

**State of Minnesota
County of Watonwan**

RESOLUTION NO. 05.26.03

**RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO THE
CUSTOMER SUPPORT AGREEMENT FOR ENGINES WITH ZIEGLER
POWER SYSTEMS**

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF
THE CITY OF ST. JAMES, MINNESOTA, as follows:**

Section 1: The City Manager is hereby authorized and directed to sign the 3-
Year Customer Support Agreement with Ziegler Power Systems.

Adopted by the City Council this 19th day of May 2026.

Christopher Whitehead, Mayor

ATTEST:

Kristin Hurley, City Clerk-Treasurer

1/22/2025

8050 COUNTY ROAD 101 EAST
SHAKOPEE, MN 55379
WWW.ZIEGLERCAT.COM/POWER

To:
MATT RUNGE
CITY OF ST JAMES
PO BOX 70
SAINT JAMES, MN 56081-0070

Dear Matt,

Enclosed is a 3 year Customer Support Agreement (CSA) for the following Engines :
Model(s): 3516 PKGG | 3516 PKGG | 3516 PKGG | 3516 PKGG | 3516 PKGG | 3516 PKGG |
Serial Number(s): FDN00676 | FDN00682 | FDN00677 | FDN00675 | FDN00674 | FDN00681 |

The payment price will not increase during the agreement period. If this agreement is acceptable, please sign, date, run copy for your file and return to me in the enclosed self-addressed envelope, fax to (952) 233-4676, or email to Benjamin.Millard@zieglercat.com.

Please call me at 952-233-4619 with any questions you may have.

We appreciate your business and thank you.

Sincerely,

Ben Millard

Benjamin Millard
Customer Support Representative

CUSTOMER SUPPORT AGREEMENT

Date: 1/22/2025



Proposal No. 8842

8050 County Road 101 East
Shakopee, MN 55379
952-445-4292 / 888-320-4292

To:
MATT RUNGE
CITY OF ST JAMES
PO BOX 70
SAINT JAMES, MN 56081-0070

Re:
3 year Customer Support Agreement (CSA) for
MODEL: 3516 PKGG | 3516 PKGG | 3516 PKGG | 3516 PKGG | 3516 PKGG |
3516 PKGG |
SERIAL: FDN00676 | FDN00682 | FDN00677 | FDN00675 | FDN00674 |
FDN00681 |

WE PROPOSE TO FURNISH IN ACCORDANCE WITH THE FOLLOWING SPECIFICATIONS, TERMS AND CONDITIONS

Enclosed is a 3 year Customer Support Agreement (CSA) for the following Engines :
Model(s): 3516 PKGG | 3516 PKGG | 3516 PKGG | 3516 PKGG | 3516 PKGG | 3516 PKGG |
Serial Number(s): FDN00676 | FDN00682 | FDN00677 | FDN00675 | FDN00674 | FDN00681 |

AGREEMENT START DATE: 3/1/2025
AGREEMENT END DATE: 2/29/2028

INVOICE FREQUENCY: Annually
INVOICE AMOUNT: \$36,792.13

15% discount applied for continued business.

IMPORTANT NOTES

- CUSTOMER SUPPORT AGREEMENT PRICING WILL NOT INCREASE DURING THE TERM OF THIS AGREEMENT.
- PRICE INCLUDES PARTS, LABOR, TRAVEL AND DISPOSAL OF ALL FLUIDS PER E.P.A. STANDARDS.
- TRAINED AND CERTIFIED ENGINE/GENERATOR TECHNICIANS WILL PERFORM ALL SERVICES.

TERMS AND CONDITIONS

- Agreement pricing is based upon generator run time between 0 and 250 hours per year (standby applications).
- Invoices will be sent on the first day of each invoicing period (i.e. monthly, quarterly, semi-annually or annually).
- Either party may cancel this agreement with a (60) sixty day written notice.
- This proposal is valid for (30) thirty days.
- Prices assume all services to be performed during normal business hours (7:30am - 4:00pm, M-F) unless otherwise specified.
- Pricing does not include local and/or state taxes. Taxes will be applied to invoices where applicable.
- Additional Terms and Conditions below.

ACCEPTED BY:

Please Sign Name: _____
Please Print Name: _____
Date: _____

Respectfully submitted,
Ziegler Power Systems

Ben Millard
By: Benjamin Millard
Customer Support Representative

Level Definitions

Watchguard Level 1 (64 Point Inspection)

Includes inspection of the following systems:

- Cooling
- Lube Oil
- Air Intake
- Fuel
- Exhaust (inside building only)
- Starting
- Engine
- Generator
- Transfer Switch
- Coolant and Oil Analysis
- Provide written report

MODEL: 3516 PKGG | SERIAL: FDN00676

Level 1

Mar/2025 , Mar/2026 , Mar/2027

MODEL: 3516 PKGG | SERIAL: FDN00682

Level 1

Mar/2025 , Mar/2026 , Mar/2027

MODEL: 3516 PKGG | SERIAL: FDN00677

Level 1

Mar/2025 , Mar/2026 , Mar/2027

MODEL: 3516 PKGG | SERIAL: FDN00675

Level 1

Mar/2025 , Mar/2026 , Mar/2027

MODEL: 3516 PKGG | SERIAL: FDN00674

Level 1

Mar/2025 , Mar/2026 , Mar/2027

MODEL: 3516 PKGG | SERIAL: FDN00681

Level 1

Mar/2025 , Mar/2026 , Mar/2027

WatchGuard Level 2 (67-Point Inspection with Oil and Filter Change)

Includes the following:

- Level 1 Inspection
- Change engine oil
- Change engine oil filter(s)
- Change engine fuel filter(s)
- Inspect air filter(s)
- Disposal of old fluids per EPA standards
- Provide written report

MODEL: 3516 PKGG | SERIAL: FDN00676

Level 2

Sep/2025 , Sep/2026 , Sep/2027

MODEL: 3516 PKGG | SERIAL: FDN00682

Level 2

Sep/2025 , Sep/2026 , Sep/2027

MODEL: 3516 PKGG | SERIAL: FDN00677

Level 2

Sep/2025 , Sep/2026 , Sep/2027

MODEL: 3516 PKGG | SERIAL: FDN00675

Level 2

Mar/2025 , Mar/2026 , Mar/2027

MODEL: 3516 PKGG | SERIAL: FDN00674

Level 2

Sep/2025 , Sep/2026 , Sep/2027

MODEL: 3516 PKGG | SERIAL: FDN00681

Level 2

Sep/2025 , Sep/2026 , Sep/2027

Watchguard Level 9 (Battery Replacement Program)

Includes the following services

- Complete electrical system check
- Battery charger adjustment
- Test engine starter amperage
- Removal and disposal of old lead acid batteries per EPA standards
- Installation of new, low antimony batteries specifically designed for standby applications
- Provide written report

MODEL: 3516 PKGG | SERIAL: FDN00676

Level 9

Mar/2027

MODEL: 3516 PKGG | SERIAL: FDN00682

Level 9

Mar/2027

MODEL: 3516 PKGG | SERIAL: FDN00677

Level 9

Mar/2027

MODEL: 3516 PKGG | SERIAL: FDN00675

Level 9

Mar/2027

MODEL: 3516 PKGG | SERIAL: FDN00674

Level 9

Mar/2027

Level 9

Mar/2027

Customer Requirements

It is the customer's responsibility to...

- Perform weekly and monthly inspections of the engine/generator
- Maintain written or computerized records of the weekly and monthly inspections.
- Contact Ziegler Power Systems with any problems or concerns noted during the weekly and monthly inspections.

Ziegler Power Systems Exclusion of Responsibility:

Ziegler Inc. is not responsible for...

- Providing a portable generator during repairs
- Fuel consumed by generator set during operation
- Building wiring
- System modifications
- Acts of nature, terrorism or war
- Uses of generator beyond rated capacity
- Main fuel tank or piping problems
- Emissions permitting
- Regulation changes
- State and local taxes
- Customer abuse/neglect

CUSTOMER VALUE AGREEMENT – TERMS AND CONDITIONS

- Customer agrees to the terms and conditions set forth on the preceding Customer Value Agreement Proposal (the "Proposal") and the following terms and conditions, including the websites referred to herein (together with the Proposal, the "Agreement"). Ziegler Inc. ("Ziegler") rejects all different or additional terms submitted by Customer, and any such terms shall be void.
- 1.Term. The Agreement shall begin on the Start Date and end on the End Date identified on page 1, unless earlier terminated as set forth herein.
- 2.Services. Ziegler will perform preventative maintenance services on the Engine(s) identified on page 1 in accordance with the Level Definitions set forth in the Proposal (collectively, the "Services"). All Services are subject to the exclusions and limitations set forth herein. Services include all parts, labor, travel and disposal of all fluids per U.S. Environmental Protection Agency standards. Except as otherwise agreed upon by Customer and Ziegler as noted on page 1, Services shall be performed during Ziegler's normal business hours (7:30 a.m. to 4:00 p.m., Monday through Friday). Services performed outside of Ziegler's normal business hours will be subject to additional charges. In the event Customer cancels scheduled Services on the day Services are to be performed, Customer shall pay a cancellation fee in the amount of travel time and mileage and will cooperate with Ziegler to re-schedule the cancelled Services. This Agreement is based upon equipment run time between 0 and 250 hours per year (standby applications); run time exceeding 250 hours per year may be subject to additional costs. Repairs classified outside the scope of the applicable service level will result in additional costs to Customer. Customer will have ten (10) days to reject the Services provided. If Customer rejects the services, it will do so by providing a written notice specifically identifying the manner in which the Services fail to materially comply with manufacturer's applicable specifications. Ziegler will be entitled to rely on all decisions and approvals of Customer in connection with the Services.
- 3.Payment. Customer will pay the Invoice Amount identified on page 1, plus any Additional Charges (as defined in Section 4 below), at the frequency set forth on page 1. The Invoice Amount will not increase during the term of the Agreement. Customer agrees to make payment to Ziegler Net 10th of the following month from the date of invoice. Late payments, which are not under any dispute, will result in default and a late fee of 1.5% per month (18% annual), which will be assessed on all past due amounts until paid in full. Any payments made will first be applied toward the late fee, then toward the past amount due. Ziegler reserves the right to suspend or discontinue all Services, or terminate this Agreement, at Ziegler's sole discretion upon Customer's failure to pay or comply with the payment requirements of this Agreement. All amounts due under this Agreement shall be paid in full without any setoff, counterclaim, deduction or withholding (other than any deduction or withholding of tax as required by law).
- 4.Taxes, Licenses, Permits, and Additional Charges. Customer is responsible for all local and/or state sales and use taxes in connection with this Agreement. Taxes will be applied to invoices, where applicable, as required by law. Customer will obtain, at its sole cost and expense, all applicable licenses and permits (including emissions permitting) necessary for performance of the Services. Customer is responsible for

service charges and environmental charges incurred in performing the Services (collectively, "Additional Charges") as communicated in advance by Ziegler.

- 5. Additional Services. Repairs or other work classified outside standard preventative maintenance services will result in additional costs to Customer and will be invoiced separately on a time and materials basis. Such services include, but are not limited to, any service that is considered electrical work pursuant to Minnesota Statutes, Section 326B.31, subdivision 17 or Iowa Code Title III, Section 103 (2022). A verbal commitment or authorization by Customer to perform such additional services will be binding on Customer and will entitle Ziegler to such additional compensation. Any repairs or other work performed outside of the original scope at the direction of Customer will be deemed to be included as Services hereunder.
- 6. Customer Obligations. Customer agrees to maintain the Engine(s) in accordance with the obligations below. Customer's failure to perform any of the following obligations will be considered a breach of this Agreement:
 - a. Operation and Regular Maintenance. Customer agrees to operate the Engine(s) only within its rated capacity. Customer agrees to perform weekly and monthly maintenance and inspections in accordance with manufacturer guidelines, as provided by Ziegler, and provide to Ziegler, upon reasonable request, written or computerized maintenance and inspection records. Customer further agrees to promptly contact Ziegler with any problems or concerns noted during the weekly and monthly inspections and Ziegler and Customer will work together to address such problems or concerns.
 - b. Equipment Access. Customer agrees to furnish safe, free, and full access to the Engine(s) to enable Ziegler employees to perform the Services. Customer will take all reasonably necessary steps to provide for the safety of all Ziegler employees performing the Services. Customer shall promptly notify Ziegler if, during the term of this Agreement, Customer observes or otherwise learns of any condition(s) which pose a threat to the safety of persons or property, adversely affects the Engine(s), or is in violation of any applicable federal, state, or local laws, rules or regulations.
 - c. Halt Operation. Customer agrees to shut an Engine down, if after inspection by Ziegler, it is determined that further operation of the Engine will result in imminent mechanical damage to the components covered in this Agreement.
- 7. Exclusions. Ziegler is not responsible for: (1) Customer's abuse or failure to maintain or operate equipment in accordance with the respective equipment manufacturer's operations and maintenance manual as provided by Ziegler in advance, (2) provision of rental equipment during repair, (3) fuel consumed by equipment during operation and performance of maintenance services, (4) building wiring, system modifications, main fuel tank or piping problems, (5) repairs or maintenance to building or enclosure, transformers, radiators, fuel tanks, or other components outside the scope of the Services, unless otherwise agreed to in writing by both parties, (6) unauthorized repairs or adjustments, or repairs or adjustments made by unauthorized person(s), (7) performance complaints, including but not limited to, any adjustments to fuel settings or programming of any electronic controls, (8) downtime or downtime-related expenses or economic loss, (9) extermination of any creature taking up residence in the generator enclosure or building, or (10) any Force Majeure Events (as defined in Section 17 below).
- 8. Indemnification. Subject to the limitations set forth in this Agreement, Ziegler shall indemnify Customer and its respective officers, directors, employees, agents, assigns and successors, against any losses, liabilities, damages, costs or expenses (including reasonable attorneys' fees) (collectively, "Losses") for death, personal injury, or damage to property to the proportionate extent the same have been proximately caused by the negligence or willful misconduct of, or breach of this Agreement by, Ziegler or Ziegler's officers, directors, employees, or agents in the performance and furnishing of the Services. Customer shall indemnify Ziegler, its affiliates, subsidiaries, and its and their respective officers, directors, employees, agents, assigns and successors, against any Losses for death, personal injury, or damage to property to the proportionate extent the same have been proximately caused by the negligence or willful misconduct of, or breach of this Agreement by, Customer or Customer's officers, directors, employees, or agents.
- 9. Insurance. Ziegler will maintain in full force and effect throughout the term of this Agreement the following forms of insurance: (a) worker's compensation and occupational disease insurance within statutory limits; (b) commercial general liability insurance, including products and completed operations, contractual liability, and personal injury, written on an occurrence basis, with limits not less than a combined single limit per occurrence of \$1,000,000, \$2,000,000 general aggregate for bodily injury and property damage; \$1,000,000 aggregate for products/completed operations; and \$1,000,000 per person for personal injury/advertising injury; (c) automobile liability insurance for vehicles owned or operated by Ziegler, its employees or agents, with combined bodily injury and property damage limits of liability of no less than \$1,000,000 per occurrence; and (d) excess liability insurance over that required in clauses (a), (b), and (c) above, under the umbrella form, with a limit of liability of no less than \$1,000,000 each occurrence. Upon request, Ziegler will provide to Customer a Certificate of Insurance evidencing Ziegler's compliance with such insurance requirements.
- 10. Damages; Maximum Liability. IN NO EVENT WILL ZIEGLER, ITS EMPLOYEES, AGENTS, OFFICERS AND DIRECTORS BE LIABLE FOR INCIDENTAL, CONSEQUENTIAL, SPECIAL, EXEMPLARY, ENHANCED, INDIRECT, OR PUNITIVE DAMAGES, LOST PROFITS OR REVENUES, DIMINUTION OF VALUE, LOSS OF USE, DOWNTIME OR INTERRUPTION OF BUSINESS, ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE SERVICES, REGARDLESS OF: (A) WHETHER THE DAMAGES WERE FORESEEABLE; (B) WHETHER OR NOT ZIEGLER WAS ADVISED OF THE POSSIBILITY OF DAMAGES; AND (C) THE LEGAL OR EQUITABLE THEORY (CONTRACT, TORT, OR OTHERWISE) ON WHICH THE CLAIM IS BASED. IN NO EVENT SHALL ZIEGLER'S AGGREGATE LIABILITY ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE SERVICES, WHETHER ARISING OUT OF OR RELATED TO BREACH OF CONTRACT, TORT, OR OTHERWISE, EXCEED THE TOTAL AMOUNT ACTUALLY PAID BY CUSTOMER TO ZIEGLER HEREUNDER IN THE SIX MONTHS IMMEDIATELY PRECEDING THE CLAIM.
- 11. Service Warranty. Ziegler warrants the Services will be performed in a professional, workmanlike manner, by qualified personnel consistent with industry standards, free from defects in workmanship for a period of 12 months from the date of completion of the Services, subject to the terms of the then-current Ziegler Power Systems Service Department Labor Warranty, a copy of which is available upon

request. Warranty claims must be brought within the warranty period. Customer must provide prompt notice to Ziegler after discovery and before expiration of the warranty period. As Customer's sole and exclusive remedy, Ziegler, at Ziegler's sole discretion, will either re-perform the Service during Ziegler's normal business hours or refund all or part of the monies paid by Customer for the Service performed. Replacement parts shall be covered under the applicable warranty provided by the manufacturer. Non-Ziegler provided components are not covered by this warranty.

- 12. Disclaimer of Warranties. WITH THE EXCEPTION OF THE SERVICE WARRANTY PROVIDED IN SECTION 11, THE SERVICES ARE PROVIDED ON AN "AS IS" BASIS. ZIEGLER EXPRESSLY DISCLAIMS ANY OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.
- 13. Termination; Suspension.
 - a. Either party may terminate this Agreement upon sixty (60) days' prior written notice to the other party. In the event of early termination by Customer, Customer shall pay for all approved Services performed prior to the termination date.
 - b. If either party breaches any provision hereof, or becomes insolvent, enters bankruptcy, receivership or other like proceedings, or makes an assignment for the benefit of creditors, the non-breaching party shall have the right to immediately terminate this Agreement by giving the breaching party written notice. In the event Customer breaches any provision hereof, and upon receipt of notice, Customer shall immediately pay Ziegler any monies due and owing up to the time of termination for Services performed. Notwithstanding the foregoing, if Customer fails to comply with the provision for Equipment Access in Section 6.b, Ziegler reserves the right to suspend or discontinue all Services, or terminate this Agreement, at Ziegler's sole discretion.
- 14. Data and Privacy. Ziegler and its partners, affiliates, subsidiaries, and third parties, including but not limited to suppliers, manufacturers, dealers, and service providers (collectively, "Ziegler Parties"), collect and share information relating to products, services, and customers as detailed in Ziegler's Privacy Policy and applicable manufacturers' statements located at www.zieglercat.com/privacy, which are hereby incorporated into this Agreement by this reference. Manufacturers' statements may be updated at any time without notice. Products equipped with telematics or other tools, applications, or devices to collect, process, and assess information, such as equipment locations, operating hours, health of equipment, and basic utilization (collectively, "Telematics"), whether manufactured by Caterpillar or by other companies, collect and transmit information to Ziegler Parties with a legitimate business reason to access the information, including, but not limited to, providing services and support, developing new products and services, personalizing user experiences, improving products, or compliance with legal obligations. Customer understands that Telematics or other tools, as applicable, may have been activated on machines by Ziegler or the manufacturer, and may be subject to or required by specific manufacturer user agreements available to Customer upon request. Customer consents to the collection, use, storage, processing, sharing, and disclosure of such information by Ziegler Parties in accordance with this Agreement, Ziegler's Privacy Policy, and applicable manufacturers' statements.
- 15. Notices. All notices, requests, demands and other communications, including any notice of change of address, shall be sent by certified or registered mail with postage prepaid to the last designated address to the other party.
- 16. Compliance with Laws, Rules and Regulations. Each party agrees to comply with applicable federal, state, and local laws, rules, and regulations applicable to the Services in effect at the time of performance of the Services. Upon completion of the Services, Customer shall be responsible for complying with any changes in federal, state, and local laws, rules, and regulations.
- 17. Force Majeure. Ziegler will not be liable to Customer, and will not be deemed to have breached this Agreement, for any failure or delay in performing any term of this Agreement, to the extent the failure or delay is caused by or results from acts beyond Ziegler's control, including acts of God, flood, fire, earthquake, explosion, war, invasion, hostilities, terrorist threats or acts, cyber-attacks, riot or other civil unrest, requirements of law, embargoes or blockades, actions by any governmental authority, national or regional emergencies, epidemics or pandemics, labor stoppages or slowdowns or other industrial disturbances, concealed or unknown conditions at the site, delays in manufacture, supply shortages, or shortages of adequate power or transportation facilities (collectively, "Force Majeure Events"). Any Force Majeure Event that has an adverse effect on Ziegler's ability to perform will absolve Ziegler from any liability to Customer.
- 18. Entire Agreement; Amendment. This Agreement constitutes the entire agreement between Ziegler and Customer. Customer acknowledges and agrees that there are no oral or written contracts, agreements or warranties other than are set forth in this Agreement. No amendment or modification of this Agreement will be valid unless it is set forth in writing, signed by authorized representatives of both parties.
- 19. Waiver. No course of dealing, course of performance, or failure of either party strictly to enforce any term, right or condition of this Agreement shall be construed as a waiver of any other term, right or condition. No waiver or breach of any provision of this Agreement, in whole or in part, shall be construed to be a waiver of any subsequent breach of the same or any other provision.
- 20. Severability. Each portion of this Agreement is intended to be severable. If any term or provision hereof is held illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the validity of the remainder of this Agreement.
- 21. Survival. Any term or provision of this Agreement of an ongoing nature and/or which, by its nature and context, should reasonably be expected to survive the expiration or earlier termination of this Agreement, shall so survive such expiration or termination thereof.
- 22. Disputes; Governing Law. This Agreement is governed by and to be construed in accordance with the laws of the State of Minnesota, without regard to its principles of conflicts of law. If legal action is brought to enforce this Agreement, the Federal District Court of Minnesota (4th Division) or Hennepin County District Court (4th Judicial District) will be the exclusive jurisdiction and venue for said action unless Ziegler, in its sole discretion, commences proceedings in a different jurisdiction or venue.
- 23. Counterparts; Electronic Signatures. This Agreement may be separately signed by Ziegler and Customer in any number of counterparts, each of which, when signed and delivered, will be deemed to be an original, and all of which will constitute the same Agreement. Customer agrees that the Electronic Signatures (whether digital or encrypted) included in this Agreement are intended to authenticate this writing and have the same effect as manual signatures. "Electronic Signature" means any electronic sound, symbol, or process attached to or logically associated with a record and executed and adopted by a person with the intent to sign the record, including facsimile or email electronic

records, in accordance with the Uniform Electronic Transactions Act, Minnesota Statutes 325L.01–325L.19, as amended from time to time. A signed copy of this Agreement delivered by facsimile, email, or other means of electronic transmission is deemed to have the same legal effect as delivery of an original signed copy of this Agreement.