system agencies use to manage their claims. For more information, go to [Revenue Recapture e-Services](#).

- **Nonliable Spouse**
A spouse not responsible for a debt incurred by the other spouse.
- **Notice to the Debtor**
A notice you must provide a debtor when using the Revenue Recapture Program to collect a debt.
- **Priority of Claim**
The order claims are paid.
- **Reconciliation Report**
Reports in e-Services for you to reconcile Revenue Recapture claims.
- **Revenue Recapture**
The Minnesota Department of Revenue can take state refunds and other funds to pay claimant agencies through the Revenue Recapture process.
- **Statute of Limitations**
Legal amount of time an agency can collect a debt.
- **Third Party**
A person or entity who is an independent contractor, subcontractor, or billing agency.
- **Virtual Room**
Virtual Room is a secure space online to exchange files and other information with the Department of Revenue. For more information, go to [Audit Room and Virtual Room](#).

Definitions for the following terms are found in [Minnesota Statute Sec. 270A.03](#).

- Applicability
- Claimant Agency
- Commissioner
- Debtor
- Debt; debtor
- Department
- Refund
- Restitution

Duties of the Claimant Agency

These are your duties and responsibilities as the claimant agency.

Training and User Access Policies

You must:

- Request access for authorized users only.
- Not request or allow access for third parties. Third parties must not:
 - Administer claims.
 - Have access to e-Services.
 - Use their phone number or address as contact information on your notice to debtor or a claim's contact in e-Services.
- Not share user IDs or passwords. Each authorized user must have their own user ID and password.
- Contact us within five business days to notify us when changes occur with the authorized agents or e-Services users. We will:
 - Add, modify, or remove users.
 - Update your debtor and agency contact information.
- Allow access for business purposes only.
- Ensure all new and existing users complete required annual Revenue Recapture training.
- Provide users with training for:
 - Anti-browsing and data disclosure.
 - Your agency's claims, systems, and payment application processes.

Claim Requirements

You must:

- Ensure all debts meet statutory requirements before adding claims:
 - The claim balance is at least \$25.
 - The debtor's first and last name and Social Security Number are available to submit the claim.
 - All claims must have a unique agency control number. This number can be up to 18 characters. It must not be a Social Security Number.
 - There is no written payment agreement in place that prohibits use of Revenue Recapture.
 - The collection attempt will not result in the loss of federal funds.
 - Applicable statutes allow claim submission.

- Add all claims using the appropriate claim type:
 - Child Support.
 - Criminal Restitution.
 - Health Care Recapture.
 - General (all other types).
- Adhere to the management of claims by:
 - Sending notice to the debtor for each claim filed.
 - Submitting a Revenue Recapture claim for each new debt.
 - Contacting us before refunding Revenue Recapture or nonliable spouse overpayments of \$40 or more.
- Update Claims within 30 days of balance reduction changes.
- Monitor and ensure all claims are removed prior to the statute of limitations expiring.
- Ensure claims submitted for Revenue Recapture are not also referred under Client Relations.
[See Minnesota Statute Chapter 16D.](#)

Notification Requirements

Your notice to debtors must meet statutory requirements. [See Minnesota Statutes, section 270A.08.](#)

You must:

- Follow the Notification guidelines on our [Revenue Recapture Related Information](#) webpage, for sending written notifications to the debtor.
 - If you add a claim for a deceased customer, you must send notification to their estate.
- Follow the Returned Mail guidelines on our [Revenue Recapture Related Information](#) webpage if the notice is returned due to an incorrect address.
- Keep a copy of the notification letter if the debt is within the statute of limitations or until the debt is paid or canceled.

Process Requirements

You must:

- Designate one or more employees to answer debtor and department questions about the claim
- Have processes to administer the following:
 - Nonliable spouse claims
 - Exemption claims
 - Contested claim hearings
 - Returned mail
 - Statute of limitations
 - Refunds and overpayments
 - Bankruptcy

Audit and Record Keeping Requirements

You must:

- Comply with our audits and correct issues found within the time limits given.
- Keep adequate records including, but not limited to:
 - Copies of notification letters
 - Claims filed
 - Payments received
 - Current balances
- Notify us if your agency no longer qualifies or wants to participate in Revenue Recapture. You will need to cease all existing claims.
- Place a hold on debtor accounts during bankruptcy proceedings and cancel claims for debts discharged in bankruptcy.

Duties of the Minnesota Department of Revenue

We must:

- Provide required annual training and support for agency staff who administer Revenue Recapture.
- Send debtors a Revenue Recapture notice when we apply a refund to their debt. This written notice must include:
 - The refund amount applied to the debt.
 - Your address and phone number.
 - The right of the debtor to contest the validity of the Revenue Recapture claim.
 - For joint refunds, a nonliable spouse has the right to request their portion of the refund.
- Process Revenue Recapture claims and account updates you submit by the next business day.
- Remit refund payments to you each business day.
- Make reconciliation reports available to you through Revenue Recapture e-Services.
- Notify you before making changes to Revenue Recapture requirements or procedures and provide an anticipated schedule for the changes.
- Audit you to ensure compliance with Minnesota Statutes, administrative rules and this Service Level Agreement.
- Inactivate users who have not accessed Revenue Recapture e-Services in 15 months.
- Suspend your agency if you do not follow Minnesota statutes, rules or policies.
- Require you to sign a Revenue Recapture Service Level Agreement.

Data Practice Responsibilities

We can exchange private data on individuals between Revenue, the Minnesota Taxpayer Rights Advocate, the Minnesota Attorney General's Office, the claimant agency, and the debtor, when necessary, with the intent of collecting debts through the revenue recapture process.

- Data we collect from you relating to claims filed under Revenue Recapture are private data on individuals.
- Any person you employ or previously employed who discloses information for any other reason than collecting debts using Revenue Recapture will be subject to civil and criminal penalties. See Minnesota Statute section 270A.11.

Legal Requirements

This Service Level Agreement is effective for three years unless canceled by either party.

We will suspend your access to e-Services for violating this Service Level Agreement. We will notify you before suspending your access.

You must authorize users for your agency to file, change or close claims with us. An authorized user is an employee within your agency earning W-2 wages.

The authorized users for your agency are:

Stephanie Poegel

Catreena Mahoney

The authorized agent for the Minnesota Department of Revenue is the Collection Division director.

You must not assign or transfer any rights or obligations under this Service Level Agreement without prior written approval of the department.

The claimant agency and the department agree we are each responsible for our own acts and the results thereof.

Any amendments to this Service Level Agreement must be in writing and executed by the same parties who executed the original agreement or their successors in office.

Please indicate how your agency qualifies to participate in Revenue Recapture. A list of agencies who are qualified can be found in Minnesota Statutes, section 270A.03, subdivision 2.

Qualifying agency type: Local Government

Signature Page

This agreement is effective on the date signed by the Minnesota Department of Revenue Collection Division director. This agreement supersedes all prior formal and informal agreements between the two agencies.

Your authorized agent must provide a digital or physical signature and return this Service Level Agreement to us.

Agency Name:	City of Frazee
Authorized Agent:	Stephanie Poegel
Agent Email:	cityadmin@frazee.city.com
Agent Signature:	
Title:	City Administrator
Phone:	218-334-4991
Date:	01/15/2026

Second Contact

A second contact is an employee at the agency with the same authority as the authorized agent or Service Level Agreement signer. This contact serves as a backup contact if the Service Level Agreement signer is unavailable for any reason, such as an unexpected leave of absence, who can act for the department on the agency's behalf.

Your second contact must provide a digital or physical signature.

Authorized Agent:	Catreena Mahoney
Agent Email:	deputyclerk@frazee.city.com
Agent Signature:	
Title:	Deputy Clerk
Phone:	218-334-4991
Date:	01/15/2026

Approved By

Minnesota Department of Revenue

Signature: Sara Westly

Collection Division Director

Date:

New Business

AUDIT ENGAGEMENT LETTER & PEER REVIEW

Colleen Hoffman, Director
Crystelle Philipp, CPA
Marit Martell, CPA



Hoffman, Philipp, & Martell, PLLC

1541 Highway 59 South Thief River Falls, MN 56701 Phone: 218-681-4078 cphilipp@hpmaudit.com

AUDIT ENGAGEMENT LETTER

January 4, 2026

Ms. Stephanie Poegel
City of Frazee Clerk/Treasurer
PO Box 387
Frazee, Minnesota 56544

We are pleased to confirm our understanding of the services we are to provide the City of Frazee for the year ended December 31, 2025.

Audit Scope and Objectives

We will audit the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information, including the disclosures, which collectively comprise the basic financial statements of the City of Frazee, as of and for the year ended December 31, 2025. Accounting standards generally accepted in the United States of America (GAAP) provide for certain required supplementary information (RSI), such as Management's Discussion and Analysis (MD&A), budgetary comparison schedules, and Public Employees Retirement Association (PERA) schedules, to supplement the City of Frazee's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Auditing Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the City of Frazee's RSI in accordance with auditing standards generally accepted in the United States of America (GAAS). These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The RSI is required by GAAP and will be subjected to certain limited procedures, but will not be audited.

We have also been engaged to report on supplementary information other than RSI that accompanies the City of Frazee's financial statements. We will subject the supplementary

information, as listed in the table of contents of your financial report, to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS, and we will provide an opinion on it in relation to the financial statements as a whole in a report combined with our auditor's report on the financial statements. To accompany the financial statements, your report will also include other information including introductory and other schedules sections that will not be subjected to the auditing procedures applied in our audit of the financial statements, and our auditor's report will not provide an opinion or any assurance on that information. If, based on the work performed, we conclude that an uncorrected material misstatement in the other information exists, we are required to describe it in our report.

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and issue an auditor's report that includes our opinions about whether your financial statements are fairly presented, in all material respects, in conformity with GAAP, and report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. Misstatements including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements. The objectives also include reporting on internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.

Auditor's Responsibilities for the Audit of the Financial Statements

We will conduct our audit in accordance with GAAS and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include tests of accounting records and other procedures we consider necessary to enable us to express such opinions. As part of an audit in accordance with GAAS and *Government Auditing Standards*, we exercise professional judgment and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of waste and abuse is subjective, *Government Auditing Standards* do not expect auditors to perform specific procedures to detect waste or abuse in financial audits nor do they expect auditors to provide reasonable assurance of detecting waste or abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements or noncompliance may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or on major programs. However, we will inform the appropriate level of management of any material errors, any fraudulent financial reporting, or misappropriation of assets that come to our attention. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

In connection with this engagement, we may communicate with you or others via email transmission. As emails can be intercepted and read, disclosed, or otherwise used or communicated by an unintended third party, or may not be delivered to each of the parties to whom they are directed and only to such parties, we cannot guarantee that emails from us will be properly delivered and read only by the addressee. Therefore, we specifically disclaim and waive any liability or responsibility for interception or unintentional disclosure of emails transmitted by us in connection with the performance of this engagement. In that regard, you agree that we shall have no liability for any loss or damage to any person or entity resulting from the use of email transmissions.

We will also conclude, based on the audit evidence obtained, whether there are conditions or events considered in the aggregate that raise substantial doubt about the government's ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, tests of the physical existence of any significant inventories, and direct confirmation of receivables and certain assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions when deemed appropriate. We may also request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry.

Audit planning, including the assessment of significant risks, is not concluded at this time. If significant risks are identified they will be communicated to those charged with governance to assist with understanding those matters and why they require special attention, and better allow those charged with governance to perform their oversight duties with regard to the financial reporting process.

Audit Procedures—Internal Control

We will obtain an understanding of the government and its environment, including internal control relevant to the audit, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and

material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and *Government Auditing Standards*.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the City of Frazee's compliance with provisions of applicable laws, regulations, contracts, and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance, and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

The *Minnesota Legal Compliance Audit Guide for Cities*, promulgated by the Minnesota Office of the State Auditor pursuant to Minnesota Statute, § 6.65, contains seven categories of compliance to be tested: contracting and bidding, deposits and investments, conflicts of interest, public indebtedness, claims and disbursements, miscellaneous provisions, and tax increment financing. Our audit will consider all of the applicable listed categories

Other Services

We will also assist in preparing the cash to accrual journal entries, and financial statements and related note disclosures of the City of Frazee in conformity with GAAP based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards. The other services are limited to the cash to accrual journal entries, financial statements and related disclosures previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

Responsibilities of Management for the Financial Statements

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for (1) designing, implementing, establishing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, and for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; (2) following laws and regulations; (3) ensuring that there is reasonable assurance that government programs are administered in compliance with compliance requirements; and (4) ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles; for the preparation and fair presentation of the financial statements and related disclosures, and all accompanying information in conformity with GAAP, and for compliance with applicable laws and regulations, rules, and the provisions of contracts and grant agreements (including award

agreements). Your responsibilities also include identifying significant contractor relationships in which the contractor has responsibility for program compliance and for the accuracy and completeness of that information.

You are also responsible for making drafts of financial statements, all financial records, and related information available to us and for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers); and for the evaluation of whether there are any conditions or events considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for the 12 month period after the financial statement date or shortly thereafter.

You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) access to personnel, accounts, books, records, supporting documentation, and other information as needed to perform an audit; (3) additional information that we may request for the purpose of the audit; and (4) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about the financial statements; compliance with laws, regulations, contracts, and grant agreements; and related matters.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements of each opinion unit taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants. You are also responsible for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements that we report. Additionally, it is management's responsibility to evaluate and monitor noncompliance with; and take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings; promptly follow up and take corrective action on reported audit findings; and prepare a summary schedule of prior audit findings and a separate corrective action plan. The summary schedule of prior audit findings should be available for our review during the audit fieldwork.

You are also responsible for the preparation of the other supplementary information, which we have been engaged to report on, in conformity with GAAP. You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the

supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the Audit Scope and Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions for the report, and for the timing and format for providing that information. With regard to publishing the financial statements on your website, you understand that websites are a means of distributing information and, therefore, we are not required to read the information contained in those sites or to consider the consistency of other information on the website with the original document.

You agree to assume all management responsibilities for the cash to accrual journal entries, financial statements and related disclosures, and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the cash to accrual journal entries, financial statements and related disclosures, and that you have reviewed and approved the cash to accrual journal entries, financial statements and related disclosures prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Engagement Administration, Fees, and Other

We will schedule the engagement based in part on deadlines, working conditions, and the availability of your key personnel. We will plan the engagement based on the assumption that your personnel will cooperate and provide assistance by performing tasks such as preparing requested schedules, retrieving supporting documents, and preparing confirmations. We understand that your employees will locate any documents selected by us for testing.

We will provide copies of our reports to the Frazee City Council; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Hoffman, Philipp, & Martell, PLLC, (HPM) and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to a cognizant or oversight agency or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of HPM personnel. Furthermore, upon request, we may provide

copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of seven years after the report release date or for any additional period requested by a cognizant or oversight agency. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party contesting the audit finding for guidance prior to destroying the audit documentation.

Crystelle Philipp is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them. We expect to begin our audit soon and issue our reports before June 30, 2026.

Our fee for these services will be \$11,900 for the third year of our five-year contract, and includes all out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.). Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report(s). The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the engagement. If significant additional time is necessary, we will keep you informed of any problems we encounter and our fees will be adjusted accordingly.

Reporting

We will issue written reports upon completion of our audit. Our reports will be addressed to the Frazee City Council. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add a separate section, or add an emphasis-of-matter or other-matter paragraph to our auditor's report, or if necessary, withdraw from this engagement. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or we may withdraw from this engagement.

The *Government Auditing Standards* report on internal control over financial reporting and on compliance and other matters will state that (1) the purpose of the report is solely to describe the scope of testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance, and (2) the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The report will state that the report is not suitable for any other purpose.

In accordance with *Government Auditing Standards*, we have provided you a copy of our most recently issued external peer review report, for which we received a rating of *pass*.

We appreciate the opportunity to be of service to the City of Frazee and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please

contact me at (218) 681-4078. If you agree with the terms of our engagement as described in this letter, please sign where provided below and return it to us.

Sincerely,



Crystelle Philipp, CPA
Hoffman, Philipp & Martell, PLLC

Approved: This letter correctly sets forth the understanding of the City of Frazee.

Mayor (Governance)

Date

City Clerk/Treasurer (Management)

Date



4220 31st Avenue S.
Fargo, ND 58104-8725

Phone: 701.237.6022
Toll Free: 888.237.6022
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Report on the Firm's System of Quality Control

March 25, 2025

To the Partners of Hoffman, Philipp, & Martell, PLLC
And the Peer Review Committee of the Minnesota Society of CPAs

We have reviewed the system of quality control for the accounting and auditing practice of Hoffman, Philipp, & Martell, PLLC (the firm) in effect for the year ended September 30, 2024. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing and complying with a system of quality control to provide the firm with reasonable assurance of performing and reporting in conformity with the requirements of applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported on in conformity with the requirements of applicable professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of and compliance with the firm's system of quality control based on our review.

Required Selections and Considerations

Engagements selected for review included engagements performed under Government Auditing Standards, including a compliance audit under the Single Audit Act.

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

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Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Hoffman, Philipp, & Martell, PLLC in effect for the year ended September 30, 2024, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of pass, pass with deficiency(ies), or fail. Hoffman, Philipp, & Martell, PLLC has received a peer review rating of pass.



Widmer Roel PC

Addendum

APPROVAL OF ADDITIONAL CLAIMS

Addendum

TOPIC