NOTICE TO PROCEED

TO: Mr. Ni	ck Linnemann	DATE: June 3, 2020					
2 Seco	nd Ave. S, Suite 160 Rapids, MN 56379	PROJECT: DEMOLITION OF BUILDING STRUCTURE, FOUNDATION AND MATERIALS LOCATED AT 326 WEST MAIN STREET					
You are hereby	notified to commence WORK in ac	ccordance with the Agreement					
dated May 12, 2	20 <u>20</u> .						
The Contract T	ime shall commence to run on June	4, 20 <u>20</u> . WORK shall proceed in					
accordance with the dates set forth in Article 3 of the Agreement and all other provisions							
of the Contract	Documents.						
	TITLE: <u>City Hall Ow</u>	Glenn J. Olson, P.E. vner's Representative					
Daggint of the a	ACCEPTANCE						
	day of	ereby acknowledged by					
	LINNCO, INC. SAUK RAPIDS, MIN BY:	NNESOTA					
	PRINTED NAME: _						

Linn Co, Inc.

AGREEMENT

DEMOLITION OF BUILDING STRUCTURE, FOUNDATION AND MATERIALS LOCATED AT 326 WEST MAIN STREET

CITY OF MARSHALL, MINNESOTA

THIS AGREEMENT is dated as of the 12th day of May in the year 2020 by and between City of Marshall (hereinafter called OWNER) and LinnCo, Inc. of Sauk Rapids, Minnesota (hereinafter called CONTRACTOR).

OWNER and CONTRACTOR, in consideration of the mutual covenants hereinafter set forth, agree as follows:

ARTICLE 1. WORK.

CONTRACTOR shall complete all Work as specified or indicated in the Contract Documents. The Work is generally described as follows:

All labor, materials, equipment, utilities and all other things necessary for the construction of the:

To demolish and remove the building structure, materials and foundation at 326 West Main Street in Marshall, Minnesota.

ARTICLE 2. ENGINEER.

The Project has been designed by the Glenn J. Olson, P.E., who is hereinafter called ENGINEER shall act as OWNER'S representative, assume all duties and responsibilities and have the rights and authority assigned to ENGINEER in the Contract Documents in connection with completion of the Work in accordance with the Contract Documents.

ARTICLE 3. CONTRACT TIME AND LIQUIDATED DAMAGES.

- 3.1. Per the BID dated May 5, 2020 (copy attached), the building, foundation and materials shall be demolished, removed and backfilled within sixty (60) days following issuance of the Notice to Proceed. CONTRACTOR hereby agrees to commence work under this contract per timeline specified in said Notice to Proceed and to fully complete the project within the time periods stipulated.
- 3.2. CONTRACTOR further agrees to pay as liquidated damages, the sum of five hundred dollars (\$500.00) for each consecutive calendar day thereafter any section of the project is not completed.
- 3.3. Per the BID dated May 5, 2020 (copy attached), see "Project Requirements and Conditions", Sections I, II and III referencing all requirements of the project.

ARTICLE 4. CONTRACT PRICE.

4.1. OWNER shall pay CONTRACTOR for completion of the Work in accordance with the BID as follows:

BID AMOUNT:

\$513,344.00

+ ALLOWANCE:*

10,000.00

TOTAL:

\$523,444.00

The total contract price is Five hundred twenty-three thousand, four hundred forty-four dollars and zero one-hundredths, (\$523,444.00).

* During the demolition of the foundations adjacent to the sidewalk or alley, any removals that would require removal of part or all the sidewalk or concrete surfacing of the alley shall be part of the \$10,000.00 allowance included in the bid. Any other damage to property outside of the hotel property resulting from the building demolition will be the responsibility of the Contractor at no additional cost to the City.

ARTICLE 5. PAYMENT PROCEDURES.

CONTRACTOR shall submit Applications for Payment in accordance with Project Requirements and Conditions, III., 3.

5.1 Timely Payments to Subcontractors for Completed Work.

The Prime Contractor must pay any Subcontractor within ten days of the Prime Contractor's receipt of payment from the municipality for undisputed services provided by the Subcontractor.

5.2. Final Payment. Upon final completion and acceptance of the Work, OWNER shall pay the remainder of the Contract Price as recommended by ENGINEER.

ARTICLE 6. CONTRACTOR'S REPRESENTATIONS.

In order to induce OWNER to enter into this Agreement, CONTRACTOR makes the following representations:

- 6.1. CONTRACTOR has familiarized itself with the nature and extent of the Contract Documents, Work, site, locality, and all local conditions and Laws and Regulations that in any manner may affect cost, progress, performance or furnishing of the Work.
- 6.2. CONTRACTOR has given ENGINEER written notice of any conflicts, errors or discrepancies that he has discovered in the Contract Documents and the written resolution thereof by ENGINEER is acceptable to CONTRACTOR.
- 6.3. Nondiscrimination in Employment The contractor agrees not to discriminate on account of race, creed or color as per Minnesota Statutes, Section 181.59 and Minnesota Statutes 363 regarding compliance with the Department of Human Rights.

6.4.	Minne	esota Dep	eartment of Hum	an Rig	ghts.							
	I here by La	by certify ws of 196	y that I am in co 59; and (initial or	mplia ne of t	nce with I he three b	Minnesota elow, as	a Sta appli	tutes Sec cable):	ction	363	as ame	nded
	•	_ Hav	e a certificate of	comp	liance issu	ed by the	e Dej	partment	of H	uma	n Right	s.
		_ Hav Rigl	e applied for a nts, which is pen	certifi ding.	cate of co	mpliance	e to	the Com	miss	ione	r of Hu	ıman
	4		ertificate of com mployees.	pliano	e is not r	equired fo	or m	y compa	my d	ue to	its nu	mber
ART	TICLE 7	CONT	RACT DOCUM	IENT	S.							
The CON	Contrac JTRACT	t Docur OR conc	nents which c erning the Work	ompri consi	se the e st of the fo	ntire ag ollowing:	reem	ent bet	ween	O.	WNER	and
7.1.	This Agreement.											
7.2.	Exhibits	s to this A	Agreement.									
7.3.	Perform	ance Bor	nd.									
7.4	Paymen	t Bond.						Ď'	*	*):		
7.5.	Notice of	of Award					(a)		78		€.	
7.6.	Project	Requiren	nents & Conditio	ns.				6 ************************************	<u>.</u>		44.	
7.7.	Addend	a number	rs to, in	clusiv	e. N/A			s				
7.8.	Certifica	ates of In	surance.						5965 ##	5		
7.13	Docume	ents whic	h may be execut	ed afte	er this Agı	eement i	s exe	cuted.				
7.14	The foll not attac	owing m ched here	ay be delivered to:	or issu	ied after t	ne Effect	ive I	Date of th	ne Ag	green	nent an	d are
	7.14.1	Notice t	o Proceed.									
	7.14.2	Written this Agr	Amendments reement.	and	Change	Orders	as	signed	by	all	parties	s to
	7.14.3	Written	Field Orders and	l writt	ten Engine	er's inter	preta	itions and	d/or o	clarif	ication	s.
There	e are no (Contract 1	Documents other	than	those liste	ed above	in th	is Article	e 7.			

ARTICLE 8. MISCELLANEOUS.

- 8.1. No assignment by a party hereto of any rights under or interests in the Contract Documents will be binding on another party hereto without the written consent of the party sought to be bound; and specifically but without limitation moneys that may become due and moneys that are due may not be assigned without such consent (except to the extent that the effect of this restriction may be limited by law), and unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under the Contract Documents.
- 8.2. OWNER and CONTRACTOR each binds itself, its partners, successors, assigns and legal representatives to the other party hereto, its partners, successors, assigns and legal representatives in respect of all covenants, agreements and obligations contained in the Contract Documents.

IN WITNESS WHEREOF, OWNER and CONTRACTOR have signed this Agreement in triplicate. One counterpart each has been delivered to OWNER, CONTRACTOR and ENGINEER. All portions of the Contract Documents have been signed or identified by OWNER and CONTRACTOR or by ENGINEER on their behalf.

This Agreement will be effective on	_, 20
OWNER: CITY OF MARSHALL	CONTRACTOR: LINNCO, INC.
By: Polit Ih	By: Wich h
Mayor, City of Marshall	Presilent
(CORPORATE SEAL)	(CORPORATE SEAL)
Attest City Clerk	BUSINESS OFFICE MANAGER
Address for giving notices:	Address for giving notices:
344 W Main St. Marshall, MN 56258	2 Second Ave. S, Suite 160 Sauk Rapids, MN 56379

May 5, 2020

TO THE HONORABLE MAYOR AND THE COMMON COUNCIL OF THE CITY OF MARSHALL LYON COUNTY, MINNESOTA

The undersigned being familiar with the "Project Requirements and Conditions", hereby proposes and agrees to provide services for the following: DEMOLISH AND REMOVE THE BUILDING STRUCTURE AND MATERIALS LOCATED AT 326 WEST MAIN STREET IN MARSHALL, MINNESOTA in accordance with the specifications attached hereto for the following price, to wit:

ALLOWANCE:* 10,000.00

TOTAL: \$ 523, 444.00

The undersigned also agrees as follows:

- Within fourteen (14) days after the bid is awarded, to furnish a satisfactory performance bond or other guarantee acceptable to the City, in the sum specified, guaranteeing the faithful performance of the work and payment of bills.
- 2. Time is of the essence. The building, foundation and materials shall be demolished, removed and backfilled within sixty (60) days following issuance of the Notice to Proceed.
- 3. This bid cannot be withdrawn within thirty (30) days after the scheduled time for receipt of bids.
- 4. It is the understanding that the City may accept or reject any or all bids and award a contract deemed to be in the best interest of the City and waive any informalities in the process.
- 5. Hazardous materials located in the building have been removed under previous contract. The Contractor shall inform the City of any unknown hazardous materials. These removals shall be the responsibility of the City.

^{*} See Page 8, Item 14

^{***} THE REMAINDER OF THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK. ***

LIQUIDATED DAMAGES

Bidder hereby agrees to commence work under this contract after a date to be specified in a written "Notice to Proceed" of the Owner and to fully complete the project within the time periods stipulated. Bidder further agrees to pay as liquidated damages, the sum of \$500.00 for each consecutive calendar day thereafter any section of the project is not completed.

ADDENDUM RECEIPTS

Receipt of the following addenda to the Specifications is acknowledged.
Addendum No dated
Addendum No dated
Addendum No dated
By: (Signature)
Nick Linnemann Typed or Printed Name
President Title
2 Second Ave S, Ste 160 Mailing Address
Sauk Rapids, MN 56379 City, State ZIP
Telephone Number (320) 272-8288
nick@linncoinc.com Email
State whether the Bidder is sole proprietor, a partnership or a corporation, and if a corporation, the state in which it is incorporated.
C-Corporation, Minnesota

PROJECT REQUIREMENTS AND CONDITIONS

I SCOPE OF WORK

- 1. Provide all labor, materials, and equipment necessary for the demolition and site restoration for the stated property in the City of Marshall, County of Lyon, State of Minnesota. Individual elements of work shall include, but is not limited to:
 - a. Demolition and removal of building structure, foundation and concrete.
 - b. Removal of all materials within the building, including but not limited to piping, tanks, mechanical items, wood, floors, wiring, debris and miscellaneous items.
 - c. Backfill excavated areas with suitable common borrow (clay) or granular material and compacted to a minimum standard proctor density of 95%.
 - d. The existing brick/masonry from the hotel may be crushed and utilized on site but must be crushed to a maximum size of 2 inches and be compacted utilizing ordinary compaction methods. The final grading shall be shaped to drain away from the Municipal Building and Main Stay Café to the street or alley at existing elevations.
 - e. Recap the existing sanitary sewer service line and water service line at the outside of the existing foundation at the right-of-way.
 - f. Coordinate the recapping of the sanitary sewer service line with City of Marshall Building Inspection.
 - g. Coordinate recapping of the termination of the water service line with Marshall Municipal Utilities.
 - h. Restoration of the site shall include placement of 12 inches of Class 5 over excavated areas to finish the site.
 - i. Protect all light poles, electric transformers and other utilities located on public right-of-way.
- Remove all materials from the demolition site in accordance with federal, state and local regulations. Contractor shall provide the protection and safety fencing required for the site until final restoration has been completed.
- 3. The Contractor shall accept the site in its present condition and shall inspect the site for its character and the type of structure to be demolished. The owner assumes no responsibility for the condition of existing structure and other property within the demolition area, or the condition of the

property before or after the solicitation for bids. No adjustment of bid price or allowance for any change in conditions that occur after the acceptance of the responsible, responsive bidder will be allowed.

4. The following items shall be salvaged by the Contractor for the City and delivered to location(s) within the City as directed by the City:

a. "Marshall Hotel" sign and supports (front of building)

b. "Hotel Entrance" sign (rear of building)

c. Wrought iron railings (front of building)

d. Tiles (top front of building)

II. LOCATION

The structure is located in Marshall, Minnesota at 326 West Main Street.

III. GENERAL SPECIFICATIONS & INFORMATION

- 1. See attached map (Exhibit A) for the site location and construction limits.
- 2. The Contractor shall provide certificates of insurance to the Owner of adequate coverage consistent with the type of demolition work being completed on this project. The Owner shall be named as an additional insured on the certificate.
- 3. Contractor shall be paid the lump sum price for demolition at the site as indicated in the bid and as approved by the owner or owner's representative, and this payment will be full compensation for removal of the building, foundation, building materials, contents of building, trash, rubbish and related work as specified. The Contractor shall pay for all charges, levies, fees, permits and other expenses necessary to complete the work in accordance with the plans and specifications.
- 4. The Contractor shall obtain all necessary permits from City, Lyon County and Minnesota Pollution Control Agency in conjunction with the demolition work and the waste disposal. Contractor may block off sidewalk and parking on West Main Street adjacent to the hotel property with adequate traffic control approved by the City Engineer.
- 5. The Contractor will assume all liability for damage to the property of others which may occur during the demolition process. The Contractor shall take precautionary measures so as not to cause damage to any public right-of-way, structures, street utilities, or any other property adjacent to the structure scheduled for demolition.
- The Contractor shall be responsible for removing any demolition debris or mud from any street or right-of-way resulting from the execution of the demolition work.

7. The Contractor shall comply with applicable air pollution control requirements of the city, county, and state (Mn/DOT 1717). The Contractor shall take appropriate actions to minimize atmospheric pollution. To minimize atmospheric pollution, the city, county and state shall have the authority to require that reasonable precautions be taken to prevent particulate matter from becoming airborne. Such reasonable precautions shall include, but not be limited to: the use of water or chemicals for control of dusts in the demolition of the structure and the use of covers on open-bodied trucks transporting materials likely to produce airborne dusts.

No fires of any kind will be permitted in the demolition work area.

The Contractor shall implement BMP's to control both airborne and water pollution and erosion/sediment controls for the project site

- 8. Demolition, removal, and disposal work shall include all materials in the building and foundation of the structure.
- 9. Demolition shall include the removal of a portion of the rubber roofing on the Main Stay Café from the wall of the hotel and patching or re-adhering the existing rubber to the remaining wall of the Main Stay Café.
- Demolition shall also include any accessory mechanical or supportive units utilized by the hotel that may be located on the Main Stay Café property.
- 11. All excavations will be filled with natural materials of clay and/or gravel. The fill will be compacted by conventional methods. The backfill materials shall be obtained from suitable materials imported into the project from an approved source. All common borrow required for backfilling shall be incidental to the amount of the bid. If the existing brick/masonry from the hotel is utilized on site, it must be crushed to a maximum size of 2 inches and be compacted utilizing ordinary compaction methods. The final grading shall be shaped to drain away from the Municipal Building and Main Stay Café to the street or alley at existing elevations.
- 12. Temporary fence shall be erected around all excavation and debris piles to prevent access to the public. The fence shall be at least four feet high, consistently restrictive from top to grade, and without horizontal openings wider than two inches. The fence shall be erected before demolition and shall remain in place until the demolished materials are removed from the site and all holes or excavated areas are backfilled. The fencing, including all materials, shall be considered incidental to the demolition. The fencing material shall remain the property of the Contractor.
- 13. The Contractor is responsible for securing any staging areas required outside the limits of the demolition areas. Public rights-of-ways utilized as staging areas shall be by permit only.

14. During the demolition of the foundations adjacent to the sidewalk or allev. any removals that would require removal of part or all the sidewalk or concrete surfacing of the alley shall be part of the \$10,000.00 allowance included in the bid.

Any other damage to property outside of the hotel property resulting from the building demolition will be the responsibility of the Contractor at no additional cost to the City.

- 15. The wall between Grid 0 and Grid 1 (Exhibit B) on the Municipal Building side may be unstable when the hotel wall is removed. That wall should be saw cut by this demolition contractor allowing the wall to be removed without damage to the wall that will remain.
- 16. Vehicular access cannot be maintained at all times to the following areas as a result of this demolition:
 - Rear parking lot behind Main Stay Café located at 316 West Main Street

- Rear to parking lot located behind 117-127 North 3rd Street

The Contractor shall coordinate the closure of the alley serving these two areas with the City and the property owner(s).

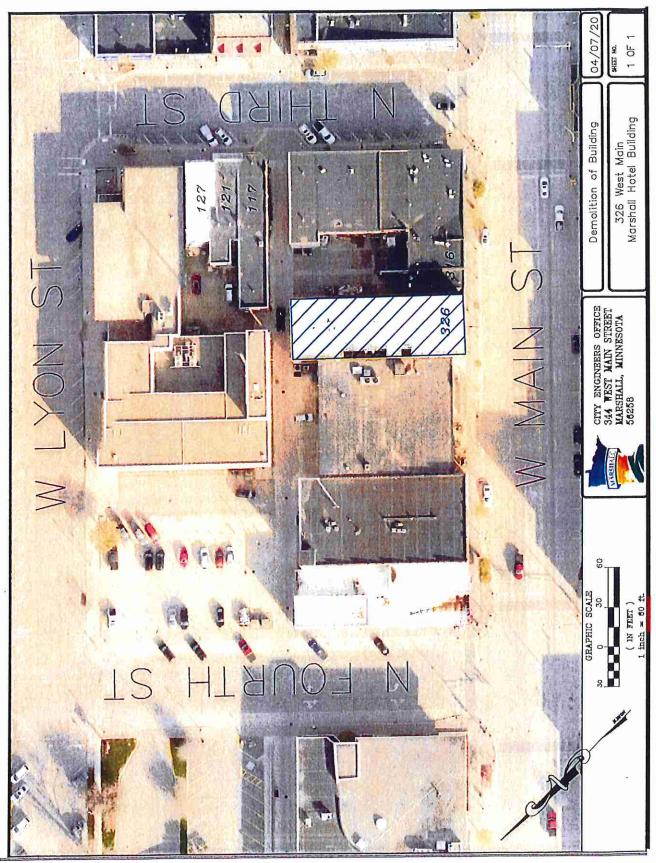
- 17. The Contractor shall submit a request for any proposed closure of the alley adjacent to 326 West Main Street and the length of time(s) that the Contractor proposes to have the alley closed to through traffic.
- 18. The City Hall Owner's Representative or City Engineer shall be responsible for the coordination of work between the Municipal Building Renovation contractor and the demolition Contractor.
- 19. Marshall Municipal Utilities will be responsible for the removal and replacement of the security light pole adjacent to the alley near the northeast corner of the hotel, as well as temporary removal and replacement of street light on Main Street in front of hotel.
- 20. If the Contractor intends to use any adjacent private property for their work, it will be the responsibility of the Contractor to contact and make arrangements with the property owner.
- 21. The City has copies of the following available upon request:

Marshall Hotel Asbestos Inspection Report (11/12/2018)

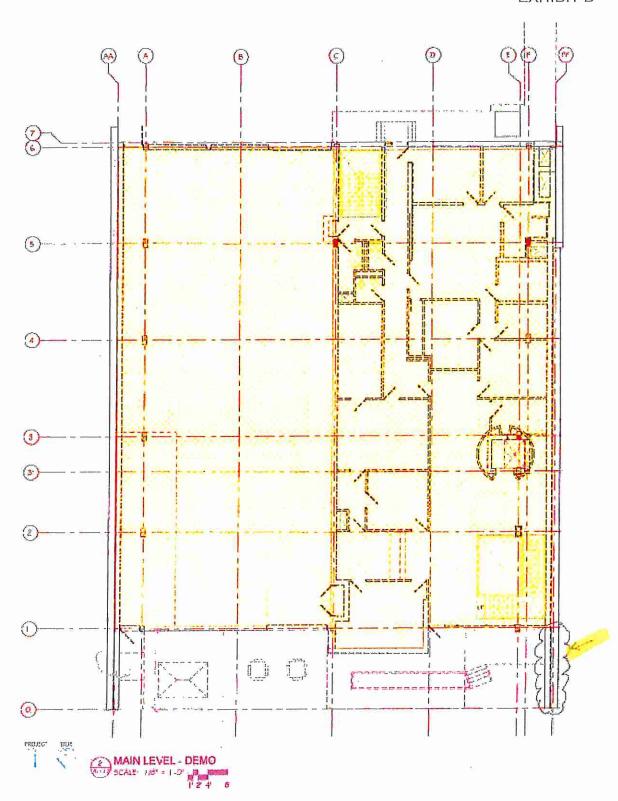
Marshall Hotel Structural Assessment (06/20/2012)

Hazardous Materials Removal Agreement (02/20/2019)

EXHIBIT A



', 'i, ', ', ',



Performance Bond

Bond No. 763150

CONTRACTOR:

(Name, legal status and address) LinnCo, Inc.

2 Second Avenue South, Suite 160 Sauk Rapids, MN 56379 (Name, legal status and address)

City of Marshall, Minnesota 344 W. Main St. Marshall, MN 56258-1313

CONSTRUCTION CONTRACT Date: May 12, 2020

Amount: Five Hundred Twenty-three Thousand Four Hundred Forty-four And No/100 (\$523,444.00)

Description:

(Name and location) To Demolish and Remove the Building Structure, Materials, and Foundation at 326 West Main Street in Marshall, Minnesota

SURETY:

(Name, legal status and principal place of business) Nationwide Mutual Insurance Company

One West Nationwide Blvd, 1-04-701 Columbus, OH 43215

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

Any singular reference to Contractor, Surety, Owner or other party shall be considered plural where applicable.

AIA Document A312-2010 combines two separate bonds, a Performance Bond and a Payment Bond, into one form. This is not a single combined Performance and Payment Bond.

and of the state o

Sugaragijye) 6. - Summanan

BOND

Date: May 22, 2020

(Not earlier than Construction Contract Date)

Amount: Five Hundred Twenty-three Thousand Four Hundred Forty-four And No/100

(\$523,444.00)

Modifications to this Bond;

X None

☐ See Section 16

CONTRACTOR AS PRINCIPAL

Company: Corporate Seal)

LinnCo, Inc.

Signature: NICK LINNEMANN

Name and Title: PRESIDENT Signature:

Name and Title:

SURETY

Company:

(Any additional signatures appear on the last page of this Performance Bond.)

(FOR INFORMATION ONLY - Name; address and telephone)

AGENT or BROKER:

CSDZ, LLC

OWNER'S REPRESENTATIVE:

225 South Sixth Street, Suite 1900

Minneapolis,MN 55402

(Architect, Engineer or other party:)

Nationwide Mutual Insurance Company

(Corporate Seal)

- § 1 The Contractor and Surety, jointly and severally, bind themselves, their heirs, executors, administrators, successors and assigns to the Owner for the performance of the Construction Contract, which is incorporated herein by reference.
- § 2 If the Contractor performs the Construction Contract, the Surety and the Contractor shall have no obligation under this Bond, except when applicable to participate in a conference as provided in Section 3.
- § 3 If there is no Owner Default under the Construction Contract, the Surety's obligation under this Bond shall arise after
 - .1 the Owner first provides notice to the Contractor and the Surety that the Owner is considering declaring a Contractor Default. Such notice shall indicate whether the Owner is requesting a conference among the Owner, Contractor and Surety to discuss the Contractor's performance. If the Owner does not request a conference, the Surety may, within five (5) business days after receipt of the Owner's notice, request such a conference. If the Surety timely requests a conference, the Owner shall attend. Unless the Owner agrees otherwise, any conference requested under this Section 3.1 shall be held within ten (10) business days of the Surety's receipt of the Owner's notice. If the Owner, the Contractor and the Surety agree, the Contractor shall be allowed a reasonable time to perform the Construction Contract, but such an agreement shall not waive the Owner's right, if any, subsequently to declare a Contractor
 - .2 the Owner declares a Contractor Default, terminates the Construction Contract and notifies the Surety;
 - .3 the Owner has agreed to pay the Balance of the Contract Price in accordance with the terms of the Construction Contract to the Surety or to a contractor selected to perform the Construction Contract.
- § 4 Failure on the part of the Owner to comply with the notice requirement in Section 3.1 shall not constitute a failure to comply with a condition precedent to the Surety's obligations, or release the Surety from its obligations, except to the extent the Surety demonstrates actual prejudice.
- § 5 When the Owner has satisfied the conditions of Section 3, the Surety shall promptly and at the Surety's expense take one of the following actions:
- § 5.1 Arrange for the Contractor, with the consent of the Owner, to perform and complete the Construction Contract;
- § 5.2 Undertake to perform and complete the Construction Contract itself, through its agents or independent contractors;
- § 5.3 Obtain bids or negotiated proposals from qualified contractors acceptable to the Owner for a contract for performance and completion of the Construction Contract, arrange for a contract to be prepared for execution by the Owner and a contractor selected with the Owner's concurrence, to be secured with performance and payment bonds executed by a qualified surety equivalent to the bonds issued on the Construction Contract, and pay to the Owner the amount of damages as described in Section 7 in excess of the Balance of the Contract Price incurred by the Owner as a result of the Contractor Default; or
- § 5.4 Waive its right to perform and complete, arrange for completion, or obtain a new contractor and with reasonable promptness under the circumstances:
 - After investigation, determine the amount for which it may be liable to the Owner and, as soon as practicable after the amount is determined, make payment to the Owner; or
 - .2 Deny liability in whole or in part and notify the Owner, citing the reasons for denial.
- § 6 If the Surety does not proceed as provided in Section 5 with reasonable promptness, the Surety shall be deemed to be in default on this Bond seven days after receipt of an additional written notice from the Owner to the Surety demanding that the Surety perform its obligations under this Bond, and the Owner shall be entitled to enforce any remedy available to the Owner. If the Surety proceeds as provided in Section 5.4, and the Owner refuses the payment or the Surety has denied liability, in whole or in part, without further notice the Owner shall be entitled to enforce any remedy available to the Owner.

- § 7 If the Surety elects to act under Section 5.1, 5.2 or 5.3, then the responsibilities of the Surety to the Owner shall not be greater than those of the Contractor under the Construction Contract, and the responsibilities of the Owner to the Surety shall not be greater than those of the Owner under the Construction Contract. Subject to the commitment by the Owner to pay the Balance of the Contract Price, the Surety is obligated, without duplication, for
 - .1 the responsibilities of the Contractor for correction of defective work and completion of the Construction Contract;
 - .2 additional legal, design professional and delay costs resulting from the Contractor's Default, and resulting from the actions or failure to act of the Surety under Section 5; and
 - .3 liquidated damages, or if no liquidated damages are specified in the Construction Contract, actual damages caused by delayed performance or non-performance of the Contractor.
- § 8 If the Surety elects to act under Section 5.1, 5.3 or 5.4, the Surety's liability is limited to the amount of this Bond.
- § 9 The Surety shall not be liable to the Owner or others for obligations of the Contractor that are unrelated to the Construction Contract, and the Balance of the Contract Price shall not be reduced or set off on account of any such unrelated obligations. No right of action shall accrue on this Bond to any person or entity other than the Owner or its heirs, executors, administrators, successors and assigns.
- § 10 The Surety hereby waives notice of any change, including changes of time, to the Construction Contract or to related subcontracts, purchase orders and other obligations.
- § 11 Any proceeding, legal or equitable, under this Bond may be instituted in any court of competent jurisdiction in the location in which the work or part of the work is located and shall be instituted within two years after a declaration of Contractor Default or within two years after the Contractor ceased working or within two years after the Surety refuses or fails to perform its obligations under this Bond, whichever occurs first. If the provisions of this Paragraph are void or prohibited by law, the minimum period of limitation available to sureties as a defense in the jurisdiction of the suit shall be applicable.
- § 12 Notice to the Surety, the Owner or the Contractor shall be mailed or delivered to the address shown on the page on which their signature appears.
- § 13 When this Bond has been furnished to comply with a statutory or other legal requirement in the location where the construction was to be performed, any provision in this Bond conflicting with said statutory or legal requirement shall be deemed deleted herefrom and provisions conforming to such statutory or other legal requirement shall be deemed incorporated herein. When so furnished, the intent is that this Bond shall be construed as a statutory bond and not as a common law bond.

§ 14 Definitions

- § 14.1 Balance of the Contract Price. The total amount payable by the Owner to the Contractor under the Construction Contract after all proper adjustments have been made, including allowance to the Contractor of any amounts received or to be received by the Owner in settlement of insurance or other claims for damages to which the Contractor is entitled, reduced by all valid and proper payments made to or on behalf of the Contractor under the Construction Contract.
- § 14.2 Construction Contract. The agreement between the Owner and Contractor identified on the cover page, including all Contract Documents and changes made to the agreement and the Contract Documents.
- § 14.3 Contractor Default. Failure of the Contractor, which has not been remedied or waived, to perform or otherwise to comply with a material term of the Construction Contract.
- § 14.4 Owner Default. Failure of the Owner, which has not been remedied or waived, to pay the Contractor as required under the Construction Contract or to perform and complete or comply with the other material terms of the Construction Contract.
- § 14.5 Contract Documents. All the documents that comprise the agreement between the Owner and Contractor.
- § 15 If this Bond is issued for an agreement between a Contractor and subcontractor, the term Contractor in this Bond shall be deemed to be Subcontractor and the term Owner shall be deemed to be Contractor.

§ 16 Modifications to this bond are as follows:

ne and Title: Name and Title;	CONTRACTOR AS PRINCIPAL Company:	(Corporate Seal)	SURETY Company:	(Corporate Sea
Expression to the Contract of	Signature:			
			The contract of the contract o	
TION: You should sign an original AIA Contract Document, on which this text appears in RED. An original assure	Address	4	Address	

Init.



MATA° Document A312™ – 2010

Payment Bond

Bond No. 763150

CONTRACTOR:

(Name, legal status and address) LinnCo, Inc.

2 Second Avenue South, Suite 160 Sauk Rapids, MN 56379

OWNER:

(Name, legal status and address) City of Marshall, Minnesota

344 W. Main St. Marshall, MN 56258-1313 CONSTRUCTION CONTRACT Dafe: May 12, 2020

SURETY:

(Naine, legal status and principal place of business) Nationwide Mutual Insurance Company

One West Nationwide Blvd, 1-04-701 Columbus, OH 43215

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

Any singular reference to Contractor, Surety, Owner or other party shall be considered plural where applicable,

AIA Document A312-2010 combines two separate bonds, a Performance Bond and a Payment Bond, into one form. This is not a single combined Performance and Payment Bond.

Amount: Five Hundred Twenty-three Thousand Four Hundred Forty-four And No/100 (\$523,444.00)

Description:

(Name and location) To Demolish and Remove the Building Structure, Materials, and Foundation at 326 West Main Street in Marshall, Minnesota

BOND

Date: May 22, 2020

(Not earlier than Construction Contract Date)

Amount: Five Hundred Twenty-three Thousand Four Hundred Forty-four And No/100 (\$523,444.00)

Modifications to this Bond:

X None

☐ See Section 18

CONTRACTOR AS PRINCIPAL

iporate Seal) Company:

LinnCo, Inc.

Signature: JEMANN JEL

and Title:

President

Name

Signature: Name

SURETY

Company:

Kurt C. Lundblad, Attorney-in-Fact

Nationwide Mutual Insurance Company

(Corporate Seal)

and Title:

(Any additional signatures appear on the last page of this Payment Bond.)

(FOR INFORMATION ONLY - Name, address and telephone)

AGENT or BROKER:

OWNER'S REPRESENTATIVE:

CSDZ, LLC

225 South Sixth Street, Suite 1900

Minneapolis,MN 55402

(Architect, Engineer or other party:)

League de la company de la League de la company de la

- § 1 The Contractor and Surety, jointly and severally, bind themselves, their heirs, executors, administrators, successors and assigns to the Owner to pay for labor, materials and equipment furnished for use in the performance of the Construction Contract, which is incorporated herein by reference, subject to the following terms.
- § 2 If the Contractor promptly makes payment of all sums due to Claimants, and defends, indemnifies and holds harmless the Owner from claims, demands, liens or suits by any person or entity seeking payment for labor, materials or equipment furnished for use in the performance of the Construction Contract, then the Surety and the Contractor shall have no obligation under this Bond.
- § 3 If there is no Owner Default under the Construction Contract, the Surety's obligation to the Owner under this Bond shall arise after the Owner has promptly notified the Contractor and the Surety (at the address described in Section 13) of claims, demands, liens or suits against the Owner or the Owner's property by any person or entity seeking payment for labor, materials or equipment furnished for use in the performance of the Construction Contract and tendered defense of such claims, demands, liens or suits to the Contractor and the Surety.
- § 4 When the Owner has satisfied the conditions in Section 3, the Surety shall promptly and at the Surety's expense defend, indemnify and hold harmless the Owner against a duly tendered claim, demand, lien or suit.
- § 5 The Surety's obligations to a Claimant under this Bond shall arise after the following:
- § 5.1 Claimants, who do not have a direct contract with the Contractor,
 - .1 have furnished a written notice of non-payment to the Contractor, stating with substantial accuracy the amount claimed and the name of the party to whom the materials were, or equipment was, furnished or supplied or for whom the labor was done or performed, within ninety (90) days after having last performed labor or last furnished materials or equipment included in the Claim; and
 - .2 have sent a Claim to the Surety (at the address described in Section 13).
- § 5.2 Claimants, who are employed by or have a direct contract with the Contractor, have sent a Claim to the Surety (at the address described in Section 13).
- § 6 If a notice of non-payment required by Section 5.1.1 is given by the Owner to the Contractor, that is sufficient to satisfy a Claimant's obligation to furnish a written notice of non-payment under Section 5.1.1.
- § 7 When a Claimant has satisfied the conditions of Sections 5.1 or 5.2, whichever is applicable, the Surety shall promptly and at the Surety's expense take the following actions:
- § 7.1 Send an answer to the Claimant, with a copy to the Owner, within sixty (60) days after receipt of the Claim, stating the amounts that are undisputed and the basis for challenging any amounts that are disputed; and
- § 7.2 Pay or arrange for payment of any undisputed amounts.
- § 7.3 The Surety's failure to discharge its obligations under Section 7.1 or Section 7.2 shall not be deemed to constitute a waiver of defenses the Surety or Contractor may have or acquire as to a Claim, except as to undisputed amounts for which the Surety and Claimant have reached agreement. If, however, the Surety fails to discharge its obligations under Section 7.1 or Section 7.2, the Surety shall indemnify the Claimant for the reasonable attorney's fees the Claimant incurs thereafter to recover any sums found to be due and owing to the Claimant.
- § 8 The Surety's total obligation shall not exceed the amount of this Bond, plus the amount of reasonable attorney's fees provided under Section 7.3, and the amount of this Bond shall be credited for any payments made in good faith by the Surety.
- § 9 Amounts owed by the Owner to the Contractor under the Construction Contract shall be used for the performance of the Construction Contract and to satisfy claims, if any, under any construction performance bond. By the Contractor furnishing and the Owner accepting this Bond, they agree that all funds earned by the Contractor in the performance of the Construction Contract are dedicated to satisfy obligations of the Contractor and Surety under this Bond, subject to the Owner's priority to use the funds for the completion of the work.

- § 10 The Surety shall not be liable to the Owner, Claimants or others for obligations of the Contractor that are unrelated to the Construction Contract. The Owner shall not be liable for the payment of any costs or expenses of any Claimant under this Bond, and shall have under this Bond no obligation to make payments to, or give notice on behalf of, Claimants or otherwise have any obligations to Claimants under this Bond.
- § 11 The Surety hereby waives notice of any change, including changes of time, to the Construction Contract or to related subcontracts, purchase orders and other obligations.
- § 12 No suit or action shall be commenced by a Claimant under this Bond other than in a court of competent jurisdiction in the state in which the project that is the subject of the Construction Contract is located or after the expiration of one year from the date (1) on which the Claimant sent a Claim to the Surety pursuant to Section 5.1.2 or 5.2, or (2) on which the last labor or service was performed by anyone or the last materials or equipment were furnished by anyone under the Construction Contract, whichever of (1) or (2) first occurs. If the provisions of this Paragraph are void or prohibited by law, the minimum period of limitation available to sureties as a defense in the jurisdiction of the suit shall be applicable.
- § 13 Notice and Claims to the Surety, the Owner or the Contractor shall be mailed or delivered to the address shown on the page on which their signature appears. Actual receipt of notice or Claims, however accomplished, shall be sufficient compliance as of the date received.
- § 14 When this Bond has been furnished to comply with a statutory or other legal requirement in the location where the construction was to be performed, any provision in this Bond conflicting with said statutory or legal requirement shall be deemed deleted herefrom and provisions conforming to such statutory or other legal requirement shall be deemed incorporated herein. When so furnished, the intent is that this Bond shall be construed as a statutory bond and not as a common law bond.
- § 15 Upon request by any person or entity appearing to be a potential beneficiary of this Bond, the Contractor and Owner shall promptly furnish a copy of this Bond or shall permit a copy to be made.

§ 16 Definitions

§ 16.1 Claim. A written statement by the Claimant including at a minimum:

- .1 the name of the Claimant;
- .2 the name of the person for whom the labor was done, or materials or equipment furnished;
- .3 a copy of the agreement or purchase order pursuant to which labor, materials or equipment was furnished for use in the performance of the Construction Contract;
- .4 a brief description of the labor, materials or equipment furnished;
- .5 the date on which the Claimant last performed labor or last furnished materials or equipment for use in the performance of the Construction Contract;
- .6 the total amount earned by the Claimant for labor, materials or equipment furnished as of the date of the Claim;
- .7 the total amount of previous payments received by the Claimant; and
- .8 the total amount due and unpaid to the Claimant for labor, materials or equipment furnished as of the date of the Claim.
- § 16.2 Claimant. An individual or entity having a direct contract with the Contractor or with a subcontractor of the Contractor to furnish labor, materials or equipment for use in the performance of the Construction Contract. The term Claimant also includes any individual or entity that has rightfully asserted a claim under an applicable mechanic's lien or similar statute against the real property upon which the Project is located. The intent of this Bond shall be to include without limitation in the terms "labor, materials or equipment" that part of water, gas, power, light, heat, oil, gasoline, telephone service or rental equipment used in the Construction Contract, architectural and engineering services required for performance of the work of the Contractor and the Contractor's subcontractors, and all other items for which a mechanic's lien may be asserted in the jurisdiction where the labor, materials or equipment were furnished,
- § 16.3 Construction Contract. The agreement between the Owner and Contractor identified on the cover page, including all Contract Documents and all changes made to the agreement and the Contract Documents.

- § 16.4 Owner Default. Failure of the Owner, which has not been remedied or waived, to pay the Contractor as required under the Construction Contract or to perform and complete or comply with the office material terms of the Construction Contract.
- § 16.5 Contract Documents. All the documents that comprise the agreement between the Owner and Contractor.
- § 17 If this Bond is issued for an agreement between a Contractor and subcontractor, the term Contractor in this Bond shall be deemed to be Subcontractor and the term Owner shall be deemed to be Contractor.
- § 18 Modifications to this bond are as follows:

(Space is provided below for addition CONTRACTOR AS PRINCIPAL Company:	(Corporate Seal)	SURETY Company:	(Corporate Seal)
Signature: Name and Title:		Signature: Name and Title:	
Address	77	Address	2 W. M. S. M
CAUTION: You should sign an origina	I AIA Contract Documen	, on which this text appears in R	ED. An original assures that

CORPORATE ACKNOWLEDGMENT

State of Minnesota
) ss
County of BENTON
11.0. 1.1. 1.5. (0.6.12.)
On this 22 No day of MAY 2020, before me appeared NICK LINNEMANN
to me personally known, who, being by me duly sworn, did say that he/she is the PRESIDENT
of LinnCo. Inc. , a corporation, that the seal affixed to the
foregoing instrument is the corporate seal of said corporation, and that said instrument was executed in
behalf of said corporation by authority of its Board of Directors, and that said Nick LINNERGANN
acknowledged said instrument to be the free act and deed of said corporation.
Notary Public HENNEPIN County, MN
My commission expires 1-31-2024
SURETY ACKNOWLEDGMENT
SONETT AGRICULTU
State of Minnesota)
State of Minnesota)) ss
) ss
County of Hennepin) ss
County of Hennepin) ss On this 22nd day of May 2020, before me appeared Kurt C. Lundblad ,
On this day of May, before me appeared Kurt C. Lundblad, to me personally know, who being by me duly sworn, did say that (s)he is the Attorney-in-Fact of
County of Hennepin) ss On this <u>22nd</u> day of <u>May 2020</u> , before me appeared <u>Kurt C. Lundblad</u> , to me personally know, who being by me duly sworn, did say that (s)he is the Attorney-in-Fact of
On this

Power of Attorney

KNOW ALL MEN BY THESE PRESENTS THAT:

Nationwide Mutual Insurance Company, an Ohio corporation

hereinafter referred to severally as the "Company" and collectively as "the Companies" does hereby make, constitute and appoint:

RACHEL THOMAS, MELINDA C BLODGETT, LIN ULVEN, SANDY M ENGSTRUM, BRIAN J OESTREICH, EMILY R WHITE, COLBY D WHITE, JOSHUA R LOFTIS, KURT C LUNDBLAD, NICOLE STILLINGS, NATHAN C WEAVER, R.W. FRANK, R.C. BOWMAN, TED R JORGENSEN

each in their individual capacity, its true and lawful attorney-in-fact, with full power and authority to sign, seal, and execute on its behalf any and all bonds and undertakings, and other obligatory instruments of similar nature, in penalties not exceeding the sum of

and to bind the Company thereby, as fully and to the same extent as if such instruments were signed by the duly authorized officers of the Company; and all acts of said Attorney pursuant to the authority given are hereby ratified and confirmed.

This power of attorney is made and executed pursuant to and by authority of the following resolution duly adopted by the board of directors of the Company:

"RESOLVED, that the president, or any vice president be, and each hereby is, authorized and empowered to appoint attorneys-in-fact of the Company, and to authorize them to execute and deliver on behalf of the Company any and all bonds, forms, applications, memorandums, undertakings, recognizances, transfers, contracts of indemnity, policies, contracts guaranteeing the fidelity of persons holding positions of public or private trust, and other writings obligatory in nature that the business of the Company may require; and to modify or revoke, with or without cause, any such appointment or authority; provided, however, that the authority granted hereby shall in no way limit the authority of other duly authorized agents to sign and countersign any of said documents on behalf of the Company.

"RESOLVED FURTHER, that such attorneys-in-fact shall have full power and authority to execute and deliver any and all such documents and to bind the Company subject to the terms and limitations of the power of attorney issued to them, and to affix the seal of the Company thereto; provided, however, that said seal shall not be necessary for the validity of any such documents."

This power of attorney is signed and sealed under and by the following bylaws duly adopted by the board of directors of the Company.

Execution of Instruments. Any vice president, any assistant secretary or any assistant treasurer shall have the power and authority to sign or attest all approved documents, instruments, contracts, or other papers in connection with the operation of the business of the company in addition to the chairman of the board, the chief executive officer, president, treasurer or secretary; provided, however; the signature of any of them may be printed, engraved, or stamped on any approved document, contract, instrument, or other papers of the Company.

IN WITNESS WHEREOF, the Company has caused this instrument to be sealed and duly attested by the signature of its officer the 27th day of February, 2019.

Antonio C. Albanese, Vice President of Nationwide Mutual Insurance Company

ACKNOWLEDGMENT

STATE OF NEW YORK, COUNTY OF NEW YORK; ss

On this 27th day of February, 2019, before me came the above-named officer for the Company aforesaid, to me personally known to be the officer described in and who executed the preceding instrument, and he acknowledged the execution of the same, and being by me duly sworn, deposes and says, that he is the officer of the Company aforesaid, that the seal affixed hereto is the corporate seal of said Company, and the said corporate seal and his signature were duly affixed and subscribed to said instrument by the authority and direction of said Company.

Syranne C. Dello Notary Public, State of New York No. 02DE6126649 Qualified in Westchester County Commission Expires September 16, 2021

CERTIFICATE

I Laura B. Guy, Assistant Secretary of the Company, do hereby certify that the foregoing is a full, true and correct copy of the original power of attorney issued by the Company, that the resolution included therein is a true and correct transcript from the minutes of the meetings of the boards of directors and the same has not been revoked or amended in any manner; that said Antonio C. Albanese was on the date of the execution of the foregoing power of attorney the duly elected of the Company, and the corporate seal and his signature as officer were duly affixed and subscribed to the said instrument by the authority of said board of directors; and the foregoing power of attorney is still in full force and effect.

IN WITNESS WHEREOF, I have hereunto subscribed my name as Assistant Secretary,	and affixed the corporate seal of said Company this22nd	day o
May 2020 ,	Laura B. Guy	(#.)

Assistant Secretary

Samuel NATION WAR

NATIONING



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 5/15/2020

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confor rights to the certificate holder in lieu of such endorsement(s).

this certificate does not confer r	rights to the certificate holder in lieu of st					
CSDZ, LLC		CONTACT Kaci Olds PHONE (A/C, No, Ext): 612-322-6037 E-MAIL ADDRESS: kolds@csdz.com				
minimapono minima de la l		INSURER(S) AFFORDING COVERAGE	NAIC#			
		INSURER A: Western National Assurance Company	24465			
INSURED	LINNINCI	INSURER B:				
LinnCo, Inc		INSURER C:				
2 Second Ave S, Suite 160 Sauk Rapids, MN 56379		INSURER D:				
odan riapias, ili.		INSURER E:				
		INSURER F:				
COVERAGES	CERTIFICATE NUMBER: 1942252184	REVISION NUMBER:				
THIS IS TO CERTIFY THAT THE PO	DLICIES OF INSURANCE LISTED BELOW HAV	VE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE I	OLICY PERIOD			

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

NSR LTR	TYPE OF INSURANCE	ADDL SUBR	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMIT	3
A	X COMMERCIAL GENERAL LIABILITY	INOD HAD	CPP120878300	3/29/2020	3/29/2021	EACH OCCURRENCE	\$ 1,000,000
1	CLAIMS-MADE X OCCUR			o.		DAMAGE TO RENTED PREMISES (Ea occurrence)	\$ 300,000
Ì	X Contr Liab Per					MED EXP (Any one person)	\$ 10,000
Ì	X Policy Form/XCU					PERSONAL & ADV INJURY	\$1,000,000
ì	GEN'L AGGREGATE LIMIT APPLIES PER:			1		GENERAL AGGREGATE	\$ 2,000,000
- 1	POLICY X PRO- X LOC					PRODUCTS - COMP/OP AGG	\$2,000,000
Ì	OTHER:						\$
Α	AUTOMOBILE LIABILITY		CPP120878200	3/29/2020	3/29/2021	COMBINED SINGLE LIMIT (Ea accident)	\$1,000,000
Ì	X ANY AUTO				1	BODILY INJURY (Per person)	\$
1	OWNED SCHEDULED					BODILY INJURY (Per accident)	\$
1	AUTOS ONLY HIRED AUTOS ONLY AUTOS ONLY AUTOS ONLY					PROPERTY DAMAGE (Per accident)	\$
	X Comp: \$500 X Coll: \$500					Hired Car Phys Dmg	\$ ACV up to \$50000
Α	X UMBRELLALIAB X OCCUR		UMB103528100	3/29/2020	3/29/2021	EACH OCCURRENCE	\$ 5,000,000
ı	EXCESS LIAB CLAIMS-MADE			¥		AGGREGATE	\$5,000,000
ı	DED X RETENTION\$ 10 000						\$
	WORKERS COMPENSATION		WCV1028247	3/29/2020	3/29/2021	X PER OTH-	
	AND EMPLOYERS' LIABILITY ANYPROPRIETOR/PARTNER/EXECUTIVE N					E.L. EACH ACCIDENT	\$ 1,000,000
- 1	OFFICER/MEMBEREXCLUDED? (Mandatory in NH)	N/A				E.L. DISEASE - EA EMPLOYEE	\$ 1,000,000
	If yes, describe under DESCRIPTION OF OPERATIONS below					E.L. DISEASE - POLICY LIMIT	\$1,000,000
	Personal Property-Loc1/Spec Form Installation Floater Leased/Rented Equip		CPP120878300 CPP120882600	3/29/2020 3/29/2020	3/29/2021 3/29/2021	Ded: \$500 / RC Ded: \$1,000 / RC Ded: \$500 / ACV	\$4,000 \$1,000,000 \$350,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
All Work Performed

Additional Insured only if required by written contract with respect to General Liability, Automobile Liability and Umbrella/Excess Liability applies on a primary basis and the insurance of the additional insured shall be non-contributory: City of Marshall and Others as required by written contract.

CERTIFICATE HOLDER	CANCELLATION
City of Marshall	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
344 W. Main St. Marshall MN 56258	AUTHORIZED REPRESENTATIVE Robb Valling