



City of Albertville Council Agenda

Monday, March 16, 2026

City Council Chambers

7 pm

PUBLIC COMMENTS -The City of Albertville welcomes and encourages public input on issues listed on the agenda or of general community interest. Citizens wishing to address the Council regarding specific agenda items, other than public hearings, are invited to do so under Public Forum and are asked to fill out a "Request to Speak Card." Presentations are limited to five (5) minutes.

1. Call to Order

2. Pledge of Allegiance – Roll Call

Pages

3. Recognitions – Presentations - Introductions

4. Public Forum – (time reserved 5 minutes)

5. Amendments to the Agenda

6. Consent Agenda

All items under the Consent Agenda are considered to be routine by the City staff and will be enacted by one motion. In the event an item is pulled, it will be discussed in the order it is listed on the Consent Agenda following the approval of the remaining Consent items. Items pulled will be approved by a separate motion.

- A. Approve the February 17, 2026, regular City Council Meeting minutes as presented. 3-6
- B. Authorize the Monday, March 16, 2026, payment of claims as presented, except bills specifically pulled which are passed by separate motion. The claims listing has been provided to City Council as a separate document and is available for public view at City Hall upon request. 7
- C. Approve renewal of liquor license for licensee listed in the staff report for the period of April 15, 2026 through April 14, 2027, contingent upon successful Wright County Sheriff's Department review for liquor law violations. 8-9
- D. Approve Lower-Potency Hemp Retail Registration for BJ's Sports Tavern, 5788 Main Avenue NE, Albertville. 10
- E. Approve revisions to the Albertville Fire Department's Standard Operating Policies and Procedures. 11-13

7. Public Hearing

- A. **Public Hearing – Outlet Mall East Side Tax Increment Financing Request – continued from the February 17, 2026, City Council meeting.**

8. Wright County Sheriff's Office – Updates, reports, etc.

9. Department Business

A. City Council

- 1. **Committee Updates** (*STMA Arena, Planning, JPWB, Parks, Fire Board, FYCC, etc.*)

B. Building – None

C. City Clerk – None

D. Finance

- 1. City Server Software Upgrade and Storage Area Network Replacement** 14-23
(Motion to authorize staff to accept quote from Marco for Server Hardware Storage (SAN) and software upgrades not to exceed \$71,000.)

E. Fire

- 1. Fire Department Standard Operating Policies and Procedures Update**

F. Planning and Zoning – None

G. Public Works/Engineering – None

H. Legal – None

I. Administration

- 1. Fire Chief Position**
- 2. FYCC Scheduling/Field Fees Discussion**
- 3. City Administrator’s Update** 24-25

10. Announcements and/or Upcoming Meetings

- March 23 Joint Power Water Board, 6 pm
 Parks Committee, 7 pm
- April 6 City Council, 7 pm
- April 13 STMA Arena Board, 6 pm
- April 14 Planning Commission, 7 pm
- April 20 City Council, 7 pm

11. Adjournment



ALBERTVILLE CITY COUNCIL

DRAFT REGULAR MEETING MINUTES

February 17, 2026 – 7pm
Council Chambers
Albertville City Hall

1. Call to Order

Mayor Hendrickson called the meeting to order at 7:02 pm.

2. Pledge of Allegiance – Roll Call

Present: Mayor Hendrickson, Councilmembers Hayden, Olson, and Zagorski

Absent: Councilmember Cocking

Staff Present: City Administrator Nafstad, Fire Chief Bullen, Planning Consultant Faulkner, City Attorney Couri, Finance Director Lannes and Finance Clerk Moseng.

3. Recognitions – Presentations – Introductions

4. Public Forum

There was no one present for the public forum

5. Amendments to the Agenda

There were no amendments to the agenda.

MOTION made by Councilmember Olson, seconded by Councilmember Zagorski to approve the February 17, 2026, Agenda as submitted. Ayes: Hayden, Hendrickson, Olson, and Zagorski. Nays: None. Absent: Cocking. The motion carried.

6. Consent Agenda

All items under the Consent Agenda are considered to be routine by the City staff and will be enacted by one motion. In the event an item is pulled, it will be discussed in the order it is listed on the Consent Agenda following the approval of the remaining Consent items. Items pulled will be approved by a separate motion.

- A. Approve the February 2, 2026, regular City Council Meeting minutes as presented.
- B. Authorize the Monday, February 17, 2026, payment of claims as presented, except bills specifically pulled which are passed by separate motion. The claims listing has been provided to City Council as a separate document and is available for public view at City Hall upon request.
- C. Accept Accounts Receivable Report
- D. 4th Quarter Budget to Actual
- E. 10% Annual Gambling Contributions
- F. Approve Payment Estimate No. 4 to Omann Contracting in the amount of \$833,147.89 for Main Avenue Improvements.

MOTION made by Councilmember Hayden, seconded by Councilmember Olson to approve the February 17, 2026, Consent Agenda as submitted. Ayes: Hayden, Hendrickson, Olson, and Zagorski. Nays: None. Absent: Cocking. The motion carried.

7. Public Hearing

A. Public Hearing – Outlet Mall East Side Tax Increment Financing Request

Mayor Hendrickson opened the public hearing.

City Attorney presented the staff report and provided background information regarding the current status of the property and the related Tax Increment Financing (TIF) request. He reported that the projected TIF revenues were unlikely to fully offset the cost of the land acquisition. Attorney Couri also provided information regarding the proposed development and stated that, since the issuance of the Public Hearing Notice, the developer has identified existing deed and use restrictions affecting the properties. He explained that lease agreements for the west side of the mall contain provisions that impose restrictions on the east side properties, including limitations on certain retail uses such as the sale of shoes, apparel, and certain food items and limit the percentage of allowable sales for the proposed east side development. As a result of these restrictions, Couri stated that the developer has indicated uncertainty regarding the feasibility of proceeding with the project as currently proposed. He responded to questions from Council regarding the TIF process for the development.

No one from the public requested to speak.

City Administrator Nafstad answered questions from Council and provided additional information on the TIF process and the current condition of the property.

City Attorney Couri stated that staff recommend continuing the public hearing to March 16, 2026, Council meeting at 7 pm to allow additional time to obtain further information regarding whether the proposed development would move forward.

MOTION made by Councilmember Zagorski, seconded by Councilmember Olson to continue the public hearing to 7 pm at the March 16, 2026, City Council Meeting. Ayes: Hayden, Hendrickson, Olson, and Zagorski. Nays: None. Absent: Cocking. The motion carried.

8. Wright County Sheriff’s Office – Updates, reports, etc.

There were no updates from Wright County Sheriff’s Office.

9. Department Business

A. City Council

1. Committee Updates (*STMA Ice Arena, Planning, JPWB, Parks, Fire Board, FYCC, etc.*)

Councilmember Hayden reported that the Arena Board discussed ice rental rate fees. He stated that the Arena hourly ice rates were below market compared to surrounding rinks.

City Administrator Nafstad reported that the Arena sells a significant amount of ice time, keeping the rinks well booked. He responded to questions from Council and stated further details would be provided following the March 2026 Arena Board meeting.

B. Building – None

C. City Clerk – None

D. Finance - None

E. Fire – None

F. Planning and Zoning

1. Leuer Concept Review

Planning Consultant Faulkner presented the staff report and stated the property is currently zoned B-2 (Low Intensity Retail) and R-1, consistent with the adjacent site to the north, for which the Council previously reviewed a concept plan. She reported that a development application for the northern property was expected in March, with consideration in April by the Planning Commission. Faulkner stated that the proposed concept plan included five commercial lots, three of which are anticipated to include drive-through facilities, with all fronting LaBeaux Avenue and a cul-de-sac. She added an apartment building was proposed for the east side of the property, similar to the Kingston development. Faulkner stated the developer was requesting Council's feedback on the proposed project.

City Administrator Nafstad noted that traffic concerns, particularly at 53rd Street, were being evaluated through an ongoing traffic study conducted in conjunction with the development group to the north. He answered questions from the Council regarding the possible water usage for the proposed development and explained the next steps for the project.

Mr. Leuer, property owner, reported that they had contacted the neighboring property to north and anticipated similar commercial zoning. He also answered Council's questions regarding the property.

Mr. Kuepers, property developer, answered Council questions regarding the proposed development and noted a demand for housing within the City. He stated that the multi-family building would be similar to the Kingston property which is fully occupied.

There was Council discussion regarding the proposed development, and the consensus was supportive of the proposed development project. City Administrator Nafstad and Planning Consultant Faulkner provided an overview of the next steps.

G. Public Works/Engineering

1. Proposed 2026 City Compost Site Hours

City Administrator Nafstad reported that the public has requested earlier opening times and extended hours for the Compost Site. He stated that he has coordinated with the City of Otsego, and the staff report included in the meeting packet provides a proposed schedule that both cities believe may be workable. Nafstad noted that the hours could be adjusted as necessary, but the schedule offered a starting point for the 2026 season.

MOTION made by Councilmember Hayden, seconded by Councilmember Zagorski to approve the amended Albertville Compost site hours as listed in the Staff Report. Ayes: Hayden, Hendrickson, Olson, and Zagorski. Nays: None. Absent: Cocking. The motion carried.

H. Legal - None

I. Administration - None

Announcements and/or Upcoming Meetings

February 23	Joint Power Water Board, 6 pm Parks Committee, 7 pm
March 2	City Council, 7 pm
March 9	STMA Arena Board, 6 pm
March 10	Planning Commission, 7 pm
March 16	City Council, 7 pm

10. Adjournment

MOTION made by Councilmember Hayden, second by Councilmember Zagorski to adjourn the meeting at 8:05 pm. Ayes: Hayden, Hendrickson, Olson, and Zagorski. Nays: None. Absent: Cocking. The motion carried.

Respectfully submitted,

Kristie A. Moseng; Finance Clerk

March 16, 2026

SUBJECT: CONSENT – FINANCE – PAYMENT OF BILLS

RECOMMENDATION: It is respectfully requested that the Mayor and Council consider the following:

MOTION TO: Authorize the Monday, March 16, 2026, payment of the claims as presented except the bills specifically pulled, which are passed by separate motion. The claims listing has been provided to Council as a separate document. The claims listing is available for public viewing at City Hall upon request.

BACKGROUND: The City processes claims on a semi-monthly basis. The bills are approved through their respective departments and administration and passed onto the City Council for approval.

KEY ISSUES:

- **Account codes starting with 810 are STMA Arena Expenses/Vendors (highlighted) and key issues will be presented in the claims listing document.**

POLICY/PRACTICES CONSIDERATIONS: It is the City's policy to review and approve payables on a semi-monthly basis.

FINANCIAL CONSIDERATIONS: City staff have reviewed and recommend approval of payments presented.

LEGAL CONSIDERATIONS: The Mayor and Council have the authority to approve all bills pursuant to Minnesota State Law, which requires all bills to be paid in a timely manner, generally within 30 days unless one party determines to dispute the billing.

Responsible Person: Tina Lannes, Finance Director

Submitted through: Adam Nafstad, City Administrator-PWD

Attachment:

- List of Claims (under separate cover)

March 16, 2026

SUBJECT: CONSENT – CLERK – ANNUAL RENEWAL OF LIQUOR LICENSES

RECOMMENDATION: It is respectfully requested that the Mayor and Council consider the following:

MOTION TO: Approve the renewal of liquor licenses for the licensees listed below for the period of April 15, 2026, through April 14, 2027, contingent upon successful Wright County Sheriff’s Department review for liquor license violations.

BACKGROUND: Each year, the City of Albertville and the Minnesota Alcohol and Gambling Enforcement Division (AGED) must approve the renewal of liquor licenses for establishments within Albertville. The City must verify there are no outstanding fines, City Code violations, or delinquent taxes for each establishment. The Wright County Sheriff’s Office checks for liquor law violations within the last five years. Once Council has approved the liquor renewals locally, the renewals are sent to MN AGED for their approval. The liquor license period for the upcoming year runs April 15, 2026, through April 14, 2027. The following liquor licenses are recommended for approval:

Licensee	Address	License Type
152 Club	5794 Main Ave NE	On-Sale; Sunday & Off-Sale
BJ’s Sports Tavern	5788 Main Ave NE	On-Sale; Sunday & Off-Sale
Cedar Creek Bar & Grill	5700 Jason Ave NE	On-Sale and Sunday
Coborn’s Grocery	5698 LaCentre Ave NE	3.2 Off-Sale
Coborn’s Liquor	5600 LaCentre Ave NE, Ste 114	Off-Sale
D. Michael B’s	6550 Lamplight Drive	On-Sale; Sunday & Off-Sale
El Bamba	5986 Main Ave NE	On-Sale Wine & Strong Beer
Kwik Trip #1020	6300 LaBeaux Ave NE	3.2 Off-Sale
Neighbor’s Eatery & Saloon	5772 Main Ave NE	On-Sale; Sunday & Off-Sale
Si Senor Mexican Restaurant	5292 Kyler Ave NE	On-Sale and Sunday
Space Aliens Grill & Bar	11166 County Rd 37	On-Sale and Sunday
Speedway #7016	11044 61 st Street NE	3.2 Off-Sale
The Hen & The Hog	5262 Kyler Ave NE, Ste 111	On-Sale and Sunday
Westside Liquor	11095 61st St NE, Ste P	Off-Sale
Willy McCoy’s	5651 LaCentre Ave NE	On-Sale and Sunday

KEY ISSUES:

- There are no delinquent taxes, outstanding fines, or code violations for the above establishments.
- Approval is contingent upon Wright County Sheriff’s review for liquor license violation.
- Wright County requires a \$100 investigation fee to complete background checks on liquor establishments for all annual renewals. The City added this fee to the City’s Fee Schedule.

POLICY/PRACTICES CONSIDERATIONS: It is the Mayor and City Council’s policy to review and approve or deny liquor license renewals for establishments within Albertville.

FINANCIAL CONSIDERATIONS: The following are the fees collected from the 2026-2027 liquor license renewals:

License Type	License Fee	# of 2026 Licenses	2026 Revenue
On-Sale; Sunday & Off-Sale	\$3,650	4	\$14,600
On-Sale and Sunday	\$3,500	5	\$17,500
On Sale Wine & Beer	\$210	1	\$210
Off-Sale 3.2% Beer	\$100	3	\$300
Off-Sale	\$150	2	\$300
Total			\$32,910

Responsible Person: Kris Luedke, City Clerk

Submitted Through: Adam Nafstad, City Administrator-PWD

On File:

- Liquor License renewal applications are on file in the City Clerk’s Office and are available upon request.

March 16, 2026

**SUBJECT: CONSENT – CLERK – APPROVE LOWER-POTENCY HEMP
REGISTRATION FOR THE BJ’S SPORTS TAVERN**

RECOMMENDATION: It is respectfully requested that the Mayor and Council consider the following:

MOTION TO: Approve Lower-Potency Hemp Retail Registration for BJ’s Sport Tavern located at 5788 Main Avenue NE, Albertville.

BACKGROUND: The State of Minnesota Office of Cannabis Management (OCM) notified the City that a Lower Potency Hemp Retailer License (LPHE) was issued to BJ’s Sports Tavern located at 5788 Main Avenue NE. The applicant, Mr. Jarrod Vogt has submitted a City Lower-Potency Hemp Retail Registration application and the associated fees as required by City Code.

KEY ISSUES:

- Council approved an ordinance to allow regulation and registration of LPHE businesses.
- The City received a City Retail Registration application from BJ’s Sport Tavern located at 5788 Main Avenue NE, Albertville.
- Per the OCM, a local government may not limit the number of local retail registrations issued to LPHE business within their jurisdiction which is different than local registration for cannabis retail businesses which may be limited.

POLICY/PRACTICES CONSIDERATIONS: The Mayor and City Council have the authority to review and approve or deny a Lower-Potency Hemp Retail Registration application.

FINANCIAL CONSIDERATIONS: Per the ordinance, the fee for a Lower-Potency Hemp Retail Registration is \$125 Initial Registration Fee and \$125 Annual Renewal.

Responsible Person: Kris Luedke, City Clerk

Submitted Through: Adam Nafstad, City Administrator-PWD

Attachments:

- The Lower-Potency Hemp Retail Business Registration application is on file in the Clerk’s Office.

March 16, 2026

SUBJECT: CONSENT – FIRE – STANDARD OPERATING PROCEDURE REVISIONS

RECOMMENDATION: Staff respectfully request Council consideration regarding proposed revisions to the Albertville Fire Department’s Standard Operating Policies and Procedures.

MOTION TO: Approve revisions to the Albertville Fire Department’s Standard Operating Policies and Procedures.

BACKGROUND: The Albertville Fire Department (AFD) is currently operating under Standard Operating Policies and Procedures (SOP) that were authorized, as a whole, by the City Council in April 2021.

The Fire Department Board of Officers requested revisions to the Driving of AFD Apparatus and Vehicles and Emergency Driving Procedures SOP’s.

Revisions to the two policies include:

- 8.2.1 Driving of AFD Apparatus and Vehicles
 - Added language to tie safe driving to the continuous monitoring of roadways, surrounding traffic conditions, and changing weather environments.
- 8.2.2 Emergency Driving Procedures
 - Added language regarding emergency driving through stop signs and red lights.
 - Added a maximum speed on local roads and I94.

The added language is based on best practices of several Fire Departments in the surrounding area.

If approved by the Council, the updated SOP will be distributed to the Fire Department, and further discussed at the April 9th, 2026, Fire Department training night.

POLICY/PRACTICES CONSIDERATIONS: It is the City’s policy for Council to review and approve policies as they deem necessary.

Responsible Person: Eric Bullen, Fire Chief

Submitted Through: Adam Nafstad, City Administrator-PWD

Attachments:

- Section 8.2.1 Driving of AFD Apparatus and Vehicles
- Section 8.2.2 Emergency Driving Procedures
- A full copy of the AFD SOP is available on request

Albertville Fire Department

Standard Operating Policies and Procedures



Policy Title: Driving of AFD Apparatus and Vehicles
Chapter: 8.0 Call Response
Section: 8.2 Driving
Sub-Section: 8.2.1 Driving of AFD Apparatus and Vehicles

Date: 04/20/2021
Page: 1 of 1

Updated: XX/XX/XXXX

8.2 Driving

8.2.1 Driving of AFD Apparatus and Vehicles

- A. No Firefighter shall drive any AFD apparatus or vehicle until trained, and authorized, to do so by the Fire Chief, Board of Officers, and/or AFD driving instructors.
- ~~B. Each Firefighter shall operate apparatus in a safe and efficient manner.~~
- B. Firefighters driving any AFD apparatus or vehicle shall drive in a manner that maintains safe control of the apparatus or vehicle and that considers due caution and regard for the safety of the occupants, other vehicles, and pedestrians and provides for the protection of AFD apparatus, vehicles, and equipment.
- C. Firefighters driving any AFD apparatus or vehicle shall continuously monitor the roadways, surrounding traffic conditions, and changing weather environments, and adjust their driving appropriately.
- D. Firefighters driving AFD apparatus or vehicles shall not use personal phones or personal mobile devices for any purpose, including navigation, while the AFD apparatus or vehicle is in motion.
- E. The backing of any AFD apparatus or vehicle shall be done with a spotter, who shall be located outside of the vehicle.
- F. In an emergency exigent situation, or training scenario, any Firefighter may drive AFD apparatus or vehicles if authorized by the Incident Commander, an Officer, or the ranking Firefighter in charge.

Albertville Fire Department

Standard Operating Policies and Procedures



Policy Title: Emergency Driving Procedures
Chapter: 8.0 Call Response
Section: 8.2 Driving
Sub-Section: 8.2.2 Emergency Driving Procedures

Date: 04/20/2021
Page: 1 of 1

Updated: XX/XX/XXXX

8.2 Driving

8.2.2 Emergency Driving Procedures (~~Minnesota Statute Section 169.03 – Emergency Vehicles~~)

- A. When responding to an emergency call, the fire truck's AFD apparatus or vehicles emergency lights AND siren shall be used in a continuous manner.
- B. Firefighters shall be aware that the continuous use of emergency lights and siren do not give the emergency AFD apparatus or vehicle the right-of-way, firefighters shall not assume other vehicles will yield the right-of-way, and firefighters shall use defensive driving techniques at all times.
- C. When approaching intersections a red stop signal or any stop sign AFD apparatus and vehicles shall slow down as necessary for safety, but may then proceed cautiously past such red stop signal or stop sign after verifying the intersection is clear of approaching vehicles and/or vehicle traffic has stopped.
- D. The maximum speed for all AFD apparatus and vehicles responding to an emergency call shall be no more than 10 MPH over the posted speed limit. Speeds shall be reduced when roadway conditions, surrounding traffic conditions, and changing weather environments dictate.
 1. AFD apparatus and vehicles shall **NOT** exceed the posted speed limit on any interstate highway (i.e. I94).
 - a. A Chief Officer, responding to an incident in an AFD vehicle, in an emergent manner, may exceed the posted speed limit on any interstate highway.

March 16, 2026

SUBJECT: FINANCE – CITY SERVER SOFTWARE UPGRADE AND STORAGE AREA NETWORK REPLACEMENT

RECOMMENDATION: It is respectfully requested that the Mayor and Council consider the following:

MOTION TO: Authorize staff to accept quote from Marco for Server Hardware Storage (SAN) and software upgrades not to exceed \$71,000.

BACKGROUND: The life of servers typically ranges from 5-7 years depending on when the hardware end-of-sale date. The current HP server and Storage Area Network (SAN) system were purchased in 2022 with 10 terabytes (TB) of storage which at the time was expected to meet the City needs. Since then, storage demands have increased due to changes in document retention and additional scanning projects. The current SAN is now nearing its capacity, with about 723 GB of storage remaining, and the system was not designed to be expandable. As a result, the City needs to purchase a new SAN system. The proposed replacement would increase usable storage to 18 TB and would be expandable in the future. The server itself does not require an upgrade currently. Moving forward, the City plans to separate the replacement cycles of the server and SAN, with server expected to be replaced between 2027- 2029, and the SAN between 2031-2033, allowing the City to better distribute future costs.

In addition, the City's Microsoft Server software will reach end of life January 2027, and this will be incorporated in the SAN replacement project. Also, the Virtualization Server Operating Systems (VMware) needs to be replaced with Microsoft Hyper-V. Previously, VMware licensing costs \$3,500 for a 3-year term; however, following the company's acquisition, the estimated cost for a 1-year license is now about \$15,000. The City's current license expires in October 2026. With significant increase, staff recommend that the City transition to a more affordable virtual operating system.

POLICY/PRACTICE CONSIDERATIONS: it is the City's policy for Council to review and approve purchases.

FINANCIAL CONSIDERATIONS: The funding would come from the Capital Reserves Fund.

Responsible Person: Tina Lannes, Finance Director

Submitted Through: Adam Nafstad, City Administrator/PWD

Attachments:

- Marco quote



March 12, 2026

PROPOSAL FOR
CITY OF ALBERTVILLE
TINA LANNES

Prepared By:

Jennifer Bohnsack
Technology Advisor
320-259-3001 x1029
jennifer.bohnsack@marconet.com

Quote Number: 218893



Managed Services



Copiers & Printers



Audio Visual



Business IT Services



IT - HPE MSA 2070 -- CITY OF ALBERTVILLE



Prepared by:
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Quote Information:
Quote #: 218893
 Version: 3
 Date Issued: 03/12/2026
 Expiration Date: 03/31/2026
 Special Pricing Program:
 PLEASE SELECT

Microsoft Server Perpetual Licenses

Description	One-Time	Qty	Ext. One-Time
Please note this license will require that you must have a Microsoft account prior to purchasing.			
Windows Server 2025 Standard - 2 Core	\$147.00	40	\$5,880.00
Windows Server 2025 - 1 User CAL	\$50.00	45	\$2,250.00

Subtotal: **\$8,130.00**

HPE MSA 2070

Description	One-Time	Qty	Ext. One-Time
HPE MSA 2070 SAN Storage System - 24 x HDD Supported - 24 x SSD Supported - 12 x SSD Installed - 23.04 TB Total Installed SSD Capacity - Clustering Supported - 2 x 12Gb/s SAS Controller - RAID Supported - 0, 1, 5, 6, 10 RAID Levels - 24 x Total Bays - 24	\$33,588.72	1	\$33,588.72
2.0M EXT MINISAS HD TO MINISAS CABLE PL=SI	\$127.83	4	\$511.32
HPE 5Y TC ESS MSA 2070 SMART Choice SVC PL-98	\$3,454.36	1	\$3,454.36

Subtotal: **\$37,554.40**

Professional Services Labor

Description	One-Time	Qty	Ext. One-Time
Marco Professional Services - Fixed Fee - Milestone 1 - Progress Billed Monthly	\$2,849.00	1	\$2,849.00

Marco Professional Services - T&M - Estimate - Progress Billed Monthly	\$22,440.00	1	\$22,440.00
Subtotal:			\$25,289.00

Server-PSE

ABOUT THIS PROFESSIONAL SERVICES ENGAGEMENT

In addition to the Professional Service Engagement Agreement located at www.marconet.com/legal/business-it-product-agreements/professional-service-engagement-agreement, the following applies to this Professional Service Engagement:

ENGAGEMENT OVERVIEW - DESIRED GOALS AND OUTCOMES - CURRENT SITUATION

CITY OF ALBERTVILLE is planning to refresh their SAN infrastructure to expand storage capacity, migrate away from VMware and upgrade all VMs to Windows server 2025. This engagement includes deploying physical SAN, setting up Hyper-V and migrating existing workloads to the new infrastructure. Marco will be responsible for installing and configuring the new SAN and virtual environment, ensuring that Microsoft workloads are properly set up, joined to Active Directory, and connected to the network. Marco will provide guidance to assist the customer and any third-party vendors with migrating and validating applications as needed. Marco will also update backup jobs to ensure the new SAN and workloads are fully protected within the existing backup solution.

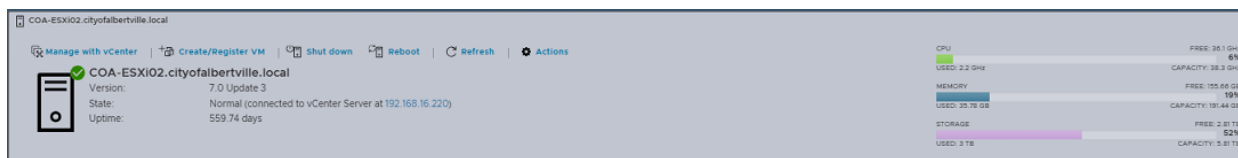
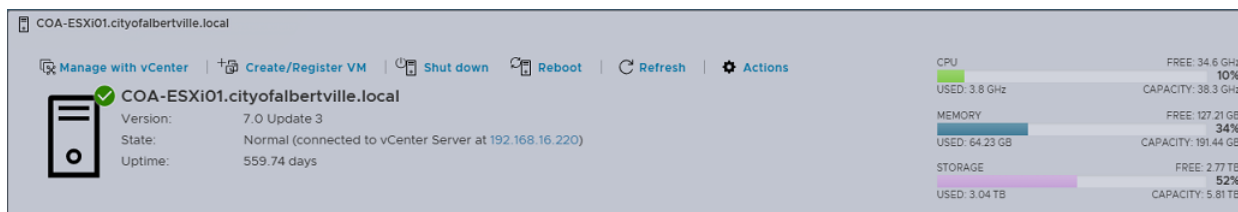
Included in project is a migration away from VMware to Hyper-V on production hosts and DR target. All VMs will be migrated to newly created Windows server 2025 VMs

Existing Environment Details:

The current environment includes x2 HP DL360 Gen10+, running VMware ESXI, connected to x2 Meraki MS350 switches, with storage configured as shared storage via x1 HPE MSA 1060. Backup is currently handled by Marco managed Veeam and backing up to a QNAP NAS and a HP server at the customers public works site acting as a DR target, and power will be supported by 3rd party UPS.

Marco recommends replacing the HP gen 9 DR target

Marco will document the new deployment and validate the configuration of servers, virtual machines, and supporting infrastructure for future reference.



■ ENGINEERING - DESCRIPTION OF SERVICES AND DELIVERABLES

The following solution will be considered “in-scope” for the purposes of this engagement:

SAN Assembly and Configuration Hyper-V

- Assemble physical SAN, update firmware, and configure the management interface.
- Verify TPM settings: SHA-256 enabled and TXT set to ON.
- Stage M.2 drives for OS installation (RAID 1) and configure local SSD storage (RAID 5) for non-clustered servers if applicable
- Rack and cable servers; capture photos of the rack and upload to documentation store
- Windows Server 2025 Installation: Install OS and configure Hyper-V role.
- Install appropriate hypervisor management tools
- For shared storage setups, enable clustering and validate failover using non-critical/test VMs before migrating production workloads.
- Configure critical alerts iLo to notify client-approved email address.
- Verify that the existing backup solution supports the deployed hypervisor and OS configuration.

New VM Creation and Configuration

- Deploy virtual machines according to the agreed scope and specifications.
 - All existing VMs will be moved to single host via Vmotion,
 - Hyper-V (Windows server 2025) will be deployed on 2nd host utilizing new MSA SAN
 - VMs will be migrated to newly created Windows server 2025 VMs
 - Customer will be responsible for migrating all 3rd party application with Marco assistance if required
 - VMware host will be reloaded with Windows server 2025 with Hyper-V deployed and connected to new MSA SAN
 - Hyper-V cluster will be configured and old SAN will be decommissioned
- Join each VM to the client’s Active Directory domain and verify network connectivity.
- Allocate resources (CPU, memory, storage) based on workload requirements.
- Configure standard Microsoft roles and services, including:
 - ADDS (Active Directory Domain Services)
 - DHCP
 - DNS
 - Print/File Shares
 - RDS roles
- Install and configure hypervisor management tools; validate VM functionality.
- Modify existing backup jobs to include the newly deployed VMs
- Document VM configurations, including photos and screenshots.
- Any additional roles or software beyond standard Microsoft workloads must be coordinated with the responsible third-party vendor and may require a change order.
- Customers DR target host will be wiped and reloaded with Windows server 2025 with Hyper-V
 - x1 Windows server 2025 VM will be deployed as a Veeam proxy
 - Server will be configured as a DR target

VM Inventory & Roles

- COA-DC01
 - Domain controller
 - DNS
- DOA-DC3
 - Domain Controller
 - DNS
 - DHCP

- VEEAM-PROXY
 - Veeam DR application
- COA-MISC01
 - Delta controller software
 - Customer will be responsible for migrating 3rd party software
- COA-FS01
 - File share (1.75tb)
- COA-APPS01
 - Laserfiche server/directory services
 - SQL server (Licensing is not included and setup will be 3rd party software responsibility to setup)
 - Customer will be responsible for migrating 3rd party software
- COA-LFPUB
 - Laserfiche application software
 - Customer will be responsible for migrating 3rd party software
- COA-VEEAM2019
 - Veeam backup application controller
- COA-HYBEXCH
 - Hybrid exchange server for O365 integration

Third-Party Applications / Application Servers

- Support migration and integration of third-party applications in collaboration with the application vendor.
- Client/vendor responsible for installation, configuration, and validation of their applications.
- Provide temporary access and guidance to facilitate vendor-led migrations.
- Conduct design review to identify applications requiring migration and ensure support contact information is provided.
- Unknown dependencies or additional configuration requirements discovered during migrations may require a change order.

Validation & Documentation

- Perform post-migration testing for Microsoft services.
- Document VM configurations, migration steps, and validation results.
- Identify any dependencies or issues for potential change orders.

Managed Clients

- Configure managed services agents and tools for all new equipment deployed.

■ COORDINATION - DESCRIPTION OF SERVICES AND DELIVERABLES

A designated Project Manager (PM) will lead your project to ensure alignment, momentum, and successful delivery. Your PM owns the timeline, coordinates resources, manages scope and risk, and keeps all stakeholders informed.

This role is key to ensuring a clear, smooth, and outcome-driven experience.

What's Included in your Marco Project:

Initiation & Planning

- Align on goals, scope, milestones, and success criteria
- Coordinate project timeline, resources, and budget visibility
- Identify and prepare for project risks

Execution Oversight

- Manage all workstreams and schedule accountability
- Ensure clear and consistent stakeholder communication
- Handle scope changes and third-party/vendor coordination, if applicable

Quality & Closeout

- Validate key deliverables and facilitate quality checkpoints
- Drive issue resolution and surface lessons learned
- Package documentation, facilitate support hand-off and wrap-up project details

Optional Services (Billable)

- End-user training
- Custom integrations/configurations
- Onsite or extended support

**Certain support may be covered under a Marco Managed Services plan based on contractual agreement*

■ CLIENT RESPONSIBILITIES

- Participate in project kickoff call and any additional project-related conference calls, and assist in coordination and communication efforts.
- Provide full access to all premises as needed by Marco to perform its responsibilities. Any refusal or failure to provide access may require a change order for additional services at a later time.
- Provide a suitable work area for Marco personnel if work is completed on premises.
- When applicable, authorize Marco to configure remote access for post-installation support. Marco will communicate prior to any non-support ticket access.
- Disposal of retired equipment is not included. Old equipment will be shut down at project close but not recycled; eWaste services may be available via Marco if required.
- If all VM data is migrated by project close, old servers should be shut down and power cords unplugged. Any additional services around recycling or data wiping will require a change order.
- The client is responsible for coordination, installation, and migration of all third-party applications. Marco will handle Microsoft workloads only.
- The client is responsible for any VM shutdown/deletion not performed by Marco.
- The client is responsible for applicable licensing.
- The client is responsible for disabling third-party support access to VMs as needed.
- **HPE:** Client must set up HPE GreenLake ComputeOps account.

■ SERVICES ASSUMPTIONS, EXCLUSIONS, AND NOTES

Assumptions, Exclusions, and Important Notes for the purposes of this engagement:

- Migration may not include all VMs; the client is responsible for remaining VMs after initial migrations and validation.
- Refresh may not include completion of all VM migrations if application vendor work extends beyond project end date. Marco's responsibility is focused on base Windows OS and infrastructure configuration.
- Power and connectivity must support both current and new systems until migration is complete.
- Labor estimate includes a single trip for racking and cabling; additional trips require a change order.
- Marco engineering activities depend on receipt and validation of all vendor deliverables.



SCHEDULE A - SCHEDULE OF PRODUCTS TO PRODUCT AGREEMENT(S)

- Server and SAN rail kits are designed for standard 19-inch EIA-310 racks; non-standard racks may require a change order for modification or replacement.



Quote Summary - One-Time Expenses

Description	Amount
Microsoft Server Perpetual Licenses	\$8,130.00
HPE MSA 2070	\$37,554.40
Professional Services Labor	\$25,289.00
Total: \$70,973.40	

Payment Options

Description	Payments	Interval	Amount
One-Time Payment			
One-Time Payment	1	One-Time	\$70,973.40

Summary of Selected Payment Options

Description	Amount
One-Time Payment: One-Time Payment	



Approval

- Client represents that it has reviewed and agrees to be legally bound by this Schedule of Products.
- Client represents that it has reviewed and agrees to be legally bound by the Relationship Agreement, any Product Agreement(s) referred to herein, and applicable policy(ies) (“Terms and Conditions”) which are located at www.marconet.com/legal for the Products it is obtaining as identified in this Schedule of Products.
- If the parties have negotiated changes to the Terms and Conditions that have been reduced to writing and signed by both parties, the modified version(s) of such Terms and Conditions, that have not expired or been terminated, shall replace the online version(s).
- Client agrees to use electronic signatures, electronic communications, and electronic records to transact business under the above documents.
- The pricing above does not include taxes. Taxes, fees and surcharges shall be paid by Client and will be shown on invoices to Client.
- Payments made via credit card are subject to a 3% surcharge.
- A \$30 fee will be assessed for any returned payment.
- Price availability is subject to change without notice at any point during or after the quotation, ordering, and fulfillment process.

Marco Technologies, LLC

CITY OF ALBERTVILLE

Signature: _____

Name: _____

Title: _____

Date: _____

Prepared for: Tina Lannes _____

Signature: _____

Signed by: _____

Title: _____

Date: _____

PO Number: _____

Email Address: _____

GENERAL ADMINISTRATION

Local Board of Appeals and Equalization: The Local Board of Appeals and Equalization will be held on Monday, April 20, 2026, at 6:15. The Wright County Assessor's Office staff will be in attendance to present and answer questions. The trained and certified Board members are Councilmembers Olson and Zagorski.

League of Minnesota Cities 2026 Annual Conference: The 2026 League of Minnesota Cities Annual Conference will be held on Wednesday, June 24 through Friday, June 26, 2026, at the Mayo Civic Center in Rochester, MN. Registration is now open. Please let me know if you would like to attend.

Fire Chief Position: Unless the Council desires otherwise, staff will advertise the position for approximately 4 weeks, conduct interviews in late-April, and make a final selection in early-May. It is intended the new Chief will start in early June, which will allow for approximately 6 to 8 weeks of overlap with Chief Bullen's retirement. The Fire Committee will be reviewing the final job description and pay scale, and will oversee the hiring process.

FYCC: FYCC currently schedules fields for the two cities, and the School District schedules its own fields. To streamline scheduling for the local associations, the School and FYCC are working towards a contract arrangement where the District, through its Community Educations department, would schedule fields for all three entities. As part of the arrangement, the School and FYCC believe it would be best if we align each entity's field usage fees. Staff is working on amending the Albertville field fees and will provide an updated Fee Schedule at the meeting for Council consideration.

Parks Committee: The Park Committee has scheduled this year's City's Park Night Out for Thursday, May 14, 2026, from 6 pm to 8 pm. This year the event will be held in Central Park for the Central Park Playground Grand Opening.

Senior Center Volunteer Appreciation Brunch: The Crow River Senior Center will be holding their Volunteer Appreciation Brunch to celebrate their hardworking volunteers on Friday, April 17, 2026, from 10:30 am to noon at the Crow River Senior Center. Please let me know if you would like to attend.

Seasonal Job Opportunities: The City is currently advertising for seasonal summer positions for both the Public Works and Utilities Department, as well as for part-time Compost Assistants for the 2026 season. More details are available on the City's website.

2025 Audit: Field work for the 2025 Audit is currently underway and the results will be presented to the Council at the second meeting in April.

Code/Zoning Enforcement: The City is working on several properties regarding zoning ordinance and/or nuisance ordinance violations. Generally, the violations include outdoor storage of vehicles, materials, and/or equipment, and typically include junk accumulation and illegal structures.

ENGINEERING/PUBLIC WORKS

CSAH 137 Market Place Entrance: Staff is working with the Market Place properties on a request for an addition right-in entrance to the west of Lymon Avenue NE. In general, all costs associated with entrance would need to be paid by the properties and the entrance would be subject to a County Access Permit.

Metronet Fiber: Beginning this spring, Metronet Fiber, a high-speed internet provider, will be working towards installing fiber to all Albertville properties. It is understood the installation will take approximately two years. More information will be available soon.

Main Avenue Reconstruction: Phase 1 work will resume early spring and Phase 2 will commence immediately following Friendly City Days.

Central Park Playground and Plaza: The Contractor is in the process of completing the seating walls and plaza wall. The project will be complete before Parks Night Out.

CSAH 18: The Phase 1 project plans are 90% complete and the County is preparing a cost share agreement for the City's consideration. The City's share is estimated to be approximately \$190,000. The County will be bidding the project in the spring and construction/road closure will take place after Friendly City Days (June 15).

Central Park: Staff is looking into replacing the field lights on Field 1 and potentially adding a hockey shooting area behind Field 3 to be used for outdoor hockey training.