

**AGENDA
CITY COUNCIL
CITY OF EAST GRAND FORKS
MARCH 3, 2009
5:00 P.M.**

CALL TO ORDER:

CALL OF ROLL:

DETERMINATION OF A QUORUM:

PLEDGE OF ALLEGIANCE:

OPEN FORUM:

"An opportunity for members of the public to address the City Council on items not on the current Agenda. Items requiring Council action maybe deferred to staff or Boards and Commissions for research and future Council Agendas if appropriate."

APPROVAL OF MINUTES:

1. Consider approving the minutes of the "Regular Meeting" for the East Grand Forks, Minnesota City Council of February 17, 2009.
2. Consider approving the minutes of the "Work Session" for the East Grand Forks, Minnesota City Council of February 24, 2009.
3. Consider approving the minutes of the "Closed Meeting" for the East Grand Forks, Minnesota City Council of February 24, 2009.

SCHEDULED BID LETTINGS:

4. Consider approving the request to award the bid for "2009 City Project No. 2 – Curb, Gutter, and Paving" to Opp Construction for a total bid price of \$354,733.00 contingent upon MnDot approval.

SCHEDULED PUBLIC HEARINGS: NONE.

CONSENT AGENDA:

Items under the "Consent Agenda" will be adopted with one motion; however, council members may request individual items to be pulled from the consent agenda for discussion and action if they choose.

5. Consider approving the request to change the licensing process and authorize the City Administrator/Clerk-Treasurer to sign the recommended licenses providing proper documentation and fees excluding all liquor licenses.
6. Consider approving the application for a Parade Permit for the Praise God Parade, on, May 16, 2009 from 10:30 A.M. to 11:45 A.M. pending MnDot approval.

7. Consider approving the application for an Exempt Gambling Permit for a raffle for East Grand Forks Ducks Unlimited to be held April 4, 2009 at American Legion Club, 1009 Central Avenue NW, East Grand Forks, MN 56721 and waive the 30-day waiting period.

ACKNOWLEDGE RECEIPT OF REPORTS OF OFFICERS, BOARDS AND COMMISSIONS:

8. The minutes of the Water, Light, Power and Building Commission for February 5, 2009.
9. The minutes of the East Grand Forks Campbell Library Board Meeting for February 24, 2009.

COMMUNICATIONS: NONE.

OLD BUSINESS:

10. Consider approving the Towing Service Agreement with Grand Cities Towing and the City of East Grand Forks for a term commencing February 17, 2009 and terminating February 17, 2010.
11. Reconsideration of the Memorandum of Understanding between Law Enforcement Labor Services, In., Local No. 152 (LELS) and the City of East Grand Forks.

NEW BUSINESS:

12. Consider adoption of Ordinance No. 308 3rd Series and Ordinance an ordinance of the City of East Grand Forks, Minnesota, repealing Subd 7 Resident Manager or Agent of City Code Chapter 3, Entitled "3.2 Percent Malt Liquor, Wine and Intoxicating Liquor Licensing" and by promulgating Subd. 7 designated agent, to code Chapter 3; and adding Subd .25 "Designated Agent" to Section 3.01 definitions and by adopting by reference City Code Chapter 1, which among other things, contain penalty provisions. (2nd Reading)
13. Consider approving the request to approve the Personal Policy Manual revision effective immediately to only pay out 160 hours of sick leave upon retirement or resignation.
14. Consider adopting Resolution No. 09-03-17 a Resolution to obtain the appropriate right of ways, easements, and temporary construction easements for the 23rd Street NW project as well as the 14th Avenue SE and the 17th Avenue SE construction projects.
15. Consider approving the request to file the report of feasibility and set hearing date for "2009 Assessment Job No. 3 – Paving" – Peabody 1st Addition and Greenway 1st Addition.
16. Consider approving the General Obligation Bonding Grant Agreement necessary for the \$200,000 in State General Obligation Bond funds appropriated last session for the Red River State Recreation Area campground improvements.

CLAIMS:

17. Consider adopting Resolution No. 09-03-18 a Resolution authorizing the City of East Grand Forks to approve purchases from Hardware Hank the goods referenced in check numbers 2428 for a total of \$3180.13 whereas Council Member Buckalew is personally interested financially in the contract.
18. Consider authorizing the City Administrator/Clerk-Treasurer to issue payment of recommended bills and payroll.

ADJOURN:

Upcoming Meetings:

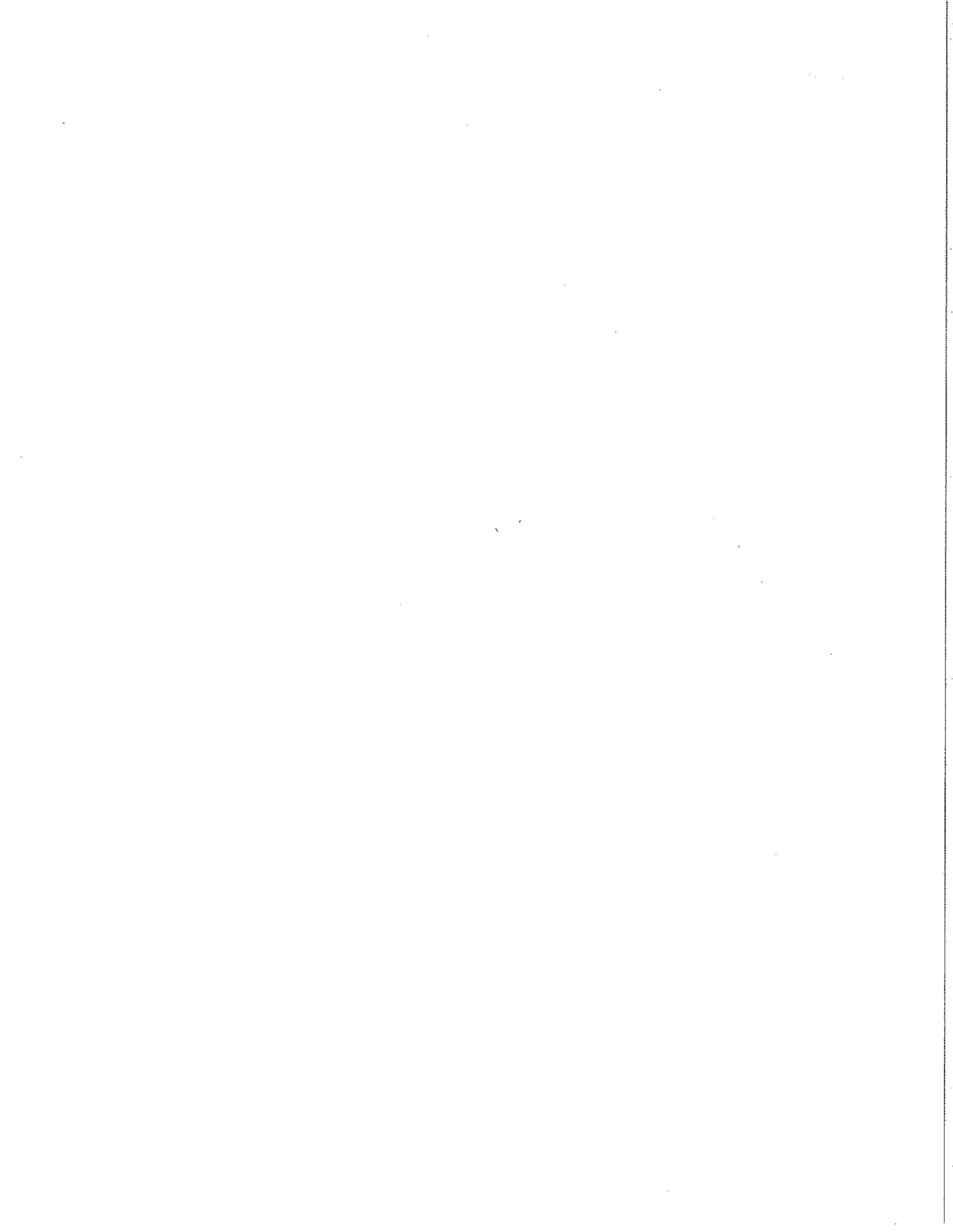
Work Session -- March 10, 2009 -- 5:00 PM -- Training Room

Regular Meeting - March 17, 2009 -- 5:00 PM -- Council Chambers

Work Session -- March 24, 2009 -- 5:00 PM -- Training Room

Work Session -- March 31, 2009 -- 5:00 PM -- Training Room -- If Needed

Regular Meeting - April 7, 2009 -- 5:00 PM -- Council Chambers



**UNAPPROVED
MINUTES
OF THE
EAST GRAND FORKS
CITY COUNCIL**

Tuesday, February 17, 2009 – 5:00 PM

CALL TO ORDER:

The Regular Meeting of the East Grand Forks City Council for February 17, 2009 was called to order by Council Vice President Henry Tweten at 5:03 P.M.

CALL OF ROLL:

On a Call of Roll the following members of the East Grand Forks City Council were present: Mayor Lynn Stauss, Council Vice President Henry Tweten, Council Member Marc Demers, Craig Buckalew, and Mike Pokrzywinski.

STAFF PRESENT:

Scott Huizenga, City Administrator; Michelle French, Executive Assistant; Ron Galstad, City Attorney; Brad Bail, City Engineer; Charlotte Helgeson, Library Director; Dave Aker, Parks & Rec Superintendent; Mike Hedlund, Police Chief; Dave Aker, Parks & Rec Superintendent; Randy Gust, Fire Chief; Jim Richter, EDHA Director; and Dan Boyce, Water & Light Manager.

DETERMINATION OF A QUORUM:

The Council President Determined a Quorum was present

PLEDGE OF ALLEGIANCE:

OPEN FORUM:

"An opportunity for members of the public to address the City Council on items not on the current Agenda. Items requiring Council action maybe deferred to staff or Boards and Commissions for research and future Council Agendas if appropriate."

APPROVAL OF MINUTES:

1. Consider approving the minutes of the "Regular Meeting" for the East Grand Forks, Minnesota City Council of February 3, 2009.

A MOTION WAS MADE BY COUNCIL MEMBER BUCKALEW, SECONDED BY COUNCIL MEMBER DEMERS, TO APPROVE THE "REGULAR MEETING" FOR THE EAST GRAND FORKS, MINNESOTA CITY COUNCIL OF FEBRUARY 3, 2009.

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Voting Aye: Pokrzywinski, DeMers, Buckalew, and Tweten.

Voting Nay: None.

Absent: Gregoire, Leigh, and Grassel.

2. Consider approving the minutes of the "Work Session" for the East Grand Forks, Minnesota City Council of February 10, 2009.

A MOTION WAS MADE BY COUNCIL MEMBER POKRZYWINSKI, SECONDED BY COUNCIL MEMBER DEMERS, TO APPROVE THE "WORK SESSION" FOR THE EAST GRAND FORKS, MINNESOTA CITY COUNCIL OF FEBRUARY 10, 2009.

Voting Aye: Pokrzywinski, DeMers, Buckalew, and Tweten.

Voting Nay: None.

Absent: Gregoire, Leigh, and Grassel.

SCHEDULED BID LETTINGS: NONE.

SCHEDULED PUBLIC HEARINGS: NONE.

CONSENT AGENDA:

Items under the "Consent Agenda" will be adopted with one motion; however, council members may request individual items to be pulled from the consent agenda for discussion and action if they chose.

Council Member DeMers asked that item #4 and #7 be pulled for discussion.

3. Consider approving the request for the establishment of "Lieutenant" position within the East Grand Forks Police Department.
4. Consider approving the Memorandum of Understanding between Law Enforcement Labor Services, In., Local No. 152 (LELS) and the City of East Grand Forks.

Council Member DeMers stated that he felt that this position should not be in the LELS union. Mayor Stauss suggested that the Council accept the recommendation of Chief Hedlund. Council Member DeMers announced that this position is needed but his concern is the union. Chief Hedlund informed City Council that he considered his concern and he contacted the LELS representative to see if there would be a better union fit for this position. Council Vice President Tweten announced that they have had several discussions regarding this issue and the work session is where the questions should be answered.

A MOTION WAS MADE BY COUNCIL MEMBER POKRZYWINSKI, SECONDED BY COUNCIL MEMBER BUCKALEW, TO APPROVE THE MEMORANDUM OF UNDERSTANDING BETWEEN LAW ENFORCEMENT LABOR SERVICES, IN., LOCAL NO. 152 (LELS) AND THE CITY OF EAST GRAND FORKS.

Voting Aye: Pokrzywinski, Buckalew, and Tweten.

Voting Nay: DeMers.

Absent: Gregoire, Leigh, and Grassel.

5. Consider acknowledging the retirement of Detective Rick A. Blazek effective February 28th, 2009.
6. Consider approving the request to hire a Detective to fill the vacancy created by Mr. Blazek's retirement.
7. Consider approving the Towing Service Agreement with Grand Cities Towing and the City of East Grand Forks for a term commencing February 17, 2009 and terminating February 17, 2010.

Council Member Pokrzywinski, Council Member DeMers, and Chief Hedlund requested that this item be tabled for the next work session. Chief Hedlund stated that the payment schedule is not clear to the citizen and they would also like to address the years of the contract.

8. Consider approving the request that the north side of 17th Street NW from 3rd Avenue NW to 5th Avenue NW be declared a "no parking zone."
9. Consider approving the application for a Parade Permit for the Kem Shrine and Maltalodge 131, on, March 14, 2009 from 3:00 P.M. to 3:30 P.M.
10. Consider approving the application for an Exempt Gambling Permit for a raffle for North Star Quilters Guild to be held June 7, 2009 at Sacred Heart School, 200 3rd St. NW, East Grand Forks, MN 56721 and waive the 30-day waiting period.
11. Consider approving the application for an Exempt Gambling Permit for a raffle for Heritage Village Foundation to be held April 17, 2009 at the VFW Club, 312 DeMers Ave., East Grand Forks, MN 56721 and waive the 30-day waiting period.
12. Consider approving the following Second Hand Dealer Licenses:
 - a. Louie Martinez, 1406 Central Ave. NE, East Grand Forks, MN 56721.

A MOTION WAS MADE BY COUNCIL MEMBER DEMERS, SECONDED BY COUNCIL MEMBER POKRZYWINSKI, TO APPROVE CONSENT MOTIONS NUMBER THREE (3) AND FIVE (5) THROUGH SIX (6) AND EIGHT (8) THROUGH TWELVE (12) AS SUBMITTED.

Voting Aye: Pokrzywinski, DeMers, Buckalew, and Tweten.

Voting Nay: None.

Absent: Gregoire, Leigh, and Grassel.

ACKNOWLEDGE RECEIPT OF REPORTS OF OFFICERS, BOARDS AND COMMISSIONS:

13. The correspondence of the East Grand Forks Planning Commission for January 8, 2009.

COMMUNICATIONS: NONE.

OLD BUSINESS: NONE.

NEW BUSINESS:

14. Consider adoption of Ordinance No. 308 3rd Series and Ordinance an ordinance of the City of East Grand Forks, Minnesota, repealing Subd 7 Resident Manager or Agent of City Code Chapter 3, Entitled "3.2 Percent Malt Liquor, Wine and Intoxicating Liquor Licensing" and by promulgating Subd. 7 designated agent, to code Chapter 3; and adding Subd .25 "Designated Agent" to Section 3.01 definitions and by adopting by reference City Code Chapter 1, which among other things, contain penalty provisions. (1st Reading)

Council Vice President Tweten stated that this would make things much easier. Mr. Galstad announced that the ordinance would just designate an agent or manager and not require them to be an East Grand Forks resident.

A MOTION WAS MADE BY COUNCIL MEMBER DEMERS, SECONDED BY COUNCIL MEMBER BUCKALEW, TO ADOPT ORDINANCE NO. 308 3RD SERIES AND ORDINANCE AN ORDINANCE OF THE CITY OF EAST GRAND FORKS, MINNESOTA, REPEALING SUBD 7 RESIDENT MANAGER OR AGENT OF CITY CODE CHAPTER 3, ENTITLED "3.2 PERCENT MALT LIQUOR, WINE AND INTOXICATING LIQUOR LICENSING" AND BY PROMULGATING SUBD. 7 DESIGNATED AGENT, TO CODE CHAPTER 3; AND ADDING SUBD .25 "DESIGNATED AGENT" TO SECTION 3.01 DEFINITIONS AND BY ADOPTING BY REFERENCE CITY CODE CHAPTER 1, WHICH AMONG OTHER THINGS, CONTAIN PENALTY PROVISIONS. (1ST READING)

Voting Aye: Pokrzywinski, DeMers, Buckalew, and Tweten.

Voting Nay: None.

Absent: Gregoire, Leigh, and Grassel.

CLAIMS:

15. Consider adopting Resolution No. 09-02-16 a Resolution authorizing the City of East Grand Forks to approve purchases from Hardware Hank the goods referenced in check numbers 2290 for a total of \$861.63 whereas Council Member Buckalew is personally interested financially in the contract.

A MOTION WAS MADE BY COUNCIL MEMBER POKRZYWINSKI, SECONDED BY COUNCIL MEMBER BUCKALEW, TO ADOPT RESOLUTION NO. 09-02-16 A RESOLUTION AUTHORIZING THE CITY OF EAST GRAND FORKS TO APPROVE PURCHASES FROM HARDWARE HANK THE GOODS REFERENCED IN CHECK NUMBERS 2290 FOR A TOTAL OF \$861.63 WHEREAS COUNCIL MEMBER BUCKALEW IS PERSONALLY INTERESTED FINANCIALLY IN THE CONTRACT.

Voting Aye: Pokrzywinski, DeMers, and Tweten.

Voting Nay: None.

Abstain: Buckalew.

Absent: Gregoire, Leigh, and Grassel.

16. Consider authorizing the City Administrator/Clerk-Treasurer to issue payment of recommended bills and payroll.

EAST GRAND FORKS CITY COUNCIL

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Acme Electric Companies	3/8" Air Hose	\$100.08
Advanced Business Methods	Copies	\$426.45
Aker Dave	Parks Workshop, Mileage Reimb, Motel Reimb	\$332.51
Albrecht Manufacturing	Repair Part #120 #125	\$217.04
Ameripride Linen & Apparel Services	Mats. Towels, Soap, Cleaning	\$490.97
AMEM	09 Membership Dues	\$100.00
Anytime Plumbing	Drains For Garage Floor Project	\$599.50
Aqua Water Solutions	5 Gallon Water	\$32.37
Batteries Plus #24	Batteries	\$63.71
Becker Arena Products Inc	Goal Frame Pads	\$277.54
Best Western Kelly Inn St Paul	Hotel Room - Grassel, DeMers, Huizenga, Stauss	\$851.67
Blazek Rick	Meal Reimb - Dist Court	\$11.00
Border States Industries	Inv. Parts #614, Battery, Bulbs	\$133.25
Brite-Way Window Cleaning	Riverwalk Center	\$45.00
Brians Flooring	Apt 117 Replace Vinyl & Carpet	\$1,026.77
Butler Machinery Co	Inv Parts #163	\$565.75
C&R Laundry & Cleaners	Dry Cleaning - Fire & PD	\$539.42
Canon Financial Services	Copier Service	\$166.58
The Chamber of EGF/GF	Annual Dinner Table Plus 4 (EDHA)	\$504.00
Coalition of Greater MN Cities	CGMC Legislative Action Day	\$240.00
Cole Papers Inc	Can Liners, Tissue, Supplies	\$136.49
Commercial Maintenance Chemical Corp	Lift Station Degreaser	\$1,299.96
Cummins NPower LLC	Replaced Battery, Injectors Inspection	\$3,147.21
Dakota TV & Appliance	Dryer Felt Kit & Labor	\$106.99
Dave's Snow Removal	Feb Snow Removal	\$180.00
DeMers Marc	Intergovernmental Retreat	\$90.20
Dorsey & Whitney LLP	Legal Services Through Dec 31 08	\$8,000.00
Drummer's Diesel	Oil Filters	\$71.31
Eagle Electric	Repairs & Maintenance	\$3,761.62
Egeland Bobbie	Reimb Gas	\$22.40
Elvin Safety LLC	Air Ample Tubes	\$400.64
Environmental Equipment	Switch RPM #114	\$44.41
Exponent	City Budget, Oridance 307, On Call Fire, 09 CP No 2	\$650.68
FedEx	Copies For 2008 Flood Control Project	\$133.45
Filter Care	Inv Parts	\$64.85
First Mechanical Construction	Inspection/Mobilization Sewer Pipe	\$1,063.00
Floan Sanders	State Aid, Flood Control, 06 CP1, PFA Sewer	\$13,906.40
Fore Matt	Gas Reimb Hockey	\$46.00
G&K Services	Rugs	\$301.60
Gaffaneys	Binders, Heavy Duty Stapler	\$102.25
Galstad, Jensen, & Olson	Prof Services	\$11,075.06
GC Distributing Co	Yellow Bag	\$1,825.74
George's Quick Printing	500 #1 Linen Envelopes	\$95.85
GF City Utility Billing	Jan 09 Landfill	\$11,005.70
GF Fire Equipment	Repair Kit For Ground Light	\$37.82
GF Herald	Home Ownership Programs	\$992.06
Glass Pro's Inc	Materials & Labor - Vandalism Damage, Adjust Door Height	\$234.00
Grand Cities Towing	Towing - Binstock	\$45.00
Gregoire Wayne	Intergovernmental Retreat	\$45.10
Green Danny	Reimb Gas	\$22.00

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Hajicek Rod	Meal / Crookston (2)	\$22.00
Hajicek Rick	Cleaning 1/19 - 1/23 & 1/26 - 1/30	\$256.50
Hardware Hank	Supplies	\$861.63
Hawkins Chemical	Calibration On Meters	\$163.00
Heartland Paper	Disinfectant, Deoderant	\$36.50
Hearn Jason	Reimb Gas	\$67.78
Hedlund Mike	Meal Reimb - Training	\$29.00
Henke - Alamo Group Company	Inventory Parts #118	\$94.87
Holiday Credit Office	Unleaded - Suzuki	\$37.82
Holiday Inn and Suites Duluth	Conference Lodging Mike Swang	\$277.98
Hugo's	Rod Thoms's Cake, Coffee For Training, Medicine	\$90.10
Huizenga Scott	Mileage Reimb	\$145.20
Integra Telecom	Phone Charges	\$216.43
Josh Jones Productions	Music Editing	\$150.00
Kar Products	Inv Parts	\$60.04
Keith's Lock & Key	Keys/Janitor Room, Fix Lock Box, Trip Charge	\$176.47
Keillermeyer Building Service	Services For The Month	\$2,896.80
Laser Systems	Ink Cart	\$685.96
League of MN Cities	Claim # 11067343 Deductible Police Accident, EDHA Premium	\$9,400.00
Lucke Gerald	MN GFOA Dues, Reimb Expenses For Training Conf	\$549.80
Lukasz Karen	Mileage Reimb Jul - Dec 08	\$278.52
Lumber Mart	Door Casing, Tile Grout, Primer	\$76.96
Lunseth Plumbing & Heating	Repair Copper Pipe For Sprayer	\$82.50
Lund Ross	Reimb Ref Fees	\$80.00
M&W Services	Outdoor Rink Water, Riverwalk Center Push Snow	\$424.00
Maintainer Custom Bodies Inc	Aluminum Bumper Corner	\$28.86
McDonald's of EGF	Prisoner Meals 1/17 - 2/6	\$51.13
Meritcare	Drug Test, Vaccine Hep A	\$116.00
Midcontinent Communications	Broadcast Month End 1/25/09, Broadcast Month End 12/27/08	\$3,960.00
Mitch Yoney Snow Removal	7.25 Hrs Snow Removal	\$471.25
MN Commissioner of Transport	Striping	\$6,265.48
MN Ice Arena Mgr's Association	2009 Membership Dues - Civic Center	\$140.00
MN Pollution Contrl	Permit Application & Transmittal Form 09 AJ No 1	\$780.00
MN Rec & Park Association	Prof Dues	\$60.00
Newman Signs	Signs For St Dept, Signs For Levee (N&S), Sign Rental	\$4,419.70
Northern Lights Figure Skating	Figure Skating Costumes	\$393.18
Northern Plumbing Supply	Air Filters	\$102.48
Norman Troy	Reimb Ref Fees Level 3	\$90.00
NW MN Household Hazardous Waste Mgmt	Fall Cleanup Hazardous Waste	\$326.28
Orchard Oil Company	Unleaded Fuel, Diesel Fuel 50/50 Dyed	\$26,154.84
O'Reilly Auto Parts	Thinner, Wrench, Oil	\$66.81
Pamida	Roast	\$12.98
Pesch Tim	Reimb Gas Hockey	\$49.73
Polk County Recorder	Copies - Nancy Ellis, Rec Fees	\$52.00
Power Equipment Shop	Ice Edger Parts	\$358.48
Premium Waters Inc	Water	\$71.59
PS Door Services	Remote Door #5, Door #3 Broken Spring, Door #1 Bushing	\$2,083.66
Quill Corp	Office Supplies	\$684.85
Qwest	Local Service Feb 09	\$173.11
RDO Truck Centers	Inv Parts #156, Ignition Switch	\$146.16

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RDO Equipment Co	Inv. Parts #131	\$464.70
Rolczynski Dan & Irene	Refund Lot	\$500.00
Roto Rooter	Clean Mop Sink Drains	\$149.00
Rusek Rafal and Stacey	Housing Incentive Program Tax Rebate	\$2,095.81
Safety Kleen Corp	Vacum Hazardous Waste @ Park Shop	\$686.18
Sam's Club	Supplies	\$55.69
Sew Fine	4 Belts w/ Buckles	\$28.82
Signs By Design	No Parking Sign	\$64.05
Sigma Controls Inc	Standby Transducer #1	\$1,126.52
Simonson Station Stores	Squad Car Washes	\$20.77
Sonnis Specialties Inc	Striping At Several Locations	\$1,181.25
Stauss Lynn	Mileage Reimb	\$269.50
Stennes Granite	1 O/C Cariveau	\$625.00
Strandell Warren	Book Project 26.75 Hrs	\$802.50
Straw William	Reimb Gas PeeWee Hockey	\$24.31
Sunshine Terrace	Reimb Petty Cash	\$83.20
Sun Dot Communications	ADSL/DSL Service Feb 09	\$138.49
Swang Mike	MN Juvenile Officers Conference	\$108.51
Tiger Direct.com	Fan For Michelle's Computer	\$32.98
Todays Organized Living LLC	Clean Out 117	\$93.72
Tony Dom Inc	Copy Mtc Jan 09	\$136.36
Tretter Tyler	Gas Reimb Roseau	\$24.00
True Temp	Replace Valve's #304 & #104, Replace Valve's #103 & 213	\$796.68
Valley Truck	Hyd Filters, Oil Filters, Oil	\$366.08
Vasek Ron	Reimb Gambling Permit	\$50.00
Verizon Wireless	Cell Phone	\$477.42
Waste Mgmt	Collection Fees	\$9,104.36
Water & Light Department	Services For The Month	\$50,959.90
Weber James	Station Supplies	\$26.70
Whitey's Cafe Inc	10 Dinners EDHA	\$72.31
Widseth Smith Nolting & Associates	Scientist II/TIF	\$321.00
Wizard's Enterprises	Custodial Services	\$490.00
Wumbus Corp	Defensive Driving Snow Plows Video	\$495.00
Corporation	Lease Agreement	\$115.09
RJ Zavoral & Sons	07 City Project No. 9	\$45,056.26
	Total	\$246,891.99

A MOTION WAS MADE BY COUNCIL MEMBER DEMERS, SECONDED BY COUNCIL MEMBER BUCKALEW, TO AUTHORIZE THE CITY ADMINISTRATOR/CLERK-TREASURER TO ISSUE PAYMENT OF RECOMMENDED BILLS AND PAYROLL.

Voting Aye: Pokrzywinski, DeMers, Buckalew, and Tweten.

Voting Nay: None.

Absent: Gregoire, Leigh, and Grassel.

COUNCIL/STAFF REPORTS:

Council Member Buckalew acknowledged Detective Blazek's retirement and thanked him for his years of service.

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Council Member Pokrzywinski announced that he doesn't object to any discussion held at a meeting to answer any necessary questions.

Council Vice President Tweten stated that there was an article regarding the stimulus package with more information to come.

Mr. Huizenga informed City Council that the legislatures are on the road and for more information on when and where to contact him.

Mr. Galstad stated that he has been working a lot on the 23rd Street project regarding construction easements.

Mr. Aker announced that Winter Fest was cancelled last week but the snowmobile race will be this upcoming weekend.

ADJOURN:

A MOTION WAS MADE BY COUNCIL MEMBER POKRZYWINSKI, SECONDED BY COUNCIL MEMBER DEMERS, TO ADJOURN THE FEBRUARY 17, 2009 REGULAR MEETING OF THE EAST GRAND FORKS, MINNESOTA CITY COUNCIL AT 5:32 P.M.

Voting Aye: Pokrzywinski, DeMers, Buckalew, and Tweten.

Voting Nay: None.

Absent: Gregoire, Leigh, and Grassel.

Scott Huizenga, City Administrator/Clerk-Treasurer

**UNAPPROVED
WORK SESSION
MINUTES
OF THE
EAST GRAND FORKS
CITY COUNCIL**

Tuesday, February 24, 2009 – 5:00 PM

CALL TO ORDER

The Work Session of the East Grand Forks City Council for February 24, 2009 was called to order by Council Vice President Henry Tweten at 5:04 P.M.

CALL OF ROLL

On a Call of Roll the following members of the East Grand Forks City Council were present: Mayor Lynn Stauss, Council Vice President Henry Tweten, Council Members Marc DeMers, Craig Buckalew, Wayne Gregoire, Mike Pokrzywinski, and Greg Leigh.

STAFF PRESENT:

Scott Huizenga, City Administrator/Clerk Treasurer; Michelle French, Executive Assistant; Greg Boppre, City Engineer; Ron Galstad, City Attorney; Jim Richter, EDHA Director; Mike Hedlund, Police Chief; and Charlotte Helgeson, Library Director; and John Wachter, Public Works Superintendent.

DETERMINATION OF A QUORUM

The Council President Determined a Quorum was present

1. Vending Wagon Licenses – Joe Martin & Ben Klipfel

Council Member Leigh expressed his concern regarding the Transient Merchant, Garbage and Refuse Hauler, and Junk Dealer license. Council Member Pokrzywinski stated that this would save on paper. Mr. Galstad suggested that the Police Department be involved in the licensing or is made aware of the ATV and Transient Merchant licenses. Council Member Buckalew suggested that if the license application meets all City requirements that it would be fine with him. This item will be referred to City Council for action.

2. Report of Feasibility – “2009 Assessment Job No. 3 – Paving Peabody 1st Addition/Greenway 1st Addition – Greg Boppre

Mr. Boppre explained the Report of Feasibility for the proposed paving project. Discussion occurred regarding paving 13th St. SE to include it in this project. Mr. Boppre suggested waiting on 13th St. SE until they receive a petition. Council Member Leigh stated that 11th Ave. SE is the cheapest and the developer agreed to pave this street unless the residents would agree to wait another year due to the economy. Council Vice President Tweten stated that the petition has over 50% of the residents. This item will be referred to City Council to file the Report of Feasibility and set public hearing date.

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3. Bid Results – “2009 City Project No. 2 – Curb, Gutter, and Paving” – 5th Ave. NE – Greg Boppre

Mr. Boppre announced that the bid results for this project came in approximately \$60,000 less than the projected cost. This project will be paid with State Aid funds. Mr. Boppre recommended authorizing the low bid contingent upon MnDot approval.

4. Quick Take Resolution – Ron Galstad

Mr. Galstad announced that he is under a time crunch and he may need to perform a Quick Take to obtain the appropriate right of ways, easements, and temporary construction easements for the 23rd Street NW project as well as the 14th Avenue SE and the 17th Avenue SE construction projects. Council Member Leigh expressed his concern regarding the costs to obtain the right of ways. He would like to settle on the right of way before starting the projects in case the costs would be too high. Mr. Boppre announced that the City can stop the project at any time.

5. Towing Contract – Michael Hedlund

Chief Hedlund announced that he got the language clarified to cover the City tows. He also announced that he has been working on a card to give to the public to show the prices. Mr. Galstad announced that the Police Department will need to explain the possible fees and if the tow is not a city tow, the Officer will need to give the individual the option of a towing company. Discussion occurred regarding the hours the towing companies are available. Council Member Leigh announced that this issue started off as an RFP and now it's a contract and now we are talking about a multiple year contract. He suggested a 1 year contract and re-bid in 2010. Council Member Pokrzywinski suggested striking out the language with the option to extend to a 3 year contract and in 2010 include the extension in the RFP. Council Member Gregoire agreed with a 1 year contract as well. Council Member Buckalew stated that he could go with a 2 year contract if compromised.

Stuarts Minske, Sturat's Towing, had an issue regarding the length of the contract. He stated that he went to court and he was found “not guilty” for price gouging. Mr. Minske stated that he did get one complain for a car accident but retired Chief Lealos never received a complaint. He also announced that he has never damaged a vehicle nor raised his rates since day one.

Ms Morrison, 530 7th Ave. SE, informed City Council that her vehicle got towed and she never had the option on a towing service. Mr. Brubaker, 709 Rhinehart SE, also announced that he never had the option. Mr. Helms, 613 2nd Ave, stated that the City never had a problem with towing until the City of East Grand Forks gave up the impound lot.

This item will be referred to City Council for action.

6. 2010 Preliminary Budget Discussion – Scott Huizenga

Mr. Huizenga asked for ideas on how the Council would like to proceed for the budget process and where the cuts should be made. Mayor Stauss suggested waiting for the legislature. Council Vice President Tweten suggested starting the process early and have all department heads give a presentation. He would

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FEBRUARY 24, 2009**

like to see a cash flow statement every other month. Council Vice President Tweten also suggested starting a contingency account. Council Member DeMers felt that some items can be discussed soon and the Council should look at the goals and values.

7. Adjourn to a closed session for City Administrator Scott Huizenga's Employee Evaluation. Closed session is to be performed according to the exception to the open meeting law pursuant to Minnesota Statute 13D.05, Subd. 3 unless Mr. Huizenga requests that the session be open.

The City Council adjourned to a closed session.

ADJOURN

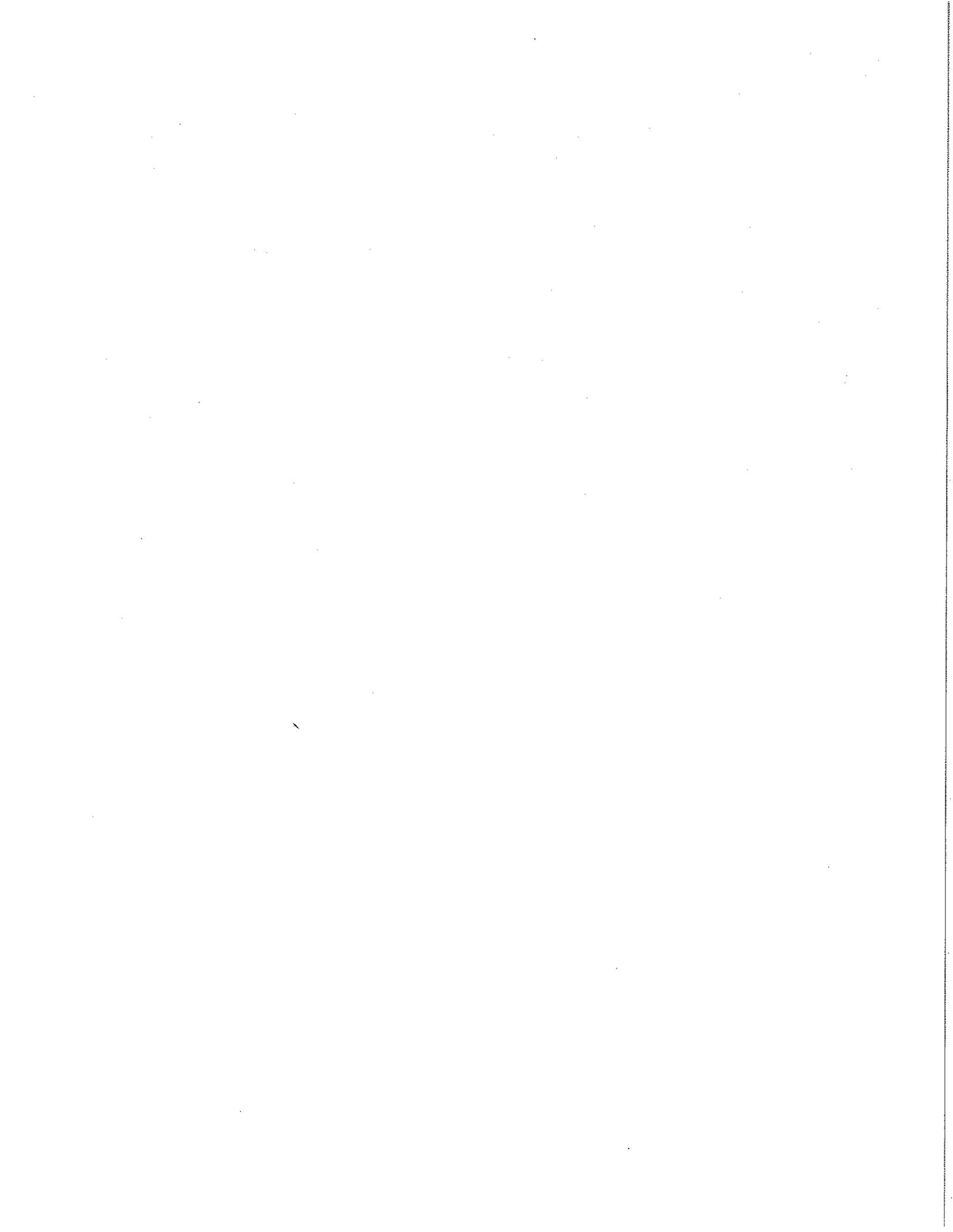
A MOTION WAS MADE BY COUNCIL MEMBER BUCKALEW, SECONDED BY COUNCIL MEMBER POKRZYWINSKI, TO ADJOURN THE FEBRUARY 24, 2009 WORK SESSION OF THE EAST GRAND FORKS, MINNESOTA CITY COUNCIL AT 6:25 P.M.

Voting Aye: Leigh, Pokrzywinski, DeMers, Buckalew, Tweten, and Gregoire.

Voting Nay: None.

Absent: Grassel.

Scott Huizenga, City Administrator/Clerk-Treasurer



**UNAPPROVED
CLOSED MEETING
MINUTES
OF THE
EAST GRAND FORKS
CITY COUNCIL
Tuesday, February 24, 2009 – 5:00 PM**

CALL TO ORDER

The Closed Meeting of the East Grand Forks City Council for February 24, 2009 was called to order by Council Vice President Henry Tweten at 6:25 P.M.

CALL OF ROLL

On a Call of Roll the following members of the East Grand Forks City Council were present: Mayor Lynn Stauss, Council Vice President Henry Tweten, Council Members Marc DeMers, Craig Buckalew, Wayne Gregoire, Mike Pokrzywinski, and Greg Leigh (left at 6:50 p.m.).

STAFF PRESENT:

Scott Huizenga, City Administrator/Clerk Treasurer and Michelle French, Executive Assistant

DETERMINATION OF A QUORUM

The Council President Determined a Quorum was present

- 1. Closed session for City Administrator Scott Huizenga's Employee Evaluation. Closed session is to be performed according to the exception to the open meeting law pursuant to Minnesota Statute 13D.05, Subd. 3.

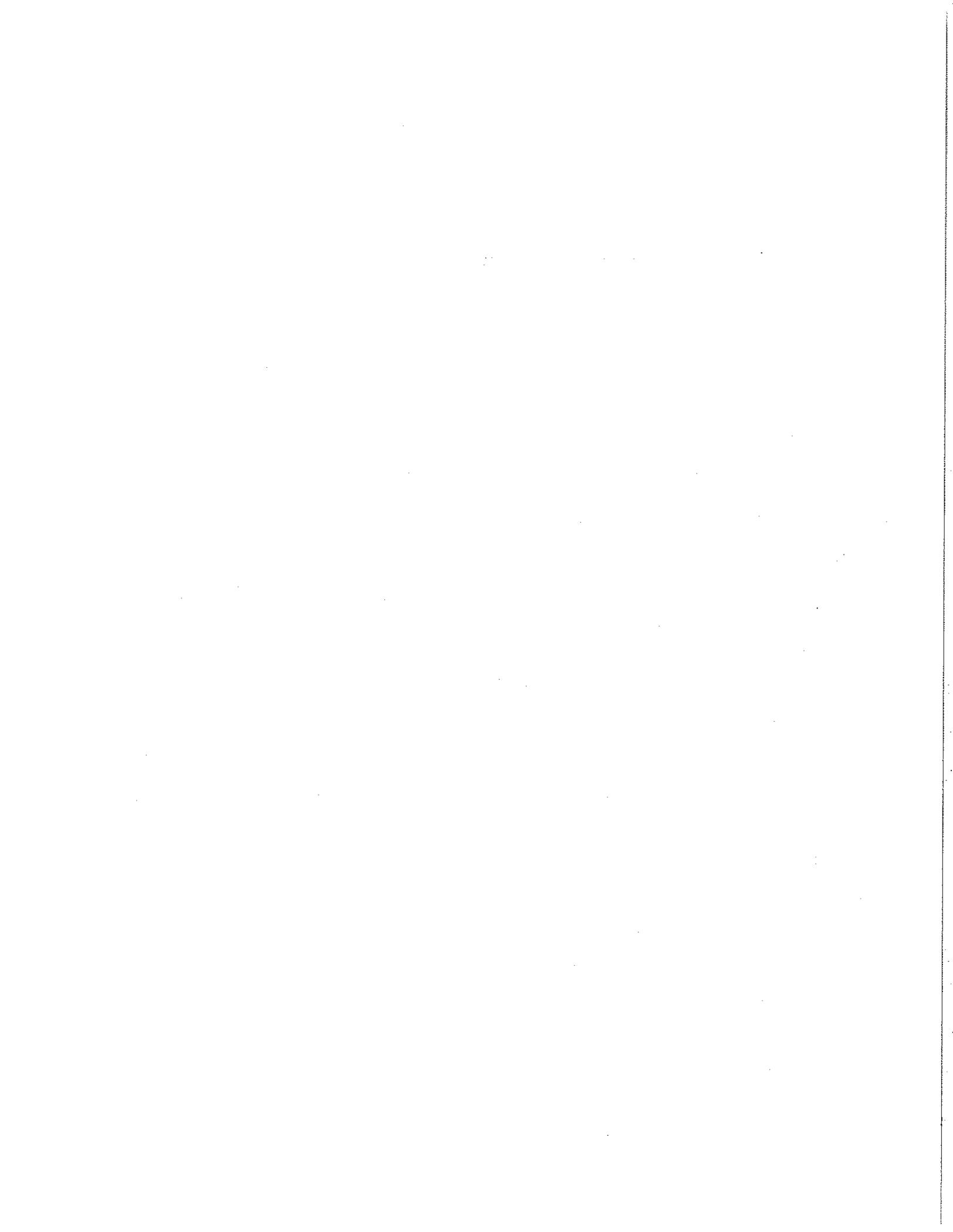
The purpose of the closed meeting of the East Grand Forks City Council was to discuss Scott Huizenga's evaluation.

ADJOURN

A MOTION WAS MADE BY COUNCIL MEMBER GREGOIRE, SECONDED BY COUNCIL MEMBER BUCKALEW, TO ADJOURN THE FEBRUARY 24, 2009 WORK SESSION OF THE EAST GRAND FORKS, MINNESOTA CITY COUNCIL AT 7:00 P.M.

Voting Aye: Pokrzywinski, DeMers, Buckalew, Tweten, and Gregoire.
Voting Nay: None.
Absent: Leigh and Grassel.

Scott Huizenga, City Administrator/Clerk-Treasurer



Request for Council Action

Date: February 18, 2009

To: East Grand Forks City Council, Mayor Lynn Stauss, President Dick Grassel, Council Vice President Henry Tweten, Council Members: Marc Demers, Craig Buckalew, Wayne Gregoire, Greg Leigh, and Mike Pokrzywinski.

Cc: File

From: Greg Boppre, P.E.

RE: Bid results - 2009 City Project No. 2 - Curb, Gutter and Paving

Background:

Please see the attached bid tabulation for the above referenced project. We received six(6) bids, with the low bidder being Opp Construction at a bid price of \$354,733.00. The budget breakdown is as follows:

Construction -	\$354,733.00
Plans and Specifications -	\$35,473.30
Staking and Inspection -	\$17,736.65
Contingencies -	\$17,736.65
TOTAL	\$425,679.60

Also, please see the attached revised State Aid budget sheet. With the bid of 5th avenue ne under our estimate, we are now \$44,861.40 in the black.

Recommendation:

Approve the low bid of Opp Construction contingent upon MnDOT approval.

Enclosures:

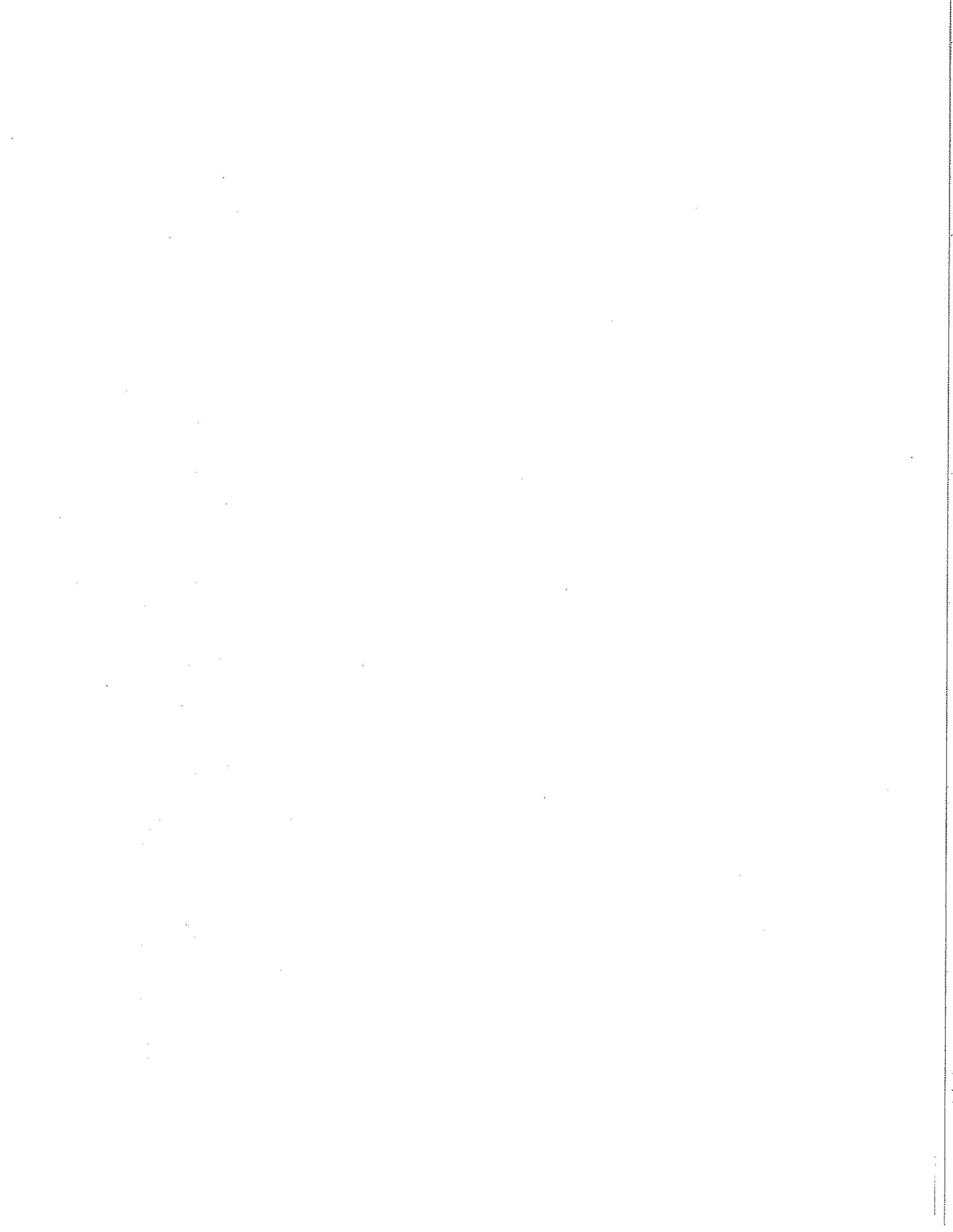
Bid Tabulation
State Aid Budget

2009 CITY PROJECT NO. 2
STREET RECONSTRUCTION
6TH AVENUE
S.A.P. 119-110-006
EAST GRAND FORKS

ITEM NO.	DESCRIPTION	UNIT	SAV 119-110-006	O/P CONSTRUCTION		RJ ZAVONALE SONS		BARRIS CONTRACTING		STRATA CORP		INDUSTRIAL CONTRACT SERVICES		TACCA EXCAVATING	
				STORRY SWEWER	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE
2104.501	Remove Curb and Gutter	LF	1184	\$23.00	\$27,232.00	\$2.65	\$3,138.40	\$19.21	\$22,593.60	\$7.00	\$8,280.00	\$3.30	\$3,911.20	\$9.00	\$10,746.00
2104.501	Remove Sewer Pipe (Storm)	LF	1072	\$7.30	\$7,821.60	\$1.35	\$1,449.60	\$5.94	\$6,372.00	\$5.20	\$5,574.40	\$1.20	\$1,286.40	\$2.00	\$2,145.60
2104.503	Remove Concrete Sidewalk	SF	914	\$2.85	\$2,604.90	\$2.10	\$1,919.40	\$0.78	\$713.10	\$4.70	\$4,292.10	\$1.00	\$918.00	\$2.00	\$1,827.00
2104.505	Remove Concrete Pavement	SY	3001	\$2.10	\$6,302.10	\$1.35	\$4,051.35	\$3.92	\$11,876.36	\$8.00	\$24,000.00	\$3.00	\$9,000.00	\$10.00	\$30,000.00
2104.505	Remove Concrete Pavement	SY	310	\$2.30	\$717.00	\$2.39	\$740.90	\$2.78	\$861.00	\$12.00	\$3,720.00	\$4.40	\$1,364.00	\$10.00	\$3,000.00
2104.509	Remove Catch Basin	EA	4	\$200.00	\$800.00	\$195.00	\$780.00	\$260.00	\$1,040.00	\$260.00	\$1,040.00	\$230.00	\$920.00	\$300.00	\$900.00
2104.509	Remove Manhole	EA	3	\$410.00	\$1,230.00	\$385.00	\$1,155.00	\$406.60	\$1,219.80	\$410.00	\$1,230.00	\$360.00	\$1,080.00	\$300.00	\$900.00
2104.509	Remove Curb	EA	3	\$230.00	\$690.00	\$210.00	\$531.00	\$235.00	\$705.00	\$230.00	\$690.00	\$230.00	\$690.00	\$230.00	\$690.00
2104.509	Remove Curb	EA	8	\$15.00	\$120.00	\$17.00	\$136.00	\$4.20	\$33.60	\$27.00	\$216.00	\$38.00	\$304.00	\$50.00	\$390.00
2104.513	Slowing Concrete Treatment (Full Depth)	LF	521	\$6.00	\$3,126.00	\$4.61	\$2,401.81	\$6.00	\$3,120.00	\$10.00	\$5,210.00	\$5.00	\$2,605.00	\$5.00	\$2,605.00
2104.523	Slowing Sign Pad Type C	EA	3	\$195.00	\$585.00	\$180.00	\$540.00	\$29.50	\$88.50	\$45.00	\$135.00	\$45.00	\$135.00	\$45.00	\$135.00
2105.501	Common Excavator (E)	CY	1,077	\$11.25	\$12,118.75	\$7.50	\$8,077.50	\$35.99	\$38,451.25	\$8.50	\$9,154.50	\$7.00	\$7,539.00	\$7.00	\$7,539.00
2105.525	Topsoil Backfill (L.V.)	CY	80	\$11.00	\$880.00	\$10.60	\$848.00	\$9.63	\$770.40	\$2.85	\$228.00	\$2.70	\$216.00	\$3.15	\$252.00
2109.604	Excavator	SY	3,338	\$3.50	\$11,683.00	\$1.20	\$4,005.60	\$2.75	\$9,179.50	\$1.25	\$4,172.50	\$1.10	\$3,671.50	\$1.80	\$6,006.00
2119.604	Single-Preparation	SY	3,338	\$1.65	\$5,507.70	\$1.30	\$4,339.40	\$2.54	\$8,478.52	\$1.25	\$4,172.50	\$1.10	\$3,671.50	\$1.80	\$6,006.00
2211.607	Guided Concrete	CY	927	\$24.50	\$22,711.50	\$23.95	\$22,197.65	\$29.43	\$27,291.61	\$29.50	\$27,346.50	\$27.00	\$25,095.00	\$22.00	\$20,394.00
2301.503	Reinforcement Bars (Epoxy Coated)	LB	1,380	\$7.60	\$10,488.00	\$1.74	\$2,381.60	\$3.10	\$4,287.00	\$3.50	\$4,830.00	\$3.00	\$4,110.00	\$4.00	\$5,520.00
2301.604	Concrete Pavement (E)	SY	2,827	\$46.70	\$132,020.90	\$30.65	\$86,617.55	\$49.95	\$141,208.65	\$52.20	\$147,569.40	\$58.00	\$163,966.00	\$55.00	\$155,485.00
2503.511	12" RC Pipe Sewer Glass III	LF	124	\$32.70	\$4,054.80	\$30.30	\$3,757.20	\$38.95	\$4,817.50	\$36.00	\$4,464.00	\$44.00	\$5,456.00	\$42.00	\$5,208.00
2503.511	15" RC Pipe Sewer Glass III	LF	21	\$35.50	\$745.50	\$32.80	\$689.60	\$41.41	\$869.61	\$41.80	\$877.80	\$49.00	\$1,038.00	\$46.00	\$966.00
2503.511	18" RC Pipe Sewer Glass III	LF	219	\$39.10	\$8,564.10	\$36.30	\$7,949.70	\$41.75	\$9,141.75	\$42.13	\$9,226.83	\$52.00	\$11,340.60	\$50.00	\$10,950.00
2503.511	24" RC Pipe Sewer Glass III	LF	122	\$47.80	\$5,831.60	\$44.10	\$5,380.20	\$51.15	\$6,240.30	\$51.65	\$6,301.30	\$64.00	\$7,808.00	\$62.00	\$7,564.00
2506.516	12" RC Pipe Sewer Glass III	LF	466	\$70.70	\$33,076.20	\$65.72	\$30,649.18	\$68.65	\$32,056.90	\$70.30	\$32,759.90	\$84.00	\$39,192.00	\$80.00	\$37,360.00
2506.516	Adjustment Valve & Box	EA	4	\$1,400.00	\$5,600.00	\$52.00	\$208.00	\$108.00	\$432.00	\$175.00	\$700.00	\$240.00	\$960.00	\$30.00	\$1,200.00
2506.516	Castling Assembly Type A	EA	4	\$1,620.00	\$6,480.00	\$1,087.00	\$4,348.00	\$1,281.00	\$5,124.00	\$1,100.00	\$4,400.00	\$900.00	\$3,600.00	\$400.00	\$1,600.00
2506.516	Castling Assembly Type B	EA	5	\$930.00	\$4,650.00	\$986.00	\$4,930.00	\$1,750.00	\$8,750.00	\$1,100.00	\$5,500.00	\$900.00	\$4,500.00	\$700.00	\$3,500.00
2506.516	Castling Assembly Type C	EA	2	\$1,880.00	\$3,760.00	\$2,070.00	\$4,140.00	\$1,000.00	\$2,000.00	\$2,200.00	\$4,400.00	\$790.00	\$1,580.00	\$3,160.00	
2506.602	Install Catch Basin	EA	4	\$1,790.00	\$7,160.00	\$1,693.00	\$6,772.00	\$1,168.00	\$4,672.00	\$1,065.00	\$4,260.00	\$1,320.00	\$5,280.00	\$1,500.00	\$6,000.00
2506.603	Construct Storm Manhole (8'x8')	LF	10	\$305.00	\$3,050.00	\$15.00	\$150.00	\$288.90	\$2,889.00	\$299.00	\$2,990.00	\$327.00	\$3,270.00	\$400.00	\$4,000.00
2506.603	Construct Storm Manhole (6'x6')	LF	121	\$700.00	\$84,700.00	\$665.00	\$80,465.00	\$840.60	\$101,712.60	\$384.00	\$46,080.00	\$55.00	\$6,600.00	\$65.00	\$7,875.00
2521.501	4' Concrete Wall	SF	91	\$8.00	\$728.00	\$8.20	\$754.80	\$4.95	\$450.45	\$8.00	\$720.00	\$5.00	\$450.00	\$5.00	\$450.00
2521.501	Generate Curb and Gutter, Design B624	LF	1,164	\$20.00	\$23,280.00	\$21.70	\$25,258.80	\$13.50	\$15,714.00	\$18.25	\$21,249.00	\$24.80	\$28,872.00	\$22.00	\$25,684.00
2521.507	6' Concrete Driveway Pavement	SY	310	\$96.00	\$29,760.00	\$99.90	\$30,969.00	\$12.80	\$3,969.60	\$13.00	\$4,020.00	\$16.00	\$4,992.00	\$17.00	\$5,270.00
2524.501	Traffic Control	LS	1	\$6,200.00	\$6,200.00	\$1,360.00	\$1,360.00	\$5,840.00	\$5,840.00	\$8,700.00	\$8,700.00	\$6,100.00	\$6,100.00	\$10,000.00	\$10,000.00
2524.501	Install Sign Panel	EA	3	\$16.00	\$48.00	\$63.00	\$189.00	\$70.00	\$210.00	\$65.00	\$195.00	\$70.00	\$210.00	\$70.00	\$210.00
2524.502	Install Sign Post Support	EA	8	\$160.00	\$1,280.00	\$173.00	\$1,384.00	\$176.00	\$1,408.00	\$225.00	\$1,800.00	\$240.00	\$1,920.00	\$200.00	\$1,600.00
2524.502	Install Sign Post Support	EA	2	\$395.00	\$790.00	\$141.00	\$282.00	\$145.00	\$290.00	\$320.00	\$640.00	\$150.00	\$300.00	\$300.00	
2525.501	Storm Drain inlet Protection	EA	7	\$70.00	\$490.00	\$114.00	\$800.00	\$78.00	\$546.00	\$82.00	\$574.00	\$100.00	\$700.00	\$100.00	\$700.00
2525.502	Stenciling	ARCS	0.43	\$150.00	\$64.50	\$64.50	\$96.75	\$139.50	\$59.25	\$25.50	\$35.25	\$50.25	\$70.50	\$98.25	
TOTAL	4' Broken Limb Yellow - Epoxy	LF	1403	\$20.00	\$28,060.00	\$22.75	\$31,830.75	\$25.00	\$35,075.00	\$27.70	\$38,661.10	\$27.70	\$38,661.10	\$28.00	\$39,280.00
					\$354,733.00		\$382,487.88		\$370,789.24		\$399,777.65		\$418,976.20		\$438,483.10

STATE AID BUDGET

PROJECT	CONSTRUCTION	EXPENSE		CONT	TOTAL	REVENUE	
		P/S	S/I			2008	2009
2009 City Project No. 2- 5th Ave NE	\$354,733.00	\$35,473.30	\$17,736.65	\$17,736.65	\$425,679.60	\$248,765.00	\$409,089.00
2009 Assessment Job No. 1 - 17th Ave SE	\$162,873.00	\$14,660.00	\$9,780.00	\$8,145.00	\$187,313.00		
					\$612,992.60		\$657,854.00



Request for Council Action

Date: 2-18-09

To: East Grand Forks City Council, Mayor Lynn Stauss, President Dick Grassel, Council Vice President Henry Tweten, Council Members: Marc Demers, Craig Buckalew, Wayne Gregoire, Greg Leigh, and Mike Pokrzywinski.

Cc: File

From: Michelle French

RE: Licenses

The Grand Cities Art Fest is requesting the change in obtaining the Vending Wagon License. In the past we have had some last minute license applications that would like to be part of events. We have always brought all licenses to City Council for approval.

Consider authorizing the City Administrator/Clerk-Treasurer to approve the following licenses: ATV, Amusement Center, Dance, Dog & Cat License, Garbage & Refuse Haulers, Gas & Oil Installers, Junk Dealers, Machine License, Massage Parlors, Massage Therapy, Master Plumbers, Photographers, Second Hand Auto Dealers, Second Hand Dealers, Show, Taxi Cab, Transient Merchant License, Tobacco, and Vending Wagon License. The Administration Office will assure all license applications meet the City and State requirements prior to approval.

All liquor licensing, gambling permits, parade permits, and special event permits will continue requiring Council approval.

Recommendation: Please consider changing the licensing process and authorize the City Administrator/Clerk-Treasurer to sign the recommended licenses excluding liquor providing proper documentation and fees.

Grand Cities Art Fest
North Valley Arts Council
PO Box 12204
Grand Forks, ND 58208-2204



February 18, 2009

East Grand Forks City Council & Mayor Lynn Stauss
600 DeMers Avenue
East Grand Forks, MN 56721

Dear Council and Mayor Stauss:

Thank you for your outstanding support of the Grand Cities Art Fest in the past years. The event has been a great success in the past due in no small part to the hospitality, financial and administrative support you have so freely offered. Your hard work in assuring that our vendors and artists are properly licensed, inspected and insured has been greatly appreciated.

However, due to increasing financial challenges experienced by our artists and food vendors we are respectfully asking that you as a council might consider changing some of the approval process especially where it involves food vendor licensing on the Minnesota/East Grand Forks side of the Art Fest venue for the following reasons.

Last season we had several artists and food vendors cancel in the final days before the event citing the increased cost of travel and materials needed to be a successful part of the event.

Due to our inability to get last minute food vendor approval for the East Grand Forks Food Court we had an unbalanced number of vendors across the venue, with the majority being placed in Grand Forks. It is our belief that the significantly smaller food court East Grand Forks caused the remaining vendors to be less successful due to decreased choices available to Art Fest patrons on the East side causing higher than normal traffic on the Grand Forks side..

We believe that your process of approving vendors for East Grand Forks is nearly identical to the requirements placed on the vendors by the managing staff of Art Fest including proper evidence of current Department of Health Permits for Minnesota and/or North Dakota, current certificate of insurance, transient vendor licensing and sales and use tax permits.

It is our hope that we as the Art Fest management team could work with you as a council to obtain a finite number of blank permits providing that we comply with all requirements necessary to satisfy city and state statutes. The reason for this change request is that in the event that we once again feel the need to balance the number of vendors on either side of the river in the last days prior to the show, we would be able to do so even though your council may not meet again until after the event.

Our past vendor files include documentation showing evidence of our having enforced the local and state requirements in each of the past years in tandem with both city ordinances and state laws. It is our hope that by working together we can streamline the approval processes and help the vendors as well as both sides of the venue to be in balance giving all concerned the best possible opportunity for a successful show.

If you are able to make the changes, we will promise to work diligently to be sure that the City is properly notified and provided with proper records before, during and after the event. Once again, thank you for your support of this important community event.

Respectfully Submitted,

Jo Martin, Ben Klipfel Steering Committee Chairs, Grand Cities Art Fest

CITY OF EAST GRAND FORKS
APPLICATION FOR PARADE PERMIT

Name of Applicant: Susan LeTexier (Praise God Parade)

Address: 212 3rd St NW EGF Phone No: 773-6519 / 773-5112
work

Contact Name: Susan LeTexier Date of Parade: May 16, 2009

Start Time: 10:30 End Time: 11:45

Composition of parade (Cars, band, etc.): Cars, floats, marching people, motorcycles, peepers, horses (maybe)

Route: DeMere to 5th St to Sherlock Park

Susan LeTexier _____
Signature Date 2-6-09

TO BE COMPLETED BY POLICE CHIEF

Recommendations: Approved pending approval of State of Minnesota DOT.

Michael S. Heikend _____
Signature Date 02-18-2009

TO BE COMPLETED BY CLERK-TREASURER

Permit No: _____

_____ is granted a PARADE PERMIT to be held
on _____, 200__.

Filed this _____ day of _____, 200__.

City Administrator/Clerk-Treasurer

OFFICE USE ONLY
Receipt # 4899 Method of Print: Cash Check # 501

LG220 Application for Exempt Permit

Fee is \$50 for each event

- An exempt permit may be issued to a nonprofit organization that:
- conducts lawful gambling on five or fewer days, and
 - awards less than \$50,000 in prizes during a calendar year.

For Board Use Only

Check # _____ \$ _____

ORGANIZATION INFORMATION

Organization name East Grand Forks Ducks Unlimited		Previous gambling permit number		
Type of nonprofit organization. Check one. <input type="checkbox"/> Fraternal <input type="checkbox"/> Religious <input type="checkbox"/> Veterans <input checked="" type="checkbox"/> Other nonprofit organization				
Mailing address 2426 Pebble Beach Road NW	City East Grand Forks	State MN	Zip Code 56721	County Polk
Name of chief executive officer (CEO) Michael S. Hedlund	Daytime phone number 218=773-2283		Email address mphedlund@gra.midco.net	

Attach a copy of ONE of the following for proof of nonprofit status. Check one.

Do not attach a sales tax exempt status or federal ID employer numbers as they are not proof of nonprofit status.

Nonprofit Articles of Incorporation OR a current Certificate of Good Standing.
 Don't have a copy? This certificate must be obtained each year from:
 Secretary of State, Business Services Div., 180 State Office Building, St. Paul, MN 55155 Phone: 651-296-2803

IRS income tax exemption [501(c)] letter in your organization's name.
 Don't have a copy? To obtain a copy of your federal income tax exempt letter, have an organization officer contact the IRS at 877-829-5500.

IRS - Affiliate of national, statewide, or international parent nonprofit organization (charter)
 If your organization falls under a parent organization, attach copies of both of the following:
 a. IRS letter showing your parent organization is a nonprofit 501(c) organization with a group ruling, and
 b. the charter or letter from your parent organization recognizing your organization as a subordinate.

IRS - proof previously submitted to Gambling Control Board
 If you previously submitted proof of nonprofit status from the IRS, no attachment is required.

GAMBLING PREMISES INFORMATION

Name of premises where gambling activity will be conducted (for raffles, list the site where the drawing will take place)
American Legion Club

Address (do not use PO box) 1009 Central Avenue NW	City East Grand Forks	Zip Code 56721	County Polk
--	---------------------------------	--------------------------	-----------------------

Date(s) of activity (for raffles, indicate the date of the drawing)
04/04/2009 to

Check the box or boxes that indicate the type of gambling activity your organization will conduct:
 Bingo*
 Raffles
 Paddlewheels*
 Pull-Tabs*
 Tipboards*

* **Gambling equipment** for pull-tabs, bingo paper, tipboards, and paddlewheels must be obtained from a distributor licensed by the Gambling Control Board. EXCEPTION: Bingo hard cards and bingo number selection devices may be borrowed from another organization authorized to conduct bingo.

Also complete
Page 2 of this form.

Print Form

Reset Form

To find a licensed distributor, go to www.gcb.state.mn.us and click on List of Licensed Distributors, or call 651-639-4076.

LOCAL UNIT OF GOVERNMENT ACKNOWLEDGMENT

If the gambling premises is within city limits, a city official must check (X) the action that the city is taking on this application and sign the application.

- The application is acknowledged with no waiting period.
- The application is acknowledged with a 30 day waiting period, and allows the Board to issue a permit after 30 days (60 days for a 1st class city).
- The application is denied.

Print city name East Grand Forks
On behalf of the city, I acknowledge this application.

Signature of city official receiving application

Title _____ Date ____/____/____

If the gambling premises is located in a township, a county official must check (X) the action that the county is taking on this application and sign the application. A township official must also sign the application.

- The application is acknowledged with no waiting period.
- The application is acknowledged with a 30 day waiting period, and allows the Board to issue a permit after 30 days.
- The application is denied.

Print county name _____
On behalf of the county, I acknowledge this application.
Signature of county official receiving application

Title _____ Date ____/____/____

TOWNSHIP: On behalf of the township, I acknowledge that the organization is applying for exempted gambling activity within township limits. [A township has no statutory authority to approve or deny an application [Minnesota Statute 349.213, subd. 2]]
Print township name _____

Signature of township official acknowledging application

Title _____ Date ____/____/____

CHIEF EXECUTIVE OFFICER'S SIGNATURE

The information provided in this application is complete and accurate to the best of my knowledge. I acknowledge that the financial report will be completed and returned to the Board within 30 days of the date of our gambling activity.

Chief executive officer's signature [Signature] Date 02-18-02

- Complete a separate application for each gambling activity:**
- one day of gambling activity,
 - two or more consecutive days of gambling activity,
 - each day a raffle drawing is held

Send application with: a copy of your proof of nonprofit status, and \$50 application fee for each event. Make check payable to "State of Minnesota."

To: Gambling Control Board
1711 West County Road B, Suite 300 South
Roseville, MN 55113

Financial report and record keeping required
A financial report form and instructions will be sent with your permit. Within 30 days of the activity date, complete and return the financial report form to the Gambling Control Board.

Questions?
Call the Licensing Section of the Gambling Control Board at 651-639-4076.

[Print Form](#) [Reset Form](#)

Data privacy. This form will be made available in alternative format (i.e. large print, Braille) upon request. The information requested on this form (and any attachments) will be used by the Gambling Control Board (Board) to determine your qualifications to be involved in lawful gambling activities in Minnesota. You have the right to refuse to supply the information requested; however, if you refuse to supply this information, the Board may not be able to determine your qualifications and, as a consequence, may refuse to issue you a permit. If you supply the information requested,

the Board will be able to process your application. Your name and your organization's name and address will be public information when received by the Board. All the other information you provide will be private data until the Board issues your permit. When the Board issues your permit, all of the information provided to the Board will become public. If the Board does not issue a permit, all information provided remains private, with the exception of your name and your organization's name and address which will remain public. Private data are available to: Board members,

Board staff whose work requires access to the information; Minnesota's Department of Public Safety; Attorney General; Commissioners of Administration, Finance, and Revenue; Legislative Auditor, national and international gambling regulatory agencies; anyone pursuant to court order; other individuals and agencies that are specifically authorized by state or federal law to have access to the information; individuals and agencies for which law or legal order authorizes a new use or sharing of information after this Notice was given; and anyone with your consent.

Minutes of the regular meeting of the Water, Light, Power and Building Commission of the City of East Grand Forks, Minnesota held February 5, 2009 at 5:00 P.M.

Present: Brickson, Quirk, Tweten

Absent: Ogden

It was moved by Commissioner Tweten second by Commissioner Quirk that the minutes of the previous meeting of January 15, 2009 be approved as read.

Voting Aye: Brickson, Quirk, Tweten

Voting Nay: None

It was moved by Commissioner Quirk second by Commissioner Tweten to authorize the Secretary to issue payment of the recommended bills and payroll in the amount of \$432,650.83.

Voting Aye: Brickson, Quirk, Tweten

Voting Nay: None

It was moved by Commissioner Tweten second by Commissioner Quirk to approve the Advertisement for bids for the 2009 Miscellaneous Electric Distribution Construction.

Voting Aye: Brickson, Quirk, Tweten

Voting Nay: None

It was moved by Commissioner Quirk second by Commissioner Tweten to approve four pieces of equipment as surplus.

Voting Aye: Brickson, Quirk, Tweten,

Voting Nay: None

It was moved by Commissioner Quirk second by Commissioner Tweten to approve the request to provide temporary power to the soup tent during Winter Fest.

Voting Aye: Brickson, Quirk, Tweten

Voting Nay: None

It was moved by Commissioner Quirk second by Commissioner Tweten to approve sending a letter requesting a start date of February 1, 2009 for the beginning of the warranty period for Sensus meters; declare the project substantially complete, and issue payment as agreed.

Voting Aye: Brickson, Quirk, Tweten

Voting Nay: None

It was moved by Commissioner Tweten second by Commissioner Quirk to approve the publication of a summary of the Water & Light Commission meeting minutes in the Exponent.

Voting Aye: Brickson, Quirk, Tweten

Voting Nay: None

It was moved by Commissioner Quirk second by Commissioner Tweten to adopt the updated per diem rates to our current travel reimbursement policy.

Voting Aye: Brickson, Quirk, Tweten

Voting Nay: None

It was moved by Commissioner Brickson second by Commissioner Tweten that the meeting be adjourned to February 19, 2009 at 5:00 P.M.

Voting Aye: Brickson, Quirk, Tweten

Voting Nay: None

Lori Maloney
Sec'y

CHECK NO	VENDOR	DESCRIPTION	AMOUNT
500910	Advanta Bank Corp	Training & school	2,103.47
500911	Abel Bonnie	Expenses	127.05
500912	American Public Power Assoc	Promotional supplies	1,540.00
500913	Ameripride Linen/Apparel	Contracted services	233.72
500914	Bakke Brian	CIP rebate / Front load washer	150.00
500915	Belbas Angie	CIP rebate / Dishwasher	50.00
500916	Bobcat of Grand Forks	Maintenance	195.60
500917	Booen Cody	Overpay final bill #5594	24.20
500918	Border States Electric	Supplies & inventory	5,096.16
500919	Bouchard Jake	Overpay final bill #6493	97.17
500920	Boyce Dan	Expenses	378.00
500921	Bearings & Drives	Parts & supplies	733.78
500922	Bridgeford Patrick	CIP rebate - 442 Greenwood Dr SE	500.00
500923	Brown Seth	Expenses	60.00
500924	Buck William	CIP rebate - Front load washer	150.00
500925	Burke Shawn	Overpay final bill #11130	19.14
500926	Business Essentials	Supplies	182.92
500927	CL Linfoot Company	Heating system repair	343.01
500928	Cole Papers Inc	Paper	125.46
500929	Coleman Rita	Overpay final bill #5139	15.37
500930	Combined Insurance	Disability premiums	312.00
500931	David Jamey	Expenses	418.60
500932	Dept of Energy/WAPA	Current	163,873.00
500933	Eagle Electric	Contracted services	175.00
500934	EGF City	Transfer	156,848.03
500935	Ethanol Products LLC	Water treat chemicals	2,524.09
500936	Floan-Sanders Inc	Professional fees	10,000.00
500937	Forklifts of MN Inc	Maintenance	110.42
500938	GF Fire Equipment	Ann'l extinguisher checkup	154.23
500939	Graymont	Water treat chemicals	3,936.53
500940	Haugen John	CIP rebate - Dishwasher	50.00
500941	Hawkins Inc	Water treat chemicals	4,751.33
500942	Holiday Fleet	Fuel	51.74
500943	Holt Chad	CIP rebate - 1406 14th Ave SE	250.35
500944	Hugo's	Advertising	100.00
500945	Integra Telecom	Long distance charges	16.17
500946	Johnson Ruth Ann	Miscellaneous	192.85
500947	KBM Inc	Professional fees	9,126.86
500948	Killoran Trucking	Water treat chemicals	7,411.49
500949	Knauf Morgan	Overpay final bill #7904	12.50
500950	Koehler Darrel	CIP rebate - Top load washer	100.00
500951	Kovar Kris	Expenses	60.00
500952	Lake Aggasiz Wtr Authority	Membership dues - 2009	2,000.00
500953	Lee Dwain	CIP rebate - Front load washer	150.00
500954	Leisureland RV	Supplies	17.85
500955	Locators & Supplies	Supplies	270.19
500956	M & W Services Inc	Meter reading / Jan 13 - Feb 3	2,929.75
500957	Maldonado Bernie	Overpay final bill #11223	9.77
500958	Midcontinent Communications	Advertising / Jan	447.00
500959	MN Dept of Natural Resources	Permits & fees	3,425.00
500960	MN Dept of Public Safety	Permits & fees	175.00
500961	MMUA	Training & school	1,200.00
500962	MN State Retirement System	Post employment contributions	1,130.19

500963	Monarch Travel & Tours	Airfare - Washington DC	1,968.60
500964	North-Holt Electric Inc	Professional fees	8,987.25
500965	Olson Emanuel	CIP rebate - Dishwasher	50.00
500966	Olson Jeff	Expenses	398.50
500967	Peabody Dennis	CIP rebate - Refrigerator recycled	100.00
500968	Pitney Bowes Inc	Supplies	375.42
500969	Powerplan OIB	Repairs	279.07
500970	PS Doors	Maintenance	1,457.28
500971	Reliable	Supplies	74.37
500972	Rohrick Corey	CIP rebate - Front load washer	150.00
500973	Safety Kleen Corp	Maintenance	1,646.98
500974	Soli Michael	CIP rebate -- Dishwasher/wash machine	150.00
500975	Spilde Kayla	CIP rebate - Front load washer	150.00
500976	Stan's Communications	Repairs	205.53
500977	Swenson Peter	CIP rebate - Front load washer	150.00
500978	TigerDirect	Supplies	26.98
500979	Tony Dorn	Copier maintenance	185.35
500980	Tri-Valley	CIP billing	5,116.38
500981	Valley Truck Parts	DOT inspections	292.09
500982	Verizon Wireless	Communications	193.36
500983	Water & Light Department	Utilities / petty cash	18,401.37
500984	Xcel Energy	Gas utilities	7,937.31
	TOTAL		<u>\$432,650.83</u>



Board of the East Grand Forks Campbell Library
Minutes from February 24, 2009 meeting

Present: Gary Christianson, Pat Jacklitch, Kay Buckalew, Mike Pokrzywinski, Judi Loer, Mary Gail Homstad, Sharon Budge and Charlotte Helgeson

Absent: None

- I. Motion to accept corrected minutes was made by Jacklitch with a second by Loer. Passed.
- II. Bills were reviewed with a motion by Budge and second by Homstad to approve. Passed.
- III. Old Business
 - A. The ceiling in the meeting room is scheduled to be opened up for review and correction of heat loss situation from April 17-24, 2009. Mark Cowger Construction is providing an estimate on the proposed work.
 - B. There has been no response from LARL concerning the discussion of ELM. A message will be sent to Sen. Stumpf to let him know that his suggestions have been followed and the next step is to contact Northwest Region for possible cooperation
 - C. The 2009 budget is being reviewed with proposed reductions in the administrator's office.
- IV. New Business
 - A. Almost 100 entries have been received for the juried photography contest. The opening will be held Monday, March 2 at 6:30. Prizes from the mayor, Arts & Crafts Council, Friends and the library will be awarded.
 - B. Two grants have been lost due to the current budget within the city and state. Local funding is keeping pace with the 2009 scheduling, so there may be changes in programming as the calendar year progresses.
 - C. With the loss of Pat Iverson, Library Clerk 2, a replacement is needed to fill that position. A library aide currently on staff is able to take on those responsibilities. A motion by Pokrzywinski was made to offer the position to Rosina Bechhold for \$8.50/hour beginning immediately. Second by Jacklitch. Passed. An Experience Works trainee will begin this week also.
 - D. Climate Control's contract has been reviewed and will continue.

A motion to adjourn was made by Buckalew with a second by Pokrzywinski. Motion passed; meeting adjourned.

The next meeting will be held Tuesday, March 31 at 7 a.m. in Seasons Restaurant.

Request for Council Action

Date: February 4, 2009

To: East Grand Forks City Council, Mayor Lynn Stauss, President Dick Grassel, Council Vice President Henry Tweten, Council Members: Marc Demers, Craig Buckalew, Wayne Gregoire, Greg Leigh, and Mike Pokrzywinski.

Cc: File

From: Michael S. Hedlund – Chief of Police

RE: Towing Contract – Grand Cities Towing

Background: In July 2008 the City of East Grand Forks awarded a city towing contract to Grand Cities Towing of East Grand Forks, MN. This award was made with a six month probationary period. A formal contract was not developed during the early stages of this agreement. In October 2008 I brought to Council a variety of information regarding the status of this arrangement and the performance of Grand Cities Towing during the first few months of this arrangement. At that time myself and City Attorney Ron Galstad were directed to develop a formal contract between Grand Cities Towing and the City of East Grand Forks. This contract has been developed and Mr. Galstad has met with the owners of Grand Cities Towing (Kirk Driscoll and Bryan Kozel) and it is my understanding that they are in agreement with it. At the October 2008 meeting I brought forth a log of compliments and complaints reference the service provided by Grand Cities. Since that meeting there have only been three additional entries and those detail only minor complaints (see attachment).

Recommendation: After speaking with Mr. Huizenga and Mr. Galstad it is our recommendation that this contract be enacted for a period of one year from the date of the next full city council meeting – February 17, 2009.

Enclosures:

1. Towing service log.
2. Proposed contract between the City of East Grand Forks and Grand Cities Towing.

EAST GRAND FORKS

POLICE DEPARTMENT



Michael Hedlund
Chief of Police

520 Demers Avenue East Grand Forks, MN 56721
Phone (218) 773 - 1104 Fax (218) 773 - 1108

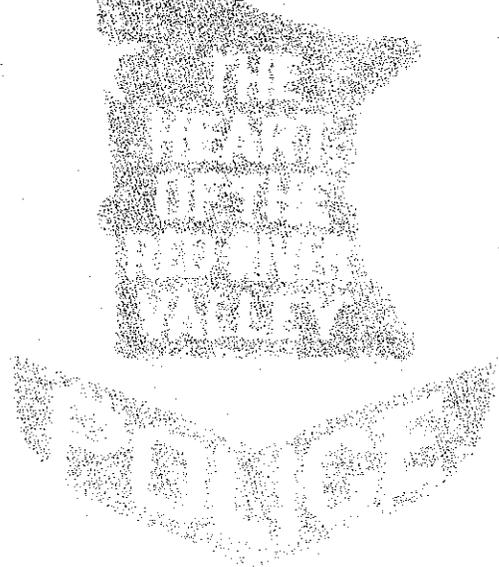
Towing Service Log – Grand Cities Towing October 2008 to Present

October 18 – Unk. Officer – Spoke to Kirk at 1648 hours and advised him we needed a flatbed. The flatbed showed up at approx. 1710 hours.

December 9, 2008 – Sgt. Anderson – Vehicle over 24 – Waited 20 minutes for the wrecker to move one for over 24. Once there Kirk handled the impound fine.

December 21, 2008 – Officer Merkens/Officer Thompson – Called GCT for relocates downtown so the plows can move snow. Called both cell phones with no answer from both phones. Approx. 15 minutes later Kozel called the PD and responded approx. 15 minutes after that. GCT moved all vehicles required. One vehicle fell off the wheel lift and damaged the car's rear bumper.

No other entries.



TOWING SERVICES AGREEMENT

This agreement made and entered into by and between the city of East Grand Forks, Minnesota, municipal corporations duly organized and existing under the laws of the State of Minnesota, hereinafter referred to as the "City", and Grand Cities Towing, a corporation duly organized and existing under the laws of the State of Minnesota, hereinafter referred to as the "Company".

WITNESSETH:

In consideration of the mutual undertaking and agreements hereinafter set forth, the City and the Company agreed as follows:

1. SERVICES

- (a) The Company shall perform the towing and removal of impounded or illegally parked motor vehicles upon the request of the City Police or Department of Public Works for such services. Towing and removal of motor vehicles shall include storage (as set forth in Paragraph 6 of this Agreement), unless the Company is directed to take the towed vehicle to another location specified by the City.
- (b) In the case of disabled vehicles where the police summon a tow truck pursuant to the vehicle owner's or possessor's request where the owner or possessor does not express a preference for the provider of towing service, the company shall be summoned.
- (c) This contract and the storage fees and the towing charges fee referred to in this agreement pertain only to towing services for the City of East Grand Forks. (examples, snow removal relocations, impoundment towing for evidentiary purposes and forfeitures)

2. HOURS

The Company shall provide service twenty-four (24) hours a day and seven (7) days a week.

3. CITY TOWING

Nothing herein shall be deemed to apply to towing City emergency vehicles.

4. RESPONSE TIME

When summoned, the Company shall dispatch sufficient personnel and equipment within ten (10) minutes from the time of notification by the City of the need for towing services.

5. EQUIPMENT

The Company shall own/lease equipment to enable it to remove any motor vehicle from any city street and respond in the time frame listed in paragraph 4. All equipment shall be maintained in a safe operating condition to insure safe and efficient towing.

6. STORAGE

The Company shall provide storage for towed vehicles. Such storage shall be in conformance with Chapter 152 of the East Grand Forks City Code. Specifically, but not limited to, the storage lot must meet the following requirements:

- a. be completely fenced security lot located within the corporate limits of the city;
- b. the surface of the storage area must be maintained and graded to provide proper drainage;
- c. the storage area shall be properly maintained, with weeds, brush, and other vegetation controlled and/or removed;
- d. the fence securing the property shall be effectively screened and be at least 80% opaque and be not less than 6 feet or more than 8 feet in height;
- e. the yard of the storage area shall meet the minimum building setback, impervious lot and required off street parking requirements; and
- f. the areas used to store junked or wrecked motor vehicles shall be completely screened from view from abutting public streets and abutting properties

The Company shall be responsible for all stored vehicles and shall comply with all applicable ordinances, laws or regulations governing such storage. The location of the primary storage lot is at 622 – 10th Street NE, East Grand Forks, MN 56721 or at such other locations as designated by the City. The Company shall notify and get approval by the City before any changes or additions to the storage locations.

7. PERMITS AND LICENSES

The Company shall obtain and maintain all licenses or permits required by a government body, including the City. The Company shall be responsible for all license fees. The Company shall observe and comply with all State, Federal and local laws and regulations governing the provision of towing and impoundment services.

8. ZONING COMPLIANCE

The Company shall implement improvements to the impoundment yard that shall bring the property into conformance with Chapter 152 of the East Grand Forks City Code.

9. INSURANCE

The Company will procure and maintain during the entire term of this Agreement, or any renewal or extension thereof, a public liability insurance policy with the City stated as named insured's to protect the City and the Company. Said policy shall also contain an endorsement for contractual liability coverage for the protection of the parties hereto under the Indemnify and Hold Harmless provision of this Agreement. Said policy must be issued by an insurance company or companies authorized to do business in the State of Minnesota and licensed by the Department of Commerce thereof. Liability coverage shall be provided at all times therein of a minimum of Three Hundred Thousand (\$300,000.00) Dollars personal liability per person, per occurrence and a total of One Million (\$1,000,000.00) Dollars per occurrence. The Company, within thirty (30) days after executing this document, shall furnish a certificate of insurance indicating compliance with the foregoing to the City Attorney for his approval. The insurance policy or policies shall contain a clause that in the event any policy issued is cancelled for any reason, or any material changes are made therein, the City Administrator/Clerk Treasurer will be notified, in writing, by the insurer at least twenty (20) days before any cancellation or change takes effect. If the Company does not furnish the required certificates within thirty (30) days after execution of this Agreement, this Agreement shall become void. If insurance coverage required herein lapses, this Agreement shall become void as of the date no valid approved insurance policy is in effect. The Company shall maintain Worker's Compensation insurance in such form and amount as required by the laws of the State of Minnesota and certify the same to the City Administrator/Clerk Treasurer.

10. INDEMNITY AND HOLD HARMLESS

The Company does hereby agree that it will, at all times during the initial term of this agreement, or any extended term of this agreement, indemnify and hold harmless the City and its officers, agents, employees or representatives, against any and all liability, loss, charges, damages, costs, expenses or attorney's fees, which they may hereafter sustain, incur or be required to pay as a result of the willful or negligent act or omission of the Company or its employees, or resulting from the Company's failure to perform or observe any of the terms, covenants and conditions of this Agreement to be performed by the Company, or by reason of any person suffering injury, death or property loss or damage while on the premises of the storage lot(s) provided, however, that the provisions of this paragraph shall not apply to liabilities, losses, charges, costs, expenses, or attorney's fees caused or resulting from the acts and omissions of the City or any of the officers, employees, agents or representatives of the City, which may result in any person suffering personal injury, death or property loss or damage.

11. NON-ASSIGNABILITY

This agreement shall not be assignable without the written consent of the City.

12. PERSONNEL

The Company shall provide sufficient personnel for the safe and efficient removal of motor vehicles. The Company shall only employ personnel trained in the operation of the equipment and the safe and proper methods of towing motor vehicles. Drivers working for the towing company will be required to undergo a criminal history check and at a minimum, an annual driver's license check, before towing vehicles in the city.

13. RECORDS

The Company shall maintain written records on all motor vehicles towed by the Company pursuant to this Agreement. Information on vehicles towed pursuant to this Agreement shall be recorded by the Company by make, license number and location, date and time from which it was towed. These records shall be made available to the City for their inspection and shall be maintained as to each vehicle for one year after disposition of each vehicle. The Company agrees to complete State required law enforcement tow reports during snow emergencies.

14. STORAGE FEES

A charge of \$10.00 per day, or fraction thereof, shall be imposed for each twenty-four (24) hour period.

15. AVAILABILITY FOR REDEMPTION OF VEHICLES

The Company will insure a person is available within fifteen (15) minutes for response to release any vehicle. Company shall provide a single phone number for this purpose.

16. TERM

This Agreement shall be for the term commencing February 17, 2009 and terminating February 16, 2010. Extension of this contract shall be limited to no more than three (3) additional years. Extensions, if approved shall be in one (1) year increments and shall be approved based on performance of the Company.

17. TOWING CHARGES

The Company shall charge \$35.00 to relocate vehicles for snow removal and street cleaning, \$45.00 plus applicable sales tax for towing within the City' limits, a passenger car, van or light truck or motor cycle pursuant to a citation for parking violation, impoundment by the police or other vehicles which are towed to the city shop or to the East Grand Forks Police station. However, the removal of damaged vehicles from accident scenes or other towing requiring the use of special equipment or extraordinary effort the company may charge the following rates:

Tows needing a flatbed \$75.00

Tows needing a dolly \$65.00

Add On charges

Use of go jacks \$15.00

The removal of excessive
snow, \$15.00

(Only one add on charge is allowed for each vehicle tow for example relocation of a vehicle for snow removal that needs go jacks and removal of snow will be one add on charge of \$15.00)

The charge for all other towing shall be at the Company's standard service rate as posted in the Company's place of business and at the East Grand Forks Police Department. The cost of towing and storage shall be paid by the owner of the vehicle. The City shall not be responsible for such charges for any vehicle. The City shall not be charged for a towed emergency vehicle that is owned by the City in which event it shall be towed to the City's garage or other location specified by the City.

18. DISPOSAL OF UNCLAIMED TOWED VEHICLES

The Company, pursuant to State and local laws, will dispose of unclaimed vehicles. The City shall not be responsible for the cost of the towing or any accumulated storage charges. Proceeds on sales of unclaimed vehicles shall be retained by the Company. The company shall comply fully with the requirements of Section 168B.06 of the Minnesota Statutes and any corresponding section of the East Grand Forks City Code, relating to its obligation to notify the owner of the taking of a vehicle into custody by the Company. Copies of all such notices shall be furnished to the Police. In the event an owner consents to disposal of a vehicle by the towing Company in lieu of redemption, the Company shall have the owner execute a form to be prescribed by the City, releasing and transferring the vehicle to the Company.

19. CHECKS FOR PAYMENT

If the Company accepts a check in payment for charges hereunder, it may charge an additional fee of \$2.00 for accepting payment by check. The Company shall in no manner be required to accept other than United States currency in payment of charges.

20. EXTRA SERVICE

In case of vehicles covered or surrounded by snow in excess of 24 inches which must be removed to allow for the vehicle's towing, the Company may charge up to \$15.00 as specified in Paragraph 17. The determination that the snow conditions allowing the additional charge exist shall be made by a representative of the City and noted on the parking citation by such representative

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the dates given below.

DATED: _____

CITY OF EAST GRAND FORKS, MINNESOTA

BY: _____
Scott Huizenga, City Administrator/Clerk Treasurer

BY: _____
Lynn Stauss, Mayor

DATED: _____

GRAND CITIES TOWING

BY: _____
Kirk Driscoll

By: _____
Bryan Kozal

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding ("MOU") is made and entered into by and between the City of East Grand Forks (the "City") and Law Enforcement Labor Services, Inc., Local No. 152, ("LELS").

WHEREAS, LELS is the exclusive representative for certain employees employed by the City in the appropriate unit ("Bargaining Unit").

Now therefore, all parties hereto, in consideration of their mutual covenants and agreements to be performed, as hereinafter set forth, agree as follows:

Article 1. Salary Adjustment for Selected Positions

Effective , March 1, 2009, Schedule A of Labor Agreement between the City and LELS, January 1, 2009 through December 31, 2009 ("Labor Agreement"), is hereby amended to included a position of Lieutenant as follows.

	<u>2009</u>
Lieutenant	
Starting	\$26.14
Over 6 months	\$26.67
Over 12 months	\$27.20
Over 24 months	\$27.62

Article 2. No Precedent or Past Practice

All parties to this MOU hereby acknowledge and agree that it does not establish any precedent or past practice of the City or LELS. This MOU must not be introduced, referred to, or in any other way utilized in any subsequent negotiations, mediation, arbitration, litigation, or administrative hearing except as may be necessary to enforce its provisions and terms.

Article 3. Approval

This MOU is subject to the approval of the appropriate governing bodies and/or representatives for the City and LELS. Representatives for all parties hereto agree to seek such approval through their best efforts.

Article 4. Amendment, Modification, or Termination

This MOU or any of its terms may only be amended, modified, or terminated by a written instrument signed by or on behalf of all of the parties hereto or their successors in interest.

Article 5. Entire MOU

This MOU constitutes the entire MOU among the parties hereto and no representations, warranties, covenants, or inducements have been made to any party concerning this MOU, other than the representations, covenants, or inducements contained and memorialized in this MOU.

Article 6. Binding Effect

This MOU is binding upon, and inures, to the benefit of the successors, assigns, executors, administrators, heirs and legal representatives of the parties hereto, provided, however, that no assignment by any party shall operate to relieve such party of its obligations hereunder.

Article 7. Effective Date

This MOU is effective on the latest date affixed to the signatures hereto.

Article 8. Incorporation

This MOU shall be attached to and incorporated into the Labor Agreement.

Article 9. Provisions Remain in Full Force and Effect

All provisions of the Labor Agreement not in conflict with the terms of this MOU shall remain in full force and effect.

IN WITNESS HEREOF, the parties hereto have caused this MOU to be executed on the latest date affixed to the signatures hereto.

City of East Grand Forks

**Law Enforcement Labor Service, Inc.
Local No. 152
(Police Department Employees)**

By: _____
Mayor

By: _____
Business Agent

Dated: _____

Dated: _____

By: _____
City Administrator/Clerk-Treasurer

By: _____
Union Steward

Dated: _____

Dated: _____

ORDINANCE NO. 308 3RD SERIES

AN ORDINANCE OF THE CITY OF EAST GRAND FORKS, MINNESOTA, REPEALING SUBD. 7. RESIDENT MANAGER OR AGENT OF CITY CODE CHAPTER THREE ENTITLED "3.2 PERCENT MALT LIQUOR, WINE AND INTOXICATING LIQUOR LICENSING" AND BY PROMULGATING SUBD. 7 DESIGNATED AGENT, TO CODE CHAPTER THREE; AND ADDING SUBD. 25 "DESIGNATED AGENT" TO SECTION 3.01. DEFINITIONS AND BY ADOPTING BY REFERENCE CITY CODE CHAPTER 1, WHICH AMONG OTHER THINGS, CONTAIN PENALTY PROVISIONS.

THE CITY OF EAST GRAND FORKS ORDAINS:

Section 1. Purpose and Intent. The purpose and intent of this ordinance is to add the definition of "Designated Agent" to the definitions to Chapter 3 of the City of East Grand Forks City Code and to repeal Subd. 7 Resident Manager or Agent of Chapter 3 of the City of East Grand Forks City Code to eliminate the requirement to have an East Grand Forks resident act as manager or agent and to have the licensee appoint a "Designated Agent" to take full responsibility for the conduct of the licensed premises and to act as agent for service of process for the licensee.

Section 2. Amendments.

Chapter Three (3) of the East Grand Forks City Code is hereby amended as follows:

Section 3.01 Definitions 25. "Designated Agent" means the manager or other designated individual appointed by the licensee to take full responsibility for the conduct of the licensed premises and for service of process relating to the license; and

Section 3.02 Subd. 7. Designated Agent. The manager or other designated individual shall, by the terms of his or her written consent: take full responsibility for the conduct of the licensed premises; and serve as "Designated Agent" for service of process relating to the license. The appointed individual must be a person who, by reason of age, character, reputation, and other attributes, could qualify individually as a licensee. If the appointed Designated Agent ceases to act in such capacity for the licensee without appointment of a successor, the license issued pursuant to the appointment shall be subject to revocation or suspension.

Section 3. City Code Chapter 1 entitled "Definitions and General Provisions Applicable to Entire City Code Including Penalty for Violation" are hereby adopted in their entirety, by reference, as though repeated verbatim herein.

Section 4. This ordinance shall take effect and be in force from and after its passage and publication and be given the Number 308, 3rd Series.

Voting Aye:
Voting Nay: None.
Absent: None.

The President declared the Ordinance passed.

Passed: March 3, 2009

Attest:

City Administrator/Clerk-Treasurer

President of Council

I hereby approve the foregoing ordinance this 3rd of March, 2009.

Mayor

Request for Council Action

Date: 2-25-09

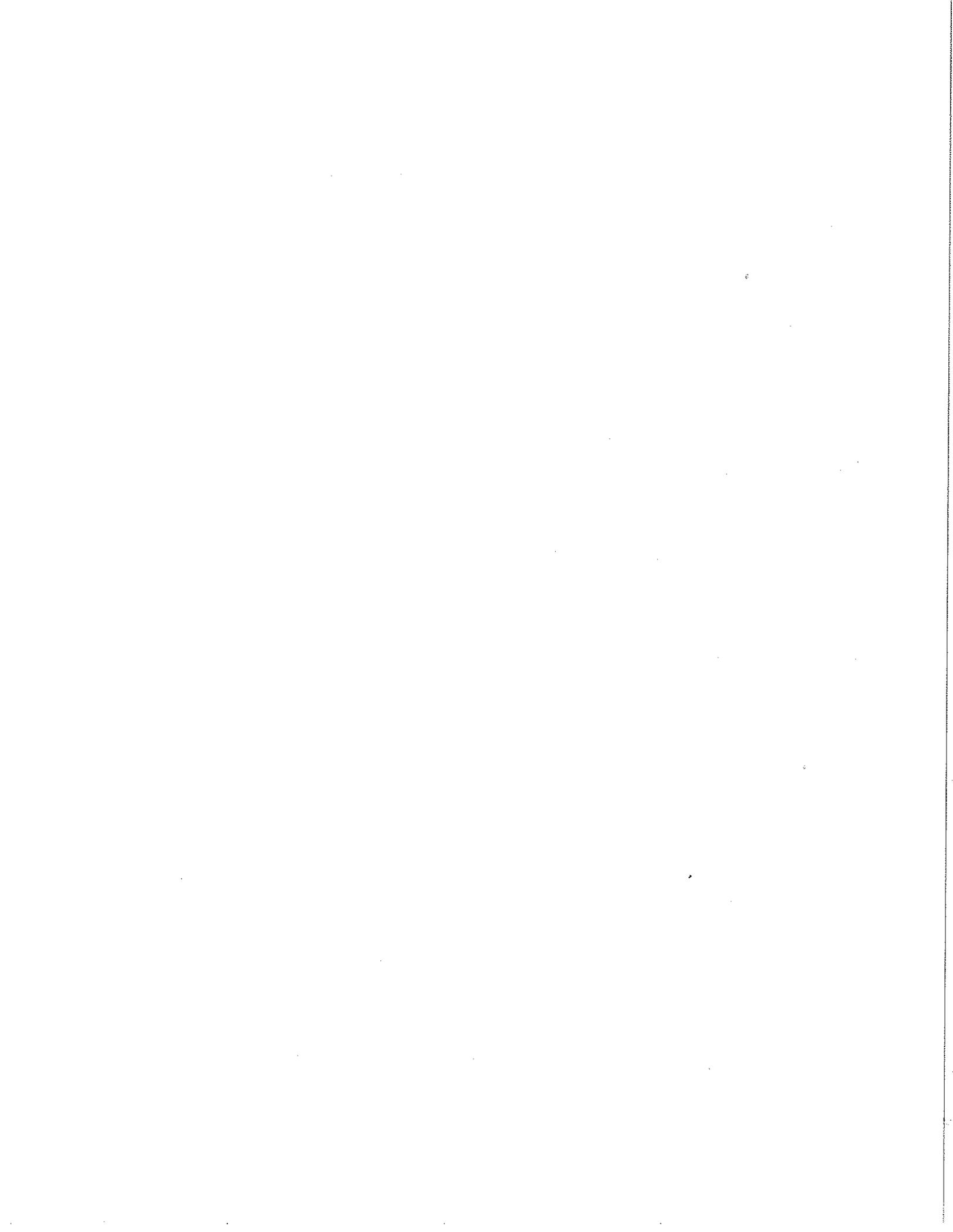
To: East Grand Forks City Council, Mayor Lynn Stauss, President Dick Grassel, Council Vice President Henry Tweten, Council Members: Marc Demers, Craig Buckalew, Wayne Gregoire, Greg Leigh, and Mike Pokrzywinski.

Cc: File

From: Jerry Lucke

RE: Sick Leave

Consider approving the request to approve the Personal Policy Manual revision effective immediately to only pay out 160 hours of sick leave upon retirement or resignation.



Request for Council Action

Date: February 10, 2009

To: East Grand Forks City Council, Mayor Lynn Stauss, Council President Grassel, Council Vice President Tweten, Council Members Mike Pokrzywinski, Wayne Gregoire, Craig Buckalew, Greg Leigh and Marc Demers

Cc: File

From: Ron Galstad

RE: Quick Take Resolution

Michelle, please place the following request on the council agenda for February 17, 2009. It may be necessary to perform a Quick Take condemnation to obtain the appropriate right of ways, easements and temporary construction easements for the 23rd Street project as well as the 14th Avenue SE and the 17th Avenue SE construction projects.

Thanks

Ron

RESOLUTION NO. 09 – 03 – 17

Council Member _____, supported by Council Member _____, introduced the following resolution and moved its adoption:

WHEREAS, the City of East Grand Forks, (hereinafter “The City”) in an effort to Improve the existing rural section and develop and urbanize 23rd Street NW (2009 City Project No.1), to construct water main and sanitary sewer for properties on 17th Avenue SE which do not presently have city services (2009 Assessment Job No.1), and to construct curb, gutter and a cul de sac on 14th Avenue SE and 17th Street SE (2009 City project No. 3) all in the City of East Grand Forks, the City is required to obtain right of ways, easements and temporary construction easements;

WHEREAS, the City’s authority to acquire property through the use of Minnesota Statute Chapter 117 Eminent Domain is found at Minnesota Statute §465.01;

WHEREAS, the City council has determined that said projects are for a public use and for a public purpose;

WHEREAS, to comply with Minnesota Statute Chapter 117 Eminent Domain the City by this resolution authorizes the use of condemnation to acquire all property rights, to include but not limited to, all necessary right of ways, easements and temporary constructions easements;

WHEREAS, the City further authorizes the City attorney to obtain early transfer of title and possession (Quick Take) proceeding to obtain the necessary right of ways, easements and temporary construction easements to complete said projects from the following property owners:

(See Attached Exhibit “A” for property owners)

NOW, THEREFORE, BE IT HEREBY RESOLVED

1. That the City does approve of the use of Minnesota Statute Chapter 117 Eminent Domain to acquire all property rights, to include but not limited to, all necessary right of ways, easements and temporary constructions easements to complete the above reference projects;
2. The City authorizes the City attorney to draft all necessary documents to initiate the early transfer of title and possession (Quick Take) proceeding; and
- 3 Authorizes the Mayor and City Administrator/Clerk Treasurer to sign all appropriate documents.

Voting Aye:

Voting Nay: None.

Absent: None.

The President declared the resolution passed.

Passed: January 20, 2009

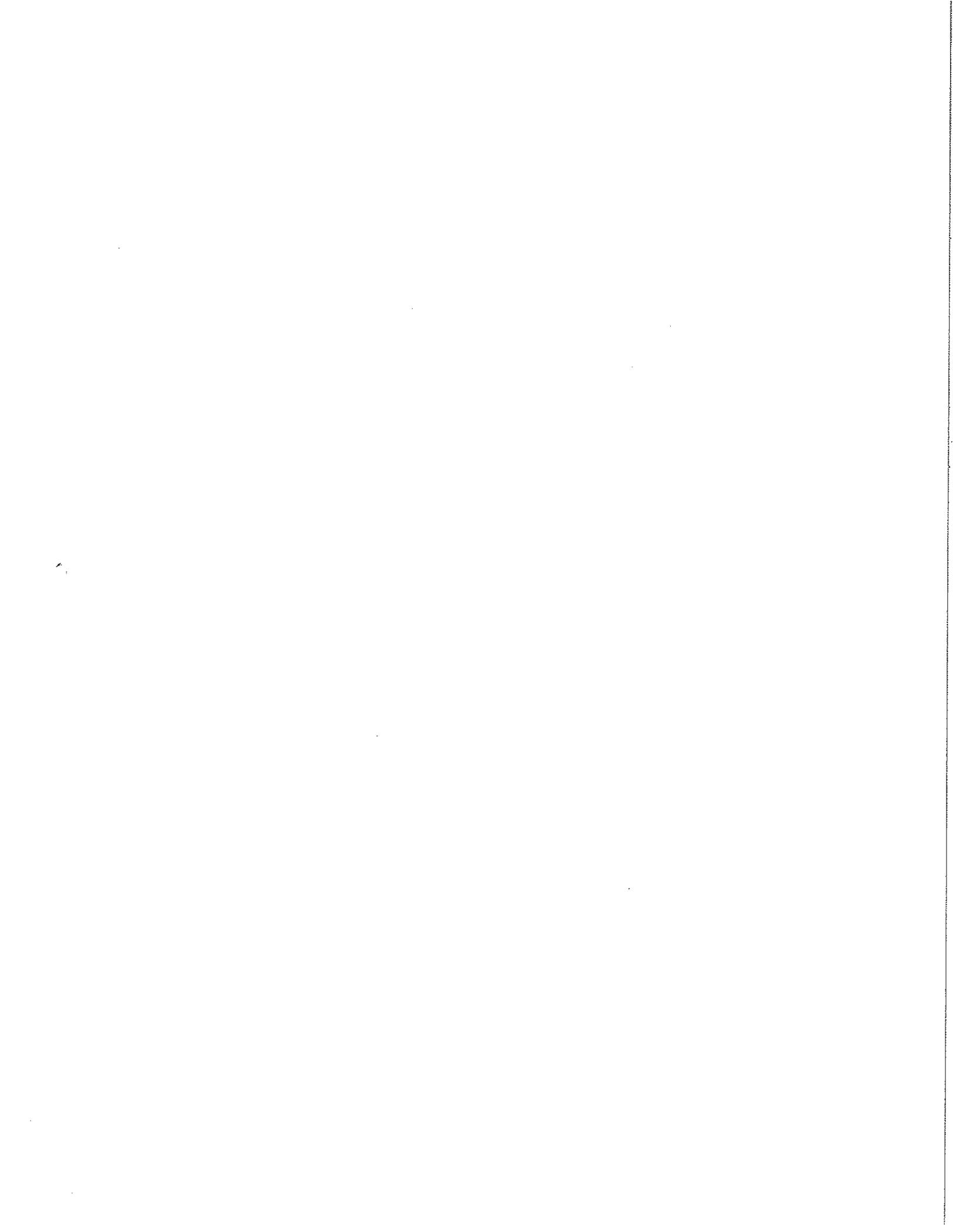
Attest:

City Administrator/Clerk-Treasurer

President of Council

I hereby approve the foregoing resolution this 20th of January, 2009.

Mayor



Request for Council Action

Date: February 18, 2009

To: East Grand Forks City Council, Mayor Lynn Stauss, President Dick Grassel, Council Vice President Henry Tweten, Council Members: Marc Demers, Craig Buckalew, Wayne Gregoire, Greg Leigh, and Mike Pokrzywinski.

Cc: File

From: Greg Boppre, P.E.

RE: Report of Feasibility – 2009 Assessment Job No. 3 – Paving Peabody 1st Addition/Greenway 1st Addition

Background:

As per the discussion at the Tuesday, February 10, 2009 City Council Work Session, attached please find a copy of the report of feasibility for the proposed paving on 11th avenue se and 13th street se. The proposed assessment rates are as follows:

11th Avenue SE project only - \$73.25/foot

13th Street SE project only - \$175.43/foot

11th Ave SE and 13th Street SE combined - \$189.36/front foot and \$63.12/end foot

The reason the front foot rate is higher than normal, is because there is not a lot of front footage to assess along 13th street se and we cannot assess end benefits to the properties along 9th ave se and 10th ave se (those properties were assessed end benefits from a previous project).

Recommendation:

Approval to prepare plans and specifications for the paving along 11th avenue se and wait to pave 13th street se until the City receives a request from the property owners.

Enclosures:

Report of Feasibility



February 18, 2009

Honorable Mayor and City Council
City of East Grand Forks
PO Box 373
East Grand Forks, MN 56721

RE: Report of Feasibility
Estimate of Cost and
Area Proposed to be Assessed
Peabody's 1st Addition, Beste Addition and Greenway 1st Addition

Dear Members of the Council:

We have as directed by Council, made an investigation as to the feasibility of constructing concrete paving to serve the properties along 17th Avenue SE, from 13th Street SE to Greenway Blvd and 13th Street SE from 11th Avenue SE to Rhinehart Drive. (See attached)

We have identified the project need as follows:

The construction of street paving along with the existing concrete curb and gutter allows for the proper conveyance of surface water to the storm sewer system preventing erosion and saturation of porous soils from rainfall and snow melt. The pavement also benefits the adjacent property owners through increased property values, improved aesthetics and all weather access to the property.

The existing street width of 11th Avenue SE and 13th Street SE is 34 feet with a paving width of 28.66 feet.

This project will include the removal and salvage of 7" of crushed concrete aggregate and placement of 7" reinforced concrete pavement for the street shown on the attached exhibit. The crushed concrete and concrete curb and gutter was installed in 2006.

(I) 11th Avenue SE

The total estimated project cost is \$160,000, resulting in an assessment rate of \$73.25 per front foot benefit.

(II) 13th Avenue SE

The total estimated project cost is \$278,500, resulting in an assessment rate of \$175.43 per front foot benefit.

(III) 11th Avenue SE/13th Avenue SE Combined

The total estimated project cost is \$438,500, resulting in an assessment rate of \$189.36 per front foot and \$63.12 per end foot benefit.

AREAS PROPOSED TO BE ASSESSED

Peabody's 1st Addition

Lots 1-19	Block 1
Lot 1	Block 3

Greenway 1st Addition

Lots 1-2	Block 1
Lots 1-6, 17-22	Block 5

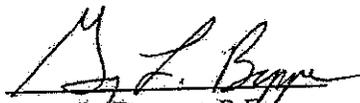
Beste Additon

Replat of Lots 2,10	Block 1 (Lot B)
Lots 8-9	Block 1

We feel the projects as described are feasible.

If you have any questions, or if additional information is needed, please contact our office.

Respectfully yours,
Floan-Sanders, Inc.


Greg L/Boppre, P.E.

GLB:kkf

CC: Scott Huizenga, City Administrator

General Obligation Bond Proceeds

Grant Agreement

Construction Grant for the

Red River State Recreation Area Campground Improvements

Date: February 20, 2009

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General Obligation Bond Proceeds

Grant Agreement
Construction Grant for the

Red River State Recreation Area Campground Improvements

THIS AGREEMENT shall be effective as of March 1, 2009, or the date signed by both parties, if later; and is between East Grand Forks, a Minnesota City (the “Public Entity”), and the Minnesota Department of Natural Resources (the “State Entity”).

RECITALS

A. Under the provisions contained in Minnesota Statutes 85.019, subdivision 4a, the State Entity has been given the authority to provide a grant to the Public Entity to improve the campground in the Red River State Recreation Area; and

B. Under the provisions contained in Minnesota Laws of 2008, Chapter 179, Section 7, the State of Minnesota has allocated \$200,000 for a grant to the City of East Grand Forks to further develop the campground at the Red River State Recreation Area; (the “Grant”); and

C. Under the provisions contained in Minnesota Statutes 412.491, the Public Entity has been given the authority to establish, improve, ornament, maintain, and manage parks, parkways, and recreational facilities and by ordinance protect and regulate their use; (the “Governmental Program”) and

D. The monies allocated to fund the grant to the Public Entity are proceeds of state general obligation bonds authorized to be issued under Article XI, § 5(a) of the Minnesota Constitution; and

E. The Public Entity’s receipt and use of the Grant to acquire and/or improve real property (the “Real Property”) and, if applicable, structures situated thereon (the “Facility”) will cause all of such real property and structures to become “state bond financed property”, as such term is used in Minn. Stat. § 16A.695 (the “G.O. Compliance Legislation”) and in that certain “Order Amending Order of the Commissioner of Finance Relating to Use and Sale of State Bond Financed Property” executed by the Commissioner of Finance on July 20, 1995 (the “Commissioner’s Order”), even though such funds may only be a portion of the funds being used

to acquire and/or improve the Real Property and, if applicable, Facility and that such funds may be used to only acquire and/or improve a part of the Real Property and/or, if applicable, Facility.

F. The Public Entity and the State Entity desire to set forth herein the provisions relating to the granting of such monies and the disbursement thereof to the Public Entity.

IN CONSIDERATION of the grant described and other provisions in this Agreement, the parties to this Agreement agree as follows.

Article I

Definitions

Section 1.01 **Defined Terms.** As used in this Agreement, the following terms shall have the meanings set out respectively after each such term (the meanings to be equally applicable to both the singular and plural forms of the terms defined), unless the context specifically indicates otherwise:

“Advance(s)” – means an advance made or to be made by the State Entity to the Public Entity and disbursed in accordance with the provisions contained in Article VI hereof.

“Agreement” - means this General Obligation Bond Proceeds Grant Agreement - Construction Grant for the Red River State Recreation Area Campground Improvements Project.

“Approved Debt” – means public or private debt that is consented to and approved, in writing, by the Commissioner of Finance, the proceeds of which were or will be used to acquire an ownership interest in or improve the Real Property and, if applicable, Facility, other than the debt on the G.O. Bonds, which includes, but is not limited to, all debt delineated in **Attachment III** to this Agreement.

“Engineer”, if any - means Greg Bopre, City Engineer, which will administer the Construction Contract Documents on behalf of the Public Entity.

“Code” - means the Internal Revenue Code of 1986, as amended from time to time, and all treasury regulations, revenue procedures and revenue rulings issued pursuant thereto.

“Commissioner of Finance” - means the Commissioner of Finance for the State of

Minnesota, and any designated representatives thereof.

“Commissioner’s Order” - means that certain “Order Amending Order of the Commissioner of Finance Relating to Use and Sale of State Bond Financed Property” executed by the Commissioner of Finance on July 20, 1995.

“Completion Date” – means December 31, 2009 the date of projected completion of the Project.

“Contractor” - means any person engaged to work on or to furnish materials and supplies for the Construction Items including, if applicable, a general contractor.

“Construction Contract Documents” - means the document or documents, in form and substance acceptable to the State Entity, including but not limited to any construction plans and specifications and any exhibits, amendments, change orders, modifications thereof or supplements thereto, which collectively form the contract between the Public Entity and the Contractor or Contractors for the completion of the Construction Items on or before the Completion Date for either a fixed price or a guaranteed maximum price.

“Construction Items” – means the work to be performed under the Construction Contract Documents.

“Counterparty” - means any entity with which the Public Entity contracts under a Use Contract. *This definition is only needed and only applies if the Public Entity enters into an agreement with another party under which such other party will operate the Real Property, and if applicable, Facility. For all other circumstances this definition is not needed and should be ignored and treated as if were left blank, and any reference to this term in this Agreement shall be ignored and treated as if the reference did not exist.*

“Declaration” - means a declaration, or declarations, in the form contained in **Attachment I** to this Agreement and all amendments thereto, indicating that the Public Entity’s interest in the Real Property and, if applicable, Facility is bond financed property within the meaning of the G.O. Compliance Legislation and is subject to certain restrictions imposed thereby.

“Draw Requisition” - means a draw requisition that the Public Entity, or its designee, submits to the State Entity when an Advance is requested, as referred to in Section 6.02.

“Event of Default” - means one or more of those events delineated in Section 2.07.

“Facility”, if applicable, - means Campground Utility Systems, which are located, or will be constructed and located, on the Real Property and all equipment that is a part thereof that was purchased with the proceeds of the Grant.

“Fair Market Value” – means either (i) the price that would be paid by a willing and qualified buyer to a willing and qualified seller as determined by an appraisal that assumes that all liens and encumbrances on the property being sold that negatively affect the value of such property, will be paid and released, or (ii) the price bid by a purchaser under a public bid procedure after reasonable public notice, with the proviso that all liens and encumbrances on the property being sold that negatively affect the value of such property, will be paid and released at the time of acquisition by the purchaser.

“GO Bonding Legislation” – means the legislation delineated in Recital B hereinabove.

“G.O. Bonds” - means that portion of the state general obligation bonds issued under the authority granted in Article XI, § 5(a) of the Minnesota Constitution the proceeds of which are used to fund the Grant and any bonds issued to refund or replace such bonds.

“G.O. Compliance Legislation” - means Minn. Stat. § 16A.695 as such exists as of the effective date of this Agreement.

“Governmental Program” – means the operation of the Real Property and, if applicable, Facility for the purpose specified and identified in Recital C of this Agreement as the Governmental Program.

“Grant” - means a grant of monies from the State Entity to the Public Entity in the amount identified as the “Grant” in Recital B to this Agreement, as the amount thereof may be modified under the provisions contained in Sections 2.11 and 6.01.

“Inspecting Engineer”, if any - means the State Entity's construction inspector, or its designated consulting engineer.

“Leased Premises” - means the real estate and structures, if any, that are leased to the Public Entity under a Real Property/Facility Lease. This definition is only needed and only applies if the Public Entity's ownership interest in the Real Property, the Facility, if applicable, or both is by way of a leasehold interest under a Real Property/Facility Lease. For all other circumstances this definition is not needed and should be ignored and treated as if were left blank, and any reference to this term in this Agreement shall be ignored and treated as if the reference did not exist.

“Lessor” – means the fee owner/lessor of the Leased Premises. This definition is only needed and only applies if the Public Entity's ownership interest in the Real Property, the Facility, if applicable, or both, is by way of a leasehold interest under a Real Property/Facility Lease. For all other circumstances this definition is not needed and should be ignored and treated as if were left blank, and any reference to this term in this

Agreement shall be ignored and treated as if the reference did not exist.

“Outstanding Balance of the Grant” – means the portion of the Grant that has been disbursed to or on behalf of the Public Entity minus any amounts received by the Commissioner of Finance under Section 2.08.B.

“Project” - means the Public Entity’s acquisition of the ownership interests in the Real Property and, if applicable, Facility referred to in Section 2.02 along with the performance of the work to be performed under the Construction Contract Documents.

“Public Entity” - means the entity identified as the “Public Entity” in the lead-in paragraph of this Agreement.

“Real Property” - means the real property located in the County of Polk, State of Minnesota, legally described in **Attachment II** to this Agreement.

“Real Property/Facility Lease” - means a long-term lease of the Real Property, the Facility, if applicable, or both by the Public Entity as lessee thereunder. *This definition is only needed and only applies if the Public Entity’s ownership interest in the Real Property, the Facility, if applicable, or both is a leasehold interest under a lease. For all other circumstances this definition is not needed and should be ignored and treated as if were left blank, and any reference to this term in this Agreement shall be ignored and treated as if the reference did not exist.*

“State Entity” - means the entity identified as the “State Entity” in the lead-in paragraph of this Agreement.

“Use Contract” - means a lease, management contract or other similar contract between the Public Entity and any other entity that involves or relates to any part of the Real Property and, if applicable, Facility. *This definition is only needed and only applies if the Public Entity enters into an agreement with another party under which such other party will operate the Real Property, and if applicable, Facility. For all other circumstances this definition is not needed and should be ignored and treated as if were left blank, and any reference to this term in this Agreement shall be ignored and treated as if the reference did not exist.*

Article II
GRANT

Section 2.01 **Grant of Monies.** The State Entity shall make and issue the Grant to the Public Entity and disburse the proceeds in accordance with the provisions of this Agreement. The Grant is not intended to be a loan even though the portion thereof that is disbursed may need to be returned to the State Entity or the Commissioner of Finance if there is a violation of the provisions of this contract or non-conformance with the constitutional and statutory requirements for G.O. bonds.

Section 2.02 **Public Ownership.** The Public Entity acknowledges and agrees that the Grant is being funded with the proceeds of G.O. Bonds, and as a result thereof all of the Real Estate and, if applicable, Facility must be owned by one or more public entities. In order to establish that this public ownership requirement is satisfied, the Public Entity represents and warrants to the State Entity that it has, or will acquire, the following ownership interests in the Real Property and, if applicable, Facility, and, in addition, that it possess, or will possess, all easements necessary for the operation, maintenance and management of the Real Property and, if applicable, Facility in the manner specified in Section 2.04:

(Check the appropriate box for the Real Property and, if applicable, for the Facility.)

Ownership Interest in the Real Property.	
<input checked="" type="checkbox"/>	Fee simple ownership of the Real Property. (State-owned property)
<input type="checkbox"/>	A Real Property/Facility Lease for the Real Property that complies with the requirements contained in Section 2.06. [If the term of the Real Property/Facility Lease is for a term authorized by a Minnesota statute, rule or session law, then insert the citation at this point .]
<input type="checkbox"/>	An easement for the Real Property (i) that is in form and substance acceptable to the State Entity and the Commissioner of Finance, (ii) that is for a term that is equal to or greater than 37.5 years if there is no Facility, 125% of the useful life of the Facility if there is a Facility, or for a term authorized by a Minnesota statute, rule or session law, and (iii) which cannot be modified, restated, amended, changed in any other way, or prematurely cancelled or terminated without the prior written consent of the State Entity and the Commissioner of Finance. [If the term of the easement is for a term authorized by a Minnesota statute, rule or session law, then insert the citation at this point .]

Ownership Interest in, if applicable, the Facility.	
<input type="checkbox"/>	
<input checked="" type="checkbox"/>	Fee simple ownership of the Facility (State-owned facility)
<input type="checkbox"/>	
<input type="checkbox"/>	A Real Property/Facility Lease for the Facility that complies with all of the requirements contained in Section 2.06. [If the term of the Real Property/Facility Lease is for a term authorized by a Minnesota statute, rule or session law, then insert the citation at this point .]

Section 2.03 **Use of Grant Proceeds.** The Public Entity shall use the Grant solely to reimburse itself for expenditures it has already made, or will make, in the performance of the following activities, and may not use the Grant for any other purpose.

(Check all appropriate boxes.)

<input type="checkbox"/>	Acquisition of fee simple title to the Real Property.
<input type="checkbox"/>	
<input type="checkbox"/>	Acquisition of a leasehold interest in the Real Property.
<input type="checkbox"/>	
<input type="checkbox"/>	Acquisition of an easement for the Real Property.
<input type="checkbox"/>	
<input checked="" type="checkbox"/>	Improvement of the Real Property.
<input type="checkbox"/>	
<input type="checkbox"/>	Acquisition of fee simple title to the Facility.
<input type="checkbox"/>	
<input type="checkbox"/>	Acquisition of a leasehold interest in the Facility.
<input type="checkbox"/>	
<input checked="" type="checkbox"/>	Construction of the Facility.
<input type="checkbox"/>	
<input checked="" type="checkbox"/>	Improvement of the Facility.
<input type="checkbox"/>	
<input type="checkbox"/>	
<input type="checkbox"/>	(Describe other or additional purposes.)

Section 2.04 **Operation of the Real Property and Facility.** The Real Property and, if applicable, Facility must be used by the Public Entity or the Public Entity must cause such Real Property and, if applicable, Facility to be used for the operation of the Governmental Program or for such other use as the Minnesota legislature may from time to time designate, and for no other

purposes or uses.

The Public Entity may enter into Use Contracts with Counterparties for the operation of all or any portion of the Real Property and, if applicable, Facility; provided that all such Use Contracts must have been approved, in writing, by the State Entity and the Commissioner of Finance and fully comply with all of the provisions contained in Sections 3.01, 3.02 and 3.03.

The Public Entity must, whether it is operating the Real Property and, if applicable, Facility or has contracted with a Counterparty under a Use Contract to operate all or any portion of the Real Property and, if applicable, Facility, annually determine that the Real Property and, if applicable, Facility is being used for the purpose required by this Agreement, and shall annually supply a statement, sworn to before a notary public, to such effect to the State Entity and the Commissioner of Finance.

For those programs, if any, that the Public Entity will directly operate on all or any portion of the Real Property and, if applicable, Facility, the Public Entity covenants with and represents and warrants to the State Entity that; (i) it has the ability and a plan to fund such programs, (ii) it has demonstrated such ability by way of a plan that it submitted to the State Entity, and (iii) it will annually adopt, by resolution, a budget for the operation of such programs that clearly shows that forecast program revenues along with other funds available for the operation of such program will be equal to or greater than forecast program expenses for each fiscal year, and will supply to the State Entity and the Commissioner of Finance certified copies of such resolution and budget.

For those programs, if any, that will be operated on all or any portion of the Real Property and, if applicable, Facility by a Counterparty under a Use Contract, the Public Entity covenants with and represents and warrants to the State Entity that; (i) it will not enter into such Use Contract unless the Counterparty has demonstrated that it has the ability and a plan to fund such program, (ii) it will require the Counterparty to provide an initial program budget and annual program budgets that clearly show that forecast program revenues along with other funds available for the operation of such program will be equal to or greater than forecast program expenses for each fiscal year, (iii) it will promptly review all submitted program budgets to determine if such budget clearly and accurately shows that the forecast program revenues along with other funds available for the operation of such program will be equal to or greater than forecast program expenses for each fiscal year, (iv) it will reject any program budget that it believes does not accurately reflect forecast program revenues or expenses or does not show that forecast program revenues along with other funds available for the operation of such program will be equal to or greater than forecast program expenses, and require the Counterparty to prepare and submit a revised program budget, and (v) upon receipt of a program budget that it believes accurately reflects forecast program revenues and expenses and that shows that forecast program revenues along with other funds available for the operation of such program will be equal to or greater than forecast program expenses, it will approve such budget by resolution and supply to the State Entity and the Commissioner of Finance certified copies of such resolution

and budget.

Section 2.05 Public Entity Representations and Warranties. The Public Entity further covenants with, and represents and warrants to the State Entity as follows:

A. It has legal authority to enter into, execute, and deliver this Agreement, the Declaration, and all documents referred to herein, and it has taken all actions necessary to its execution and delivery of such documents.

B. It has legal authority to use the Grant for the purpose or purposes described in Recital B of this Agreement.

C. It has legal authority to operate the Governmental Program.

D. This Agreement, the Declaration, and all other documents referred to herein are the legal, valid and binding obligations of the Public Entity enforceable against the Public Entity in accordance with their respective terms.

E. It will comply with all of the terms, conditions, provisions, covenants, requirements, and warranties in this Agreement, the Declaration, and all other documents referred to herein.

F. It will comply with all of the provisions and requirements contained in and imposed by the G.O. Compliance Legislation and the Commissioner's Order.

G. It has made no material false statement or misstatement of fact in connection with its receipt of the Grant, and all of the information it has submitted or will submit to the State Entity or Commissioner of Finance relating to the Grant or the disbursement of any of the Grant is and will be true and correct.

H. It is not in violation of any provisions of its charter or of the laws of the State of Minnesota, and there are no actions, suits, or proceedings pending, or to its knowledge threatened, before any judicial body or governmental authority against or affecting it relating to the Real Property and, if applicable, Facility, or its ownership interest therein, and it is not in default with respect to any order, writ, injunction, decree, or demand of any court or any governmental authority which would impair its ability to enter into this Agreement, the Declaration, or any document referred to herein, or to perform any of the acts required of it in such documents.

I. Neither the execution and delivery of this Agreement, the Declaration, or any document referred to herein nor compliance with any of the terms, conditions, requirements, or provisions contained in any of such documents is prevented by, is a breach of, or will result in a breach of, any term, condition, or provision of any agreement or

document to which it is now a party or by which it is bound.

J. The contemplated use of the Real Property and, if applicable, Facility will not violate any applicable zoning or use statute, ordinance, building code, rule or regulation, or any covenant or agreement of record relating thereto.

K. The Project will be completed in full compliance with all applicable laws, statutes, rules, ordinances, and regulations issued by any federal, state, or local political subdivisions having jurisdiction over the Project.

L. All applicable licenses, permits and bonds required for the performance and completion of the Project have been, or will be, obtained.

M. All applicable licenses, permits and bonds required for the operation of the Real Property and, if applicable, Facility in the manner specified in Section 2.04 have been, or will be, obtained.

N. It will operate, maintain, and manage the Real Property and, if applicable, Facility or cause the Real Property and, if applicable, Facility, to be operated, maintained and managed in compliance with all applicable laws, statutes, rules, ordinances, and regulations issued by any federal, state, or local political subdivisions having jurisdiction over the Real Property and, if applicable, Facility.

O. It will fully enforce the terms and conditions contained in any Use Contract.

P. It has complied with the matching funds requirement, if any, contained in Section 7.23.

Q. It will not, without the prior written consent of the State Entity and the Commissioner of Finance, allow any voluntary lien or encumbrance or involuntary lien or encumbrance that can be satisfied by the payment of monies and which is not being actively contested to be created or exist against the Public Entity's interest in the Real Property or, if applicable, Facility, or the Counterparty's interest in the Use Agreement, whether such lien or encumbrance is superior or subordinate to the Declaration. Provided, however, the State Entity and the Commissioner of Finance will consent to any such lien or encumbrance that secures the repayment of a loan the repayment of which will not impair or burden the funds needed to operate the Real Property and, if applicable, Facility in the manner specified in Section 2.04, and for which the entire amount is used (i) to acquire additional real estate that is needed to so operate the Real Property and, if applicable, Facility in accordance with the requirements imposed under Section 2.04 and will be included in and as part of the Public Entity's interest in the Real Property and, if applicable, Facility, and/or (ii) to pay for capital improvements that are needed to so operate the Real Property and, if applicable, Facility in accordance with the requirements

imposed under Section 2.04.

R. It reasonably expects to possess the ownership interest in the Real Property and, if applicable, Facility described Section 2.02 for the entire useful life thereof, and it does not expect to sell such ownership interest.

S. It does not reasonably expect to receive payments under a Use Contract in excess of the amount the Public Entity needs and is authorized to use to pay the operating expenses of the portion of the Real Property and, if applicable, Facility that is the subject of the Use Contract or to pay the principal, interest, redemption premiums, and other expenses on any Approved Debt.

T. It will supply, or cause to be supplied, whatever funds are needed above and beyond the amount of the Grant to complete and fully pay for the Project.

U. The Construction Items will be completed substantially in accordance with the Construction Contract Documents by the Completion Date, and all such items along with, if applicable, the Facility will be situated entirely on the Real Property.

V. It will require the Contractor or Contractors to comply with all rules, regulations, ordinances, and laws bearing on its performance under the Construction Contract Documents.

W. It shall furnish such satisfactory evidence regarding the representations and warranties described herein as may be required and requested by either the State Entity or the Commissioner of Finance.

Section 2.06 Leasehold Ownership. *This Section shall only apply if the Public Entity's ownership interest in the Real Property, the Facility, if applicable, or both is by way of a Real Property/Facility Lease. For all other circumstances this Section is not needed and should be ignored and treated as if were left blank, and any reference to this Section in this Agreement shall be ignored and treated as if the reference did not exist.*

A. A Real Property/Facility Lease must comply with the following provisions.

1. It must be in form and contents acceptable to the State Entity and the Commissioner of Finance, and specifically state that it may not be modified, restated, amended, changed in any way, or prematurely terminated or cancelled without the prior written consent and authorization by the State Entity and the Commissioner of Finance.

2. If it is just for the Real Property, then it must be for a term of at least 37.5 years or such other period of time specifically authorized by a Minnesota statute, rule

or session law.

3. If it is for the Real Property and the Facility, then it must be for a term that is equal to or greater than 125% of the useful life of the Facility or such other period of time specifically authorized by a Minnesota statute, rule or session law.

4. Any payments to be made under it by the Public Entity, whether designated as rent or in any other manner, must be by way of a single lump sum payment that is due and payable on the date that it is first made and entered into.

5. It must not contain any requirements or obligations of the Public Entity that if not complied with could result in a termination thereof.

6. It must contain a provision that provides sufficient authority to allow the Public Entity to operate the Real Property and, if applicable, Facility in accordance with the requirements imposed under Section 2.04.

7. It must not contain any provisions that would limit or impair the Public Entity's operation of the Real Property and, if applicable, Facility in accordance with the requirements imposed under Section 2.04.

8. It must contain a provision that prohibits the Lessor from creating or allowing, without the prior written consent of the State Entity and the Commissioner of Finance, any voluntary lien or encumbrance or involuntary lien or encumbrance that can be satisfied by the payment of monies and which is not being actively contested against the Leased Premises or the Lessor's interest in the Real Property/Facility Lease, whether such lien or encumbrance is superior or subordinate to the Declaration. Provided, however, the State Entity and the Commissioner of Finance will consent to any such lien or encumbrance if the holder of such lien or encumbrance executes and files of record a document under which such holder subordinates such lien or encumbrance to the Real Property/Facility Lease and agrees that upon foreclosure of such lien or encumbrance to be bound by and comply with all of the terms, conditions and covenants contained in the Real Property/Facility Lease as if such holder had been an original Lessor under the Real Property/Facility Lease.

9. It must acknowledge the existence of this Agreement and contain a provision that the terms, conditions and provisions contained in this Agreement shall control over any inconsistent or contrary terms, conditions and provisions contained in the Real Property/Facility Lease.

B. The provisions contained in this Section are not intended to and shall not prevent the Public Entity from including additional provisions in the Real Property/Facility Lease

that are not inconsistent with or contrary to the requirements contained in this Section.

C. The expiration of the term of a Real Property/Facility Lease shall not be an event that requires the Public Entity to reimburse the State Entity for any portion of the Grant, and upon such expiration the Real Property and, if applicable, Facility shall no longer be subject to this Agreement.

D. The Public Entity shall fully and completely comply with all of the terms, conditions and provisions contained in a Real Property/Facility Lease, and shall obtain and file, in the Office of the County Recorder or the Registrar of Titles, whichever is applicable, the Real Property/Facility Lease or a short form or memorandum thereof.

Section 2.07 Event(s) of Default. The following events shall, unless waived in writing by the State Entity and the Commissioner of Finance, constitute an Event of Default under this Agreement upon either the State Entity or the Commissioner of Finance giving the Public Entity 30 days written notice of such event and the Public Entity's failure to cure such event during such 30 day time period for those Events of Default that can be cured within 30 days or within whatever time period is needed to cure those Events of Default that cannot be cured within 30 days as long as the Public Entity is using its best efforts to cure and is making reasonable progress in curing such Events of Default, however, in no event shall the time period to cure any Event of Default exceed 6 months unless otherwise consented to, in writing, by the State Entity and the Commissioner of Finance.

A. If any representation, covenant, or warranty made by the Public Entity in this Agreement, in any Draw Requisition, in any other document furnished pursuant to this Agreement, or in order to induce the State Entity to disburse any of the Grant, shall prove to have been untrue or incorrect in any material respect or materially misleading as of the time such representation, covenant, or warranty was made.

B. If the Public Entity fails to fully comply with any provision, term, condition, covenant, or warranty contained in this Agreement, the Declaration, or any other document referred to herein.

C. If the Public Entity fails to fully comply with any provision, term, condition, covenant or warranty contained in the G.O. Compliance Legislation or the Commissioner's Order.

D. If the Public Entity fails to complete the Project, or cause the Project to be completed, by the Completion Date.

E. If the Public Entity fails to provide and expend the full amount of the matching funds, if any, required under Section 7.23 for the Project.

Notwithstanding the foregoing, any of the above delineated events that cannot be cured shall, unless waived in writing by the State Entity and the Commissioner of Finance, constitute an Event of Default under this Agreement immediately upon either the State Entity or the Commissioner of Finance giving the Public Entity written notice of such event.

Section 2.08 Remedies. Upon the occurrence of an Event of Default and at any time thereafter until such Event of Default is cured to the satisfaction of the State Entity, the State Entity or the Commissioner of Finance may enforce any or all of the following remedies.

A. The State Entity may refrain from disbursing the Grant; provided, however, the State Entity may make such disbursements after the occurrence of an Event of Default without thereby waiving its rights and remedies hereunder.

B. If the Event of Default does not involve a failure to comply with the provisions contained in Section 4.02, then the Commissioner of Finance, as a third party beneficiary of this Agreement, may demand that the Outstanding Balance of the Grant be returned to it, and upon such demand the Public Entity shall return such amount to the Commissioner of Finance.

C. If the Event of Default involves a failure to comply with the provisions contained in Section 4.02, then the Commissioner of Finance, as a third party beneficiary of this Agreement, may demand that the Public Entity pay the amounts that would have been paid if there had been full and complete compliance with such provisions, and upon such demand the Public Entity shall pay such amount to the Commissioner of Finance.

D. Either the State Entity or the Commissioner of Finance, as a third party beneficiary of this Agreement, may enforce any additional remedies they may have in law or equity.

The rights and remedies herein specified are cumulative and not exclusive of any rights or remedies that the State Entity or the Commissioner of Finance would otherwise possess.

If the Public Entity does not repay the amounts required to be paid under this Section or under any other provision contained in this Agreement within 30 days of demand by the Commissioner of Finance, or any amount ordered by a court of competent jurisdiction within 30 days of entry of judgment against the Public Entity and in favor of the State Entity and/or the Commissioner of Finance, then such amount may, unless precluded by law, be taken from or off-set against any aids or other monies that the Public Entity is entitled to receive from the State of Minnesota.

Section 2.09 Notification of Event of Default. The Public Entity shall furnish to the State Entity and the Commissioner of Finance, as soon as possible and in any event within 7 days after it has obtained knowledge of the occurrence of each Event of Default or each event

which with the giving of notice or lapse of time or both would constitute an Event of Default, a statement setting forth details of each Event of Default or event which with the giving of notice or upon the lapse of time or both would constitute an Event of Default and the action which the Public Entity proposes to take with respect thereto.

Section 2.10 Effect of Event of Default. This Agreement shall survive any and all Events of Default and remain in full force and effect even upon the payment of any amounts due under this Agreement, and shall only be terminated upon the Public Entity's sale of its interest in the Real Property and, if applicable, Facility in accordance with the provisions contained in Section 4.01 and transmittal of all or a portion of the proceeds of such sale to the Commissioner of Finance in compliance with the provisions contained in Section 4.02, or in accordance with the provisions contained in Section 2.11.

Section 2.11 Termination/Modification of Grant. If the Project is not started on or before the date that is 5 years from the effective date of this Agreement or all of the Grant has not been disbursed as of the date that is 4 years from the date on which the Project is started, or such later dates to which the Public Entity and the State Entity may agree in writing, then the State Entity's obligation to fund the Grant shall terminate. In such event, (i) if none of the Grant has been disbursed by such dates then the State Entity's obligation to fund any portion of the Grant shall terminate and this Agreement shall terminate and no longer be of any force or effect, and (ii) if some but not all of the Grant has been disbursed by such dates then the State Entity shall have no further obligation to provide any additional funding for the Grant and this Agreement shall remain in full force and effect but shall be modified and amended to reflect the amount of the Grant that was actually disbursed as of such date. This provision shall not, in any way, affect the Public Entity's obligation to complete the Project by the Completion Date.

This Agreement shall also terminate and no longer be of any force or effect upon the Public Entity's sale of its interest in the Real Property and, if applicable, Facility in accordance with the provisions contained in Section 4.01 and transmittal of all or a portion of the proceeds of such sale to the Commissioner of Finance in compliance with the provisions contained in Section 4.02, or upon the termination of Public Entity's ownership interest in the Real Property and, if applicable, Facility if such ownership interest is by way of an easement or under a Real Property/Facility Lease.

Article III USE CONTRACTS

This Article III and its contents is only needed and only applies if the Public Entity enters into an agreement with another party under which such other party will operate the Real Property, and if applicable, Facility. For all other circumstances this Article III and its contents is not needed and should be ignored and treated as if were left blank, and any reference to this Article III, its contents, and the term Use Contract in this Agreement shall be ignored and treated as if the references did not exist.

Section 3.01 **General Provisions.** If the Public Entity has statutory authority to enter into a Use Contract, then it may enter Use Contracts for various portions of the Real Property and, if applicable, Facility; provided that each and every Use Contract that the Public Entity enters into must comply with the following requirements:

A. The purpose for which it was entered into must be to operate the Governmental Program.

B. It must contain a provision setting forth the statutory authority under which the Public Entity is entering into such contract, and must comply with the substantive and procedural provisions of such statute.

C. It must contain a provision stating that it is being entered into in order for the Counterparty to operate the Governmental Program and must describe such program.

D. It must contain a provision that will provide for oversight by the Public Entity. Such oversight may be accomplished by way of a provision that will require the Counterparty to provide to the Public Entity; (i) an initial program evaluation report for the first fiscal year that the Counterparty will operate the Governmental Program, (ii) program budgets for each succeeding fiscal year showing that forecast program revenues and additional revenues available for the operation of the Governmental Program by the Counterparty will equal or exceed expenses for such operation for each succeeding fiscal year, and (iii) a mechanism under which the Public Entity will annually determine that the Counterparty is using the portion of the Real Property and, if applicable, Facility that is the subject of the Use Contract to operate the Governmental Program.

E. It must allow for termination by the Public Entity in the event of a default thereunder by the Counterparty, or in the event that the Governmental Program is terminated or changed in a manner that precludes the operation of such program in the portion of the Real Property and, if applicable, Facility that is the subject of the Use Contract.

F. It must terminate upon the termination of the statutory authority under which the

Public Entity is operating the Governmental Program.

G. It must require the Counterparty to pay all costs of operation and maintenance of that portion of the Real Property and, if applicable, Facility that is the subject of the Use Contract, unless the Public Entity is authorized by law to pay such costs and agrees to pay such costs.

H. If the Public Entity pays monies to a Counterparty under a Use Contract, such Use Contract must meet the requirements of Rev. Proc. 97-13, 1997-1 CB 632, so that such Use Contract does not result in "private business use" under Section 141(b) of the Code.

I. It must be approved, in writing, by the State Entity and the Commissioner of Finance, and any Use Contract that is not approved, in writing, by the State Entity and the Commissioner of Finance shall be null and void and of no force or effect.

J. It must contain a provision requiring that each and every party thereto shall, upon direction by the Commissioner of Finance, take such actions and furnish such documents to the Commissioner of Finance as the commissioner determines to be necessary to ensure that the interest to be paid on the G.O. Bonds is exempt from federal income taxation.

K. It must contain a provision that prohibits the Counterparty from creating or allowing, without the prior written consent of the State Entity and the Commissioner of Finance, any voluntary lien or encumbrance or involuntary lien or encumbrance that can be satisfied by the payment of monies and which is not being actively contested against the Real Property or, if applicable, Facility, or the Counterparty's interest in the Use Agreement, whether such lien or encumbrance is superior or subordinate to the Declaration. Provided, however, the State Entity and the Commissioner of Finance will consent, in writing, to any such lien or encumbrance that secures the repayment of a loan the repayment of which will not impair or burden the funds needed to operate the portion of the Real Property and, if applicable, Facility that is the subject of the Use Contract in the manner specified in Section 2.04 and for which the entire amount is used (i) to acquire additional real estate that is needed to so operate the Real Property and, if applicable, Facility in accordance with the requirements imposed under Section 2.04 and will be included in and as part of the Public Entity's interest in the Real Property and, if applicable, Facility, and/or (ii) to pay for capital improvements that are needed to so operate the Real Property and, if applicable, Facility in accordance with the requirements imposed under Section 2.04.

L. If the amount of the Grant exceeds \$200,000.00, then it must contain a provision requiring the Counterparty to list any vacant or new positions it may have with job services of the Commissioner of Economic Security for the State of Minnesota, or the local service units, as required by Minn. Stat. § 116L.66 that exists as of the date of this Agreement and as such may subsequently be amended, modified or replaced from time to time, for the term

of the Use Contract.

Section 3.02 Initial Term and Renewal. The initial term for a Use Agreement may not exceed the lesser of (i) 50% of the useful life of the portion of the Facility that is the subject of the Use Contract if there is a Facility, (ii) 15 years if there is only Real Property and no Facility, or (iii) the shortest term of the Public Entity's ownership interest in the Real Property or, if applicable, Facility.

A Use Agreement may allow for renewals beyond its initial term on the conditions that (w) the term of any renewal may not exceed the initial term, (x) the Public Entity must make a determination that renewal will continue to carry out the Governmental Program and that the Counterparty is the entity that is best suited and able to perform the functions contained in Use Agreement that is to be renewed, (y) the Use Agreement may not include any provisions that would require, either directly or indirectly, the Public Entity to either make the determination referred to in this Section or to renew the Use Contract with the Counterparty after the expiration of the initial term or any renewal term, and (z) no such renewal may occur prior to the date that is 6 months prior to the date on which the Use Agreement is scheduled to terminate.

Section 3.03 Reimbursement of Counterparty. It may but need not contain, at the sole option and discretion of the Public Entity, a provision that requires the Public Entity to reimburse the Counterparty for any investment that the Counterparty provided for the acquisition or betterment of the Real Property and, if applicable, Facility that is the subject of the Use Contract if the Public Entity does not renew a Use Agreement if requested by the Counterparty. If agreed to by the Public Entity, such reimbursement shall be on terms and conditions agreed to by the Public Entity and the Counterparty.

Section 3.04 Receipt of Monies Under a Use Contract. If the Public Entity receives any monies under a Use Contract in excess of the amount the Public Entity needs and is authorized to use to pay the operating expenses of the portion of the Real Property and, if applicable, Facility that is the subject of a Use Contract, and to pay the principal, interest, redemption premiums, and other expenses on Approved Debt, then a portion of such excess monies must be paid by the Public Entity to the Commissioner of Finance. The portion of such excess monies that the Public Entity must and shall pay to the Commissioner of Finance shall be determined by the Commissioner of Finance, and absent circumstances which would indicate otherwise such portion shall be determined by multiplying such excess monies by a fraction the numerator of which is the Grant and the denominator of which is sum of the Grant and the Approved Debt.

Article IV
SALE

Section 4.01 **Sale.** The Public Entity shall not sell its interest in the Real Property and, if applicable, Facility unless all of the following provisions have been complied with fully.

A. The Public Entity determines, by official action, that the Real Property and, if applicable, Facility is no longer usable or needed for the operation of the Governmental Program, which such determination may be based on a determination that the Real Property or, if applicable, Facility is no longer suitable or financially feasible for such purpose.

B. The sale is made as authorized by law.

C. The sale is for Fair Market Value.

D. The written consent of the Commissioner of Finance has been obtained.

The acquisition of the Public Entity's interest in the Real Property and, if applicable, Facility at a foreclosure sale, by acceptance of a deed-in-lieu of foreclosure, or enforcement of a security interest in personal property used in the operation thereof, by a lender that has provided monies for the acquisition of the Public Entity's interest in or betterment of the Real Property and, if applicable, Facility shall not be considered a sale for the purposes of this Agreement if after such acquisition the lender operates the Real Property and, if applicable, Facility in a manner which is not inconsistent with the requirements imposed under Section 2.04 and the lender uses its best efforts to sell such acquired interest to a third party for Fair Market Value. The lender's ultimate sale or disposition of the acquired interest in the Real Property and, if applicable, Facility shall be deemed to be a sale for the purposes of this Agreement, and the proceeds thereof shall be disbursed in accordance with the provisions contained in Section 4.02.

The Public Entity may participate in any public auction of the Real Property and, if applicable, Facility and bid thereon; provided that the Public Entity agrees that if it is the successful purchaser it will not use any part of the Real Property or, if applicable, Facility for the Governmental Program.

Section 4.02 **Proceeds of a Sale.** Upon the sale of the Public Entity's interest in the Real Property and, if applicable, Facility the proceeds thereof after the deduction of all costs directly associated and incurred in conjunction with such sale, but not including the repayment of any debt associated with the Public Entity's interest in the Real Property and, if applicable, Facility, shall be disbursed in the following manner and order.

A. The first distribution shall be to the Commissioner of Finance in an amount equal to the Outstanding Balance of the Grant, and if the amount of such net proceeds shall be

less than the amount of the Outstanding Balance of the Grant then all of such net proceeds shall be distributed to the Commissioner of Finance.

B. The remaining portion, after the distribution specified in Section 4.02.A, shall be distributed to pay in full any outstanding Approved Debt in the order of priority of such debt.

C. The remaining portion, after the distributions specified in Sections 4.02A and B, shall be distributed to pay interested public and private entities the amount of money that such entity contributed to the acquisition or betterment of the Real Property and, if applicable, Facility as such amounts are shown in **Attachment III** to this Agreement, other than any such entity that has already received the full amount of its contribution. If such remaining portion is not sufficient to reimburse interested public and private entities for the full amount that such entities contributed to the acquisition or betterment of the Real Property and, if applicable, Facility, then the amount available shall be distributed as such entities may agree in writing.

D. The remaining portion, after the distributions specified in Sections 4.02.A, B and C, shall be divided and distributed to the State Entity and the Public Entity in proportion to the contributions that the State Entity and the Public Entity made to the acquisition and betterment of the Real Property and, if applicable, Facility as such amounts are shown in **Attachment III** to this Agreement. The distribution to the State Entity shall be made to the Commissioner of Finance.

All amounts to be disbursed under this Section 4.02 must be agreed upon and consented to, in writing, by the Commissioner of Finance and the Public Entity, and no such disbursements shall be made without such agreement and consent.

The Public Entity shall not be required to pay or reimburse the State Entity for any funds above and beyond the full net proceeds of such sale, even if such net proceeds are less than the amount of the Outstanding Balance of the Grant.

Article V
COMPLIANCE WITH G.O. COMPLIANCE LEGISLATION
AND THE COMMISSIONER'S ORDER

Section 5.01 **State Bond Financed Property.** The Public Entity and the State Entity acknowledge and agree that the Public Entity's interest in the Real Property and, if applicable, Facility is, or when acquired by the Public Entity will be, "state bond financed property", as such term is used in the G.O. Compliance Legislation and the Commissioner's Order, and, therefore, the provisions contained in such statute and order apply, or will apply, to the Public Entity's interest in the Real Property and, if applicable, Facility and any Use Contracts relating thereto.

Section 5.02 **Preservation of Tax Exempt Status.** In order to preserve the tax-exempt status of the G.O. Bonds, the Public Entity agrees as follows:

A. It will not use the Real Property or, if applicable, Facility, or use or invest the Grant or any other sums treated as "bond proceeds" under Section 148 of the Code including "investment proceeds," "invested sinking funds," and "replacement proceeds," in such a manner as to cause the G.O. Bonds to be classified as "arbitrage bonds" under Section 148 of the Code.

B. It will deposit into and hold all of the Grant that it receives under this Agreement in a segregated non-interest bearing account until such funds are used for payments for the Project in accordance with the provisions contained herein.

C. It will, upon written request, provide the Commissioner of Finance all information required to satisfy the informational requirements set forth in the Code including, but not limited to, Sections 103 and 148 thereof, with respect to the GO Bonds.

D. It will, upon the occurrence of any act or omission by the Public Entity or any Counterparty that could cause the interest on the GO Bonds to no longer be tax exempt and upon direction from the Commissioner of Finance, take such actions and furnish such documents as the Commissioner of Finance determines to be necessary to ensure that the interest to be paid on the G.O. Bonds is exempt from federal taxation, which such action may include either; (i) compliance with proceedings intended to classify the G.O. Bonds as a "qualified bond" within the meaning of Section 141(e) of the Code, (ii) changing the nature or terms of the Use Contract so that it complies with Revenue Procedure 97-13, 1997-1 CB 632, or (iii) changing the nature of the use of the Real Property or, if applicable, Facility so that none of the net proceeds of the G.O. Bonds will be used, directly or indirectly, in an "unrelated trade or business" or for any "private business use" (within the meaning of Sections 141(b) and 145(a) of the Code), or (iv) compliance with other Code provisions, regulations, or revenue procedures which amend or supersede the foregoing.

E. It will not otherwise use any of the Grant, including earnings thereon, if any, or

take or permit to or cause to be taken any action that would adversely affect the exemption from federal income taxation of the interest on the G.O. Bonds, nor otherwise omit, take, or cause to be taken any action necessary to maintain such tax exempt status, and if it should take, permit, omit to take, or cause to be taken, as appropriate, any such action, it shall take all lawful actions necessary to rescind or correct such actions or omissions promptly upon having knowledge thereof.

Section 5.03 Changes to G.O. Compliance Legislation or the Commissioner's Order. In the event that the G.O. Compliance Legislation or the Commissioner's Order is amended in a manner that reduces any requirement imposed against the Public Entity, or if the Public Entity's interest in the Real Property or, if applicable, Facility is exempt from the G.O. Compliance Legislation and the Commissioner's Order, then upon written request by the Public Entity the State Entity shall enter into and execute an amendment to this Agreement to implement herein such amendment to or exempt the Public Entity's interest in the Real Property and, if applicable, Facility from the G.O. Compliance Legislation or the Commissioner's Order.

Article VI DISBURSEMENT OF GRANT PROCEEDS

Section 6.01 The Advances. The State Entity agrees, on the terms and subject to the conditions set forth herein, to make Advances from the Grant to the Public Entity from time to time in an aggregate total amount not to exceed the amount of the Grant. If the amount of Grant that the State Entity cumulatively disburses hereunder to the Public Entity is less than the maximum amount of the Grant delineated in Section 1.01, then the State Entity and the Public Entity shall enter into and execute whatever documents the State Entity may request in order to amend or modify this Agreement to reduce the amount of the Grant to the amount actually disbursed. Provided, however, in accordance with the provisions contained in Section 2.11, the State Entity's obligation to make Advances shall terminate as of the dates specified in such Section even if the entire Grant has not been disbursed by such dates.

Advances shall only be for expenses that (i) are for those items of a capital nature delineated in **Attachment III** to this Agreement, (ii) accrued no earlier than the effective date of the GO Bonding Legislation, or (iii) have otherwise been consented to, in writing, by the Commissioner of Finance.

It is the intent of the parties hereto that the rate of disbursement of the Advances shall not exceed the rate of completion of the Project or the rate of disbursement of the matching funds required, if any, under Section 7.23. Therefore, the cumulative amount of all Advances disbursed by the State Entity at any point in time shall not exceed the portion of the Project that has been completed and the percentage of the matching funds required, if any, under Section 7.23 that have been disbursed as of such point in time. This requirement is expressed by way of the following two formulas:

Formula #1

Cumulative Advances < (Grant) x (percentage of matching funds, if any, required under Section 7.23 that have been disbursed)

Formula #2

Cumulative Advances < (Grant) x (percentage of Project completed)

Section 6.02 Draw Requisitions. Whenever the Public Entity desires a disbursement of a portion of the Grant, which shall be no more often than once each calendar month, the Public Entity shall submit to the State Entity a Draw Requisition duly executed on behalf of the Public Entity or its designee. Each Draw Requisition shall be submitted on or between the 1st day and the 15th day of the month in which an Advance is requested, and shall be submitted at least 7 calendar days before the date the Advance is desired. Each Draw Requisition with respect to construction items shall be limited to amounts equal to; (i) the total value of the classes of the work by percentage of completion as approved by the Public Entity and the State Entity, plus (ii) the value of materials and equipment not incorporated in the Project but delivered and suitably stored on or off the Real Property in a manner acceptable to the State Entity, less (iii) any applicable retainage, and less (iv) all prior Advances.

Notwithstanding anything herein to the contrary, no Advances for materials stored on or off the Real Property will be made by the State Entity unless the Public Entity shall advise the State Entity, in writing, of its intention to so store materials prior to their delivery and the State Entity has not objected thereto.

At the time of submission of each Draw Requisition, other than the final Draw Requisition, the Public Entity shall submit to the State Entity such supporting evidence as may be requested by the State Entity to substantiate all payments which are to be made out of the relevant Draw Requisition or to substantiate all payments then made with respect to the Project.

At the time of submission of the final Draw Requisition which shall not be submitted before completion of the Project, including all landscape requirements and off-site utilities and streets needed for access to the Real Property and, if applicable, Facility and correction of material defects in workmanship or materials (other than the completion of punch list items) as provided in the Construction Contract Documents, the Public Entity shall submit to the State Entity; (i) such supporting evidence as may be requested by the State Entity to substantiate all payments which are to be made out of the final Draw Requisition or to substantiate all payments then made with respect to the Project, and (ii) satisfactory evidence that all work requiring inspection by municipal or other governmental authorities having jurisdiction has been duly inspected and approved by such authorities, and that all requisite certificates of occupancy and other approvals have been issued.

If on the date an Advance is desired the Public Entity has complied with all requirements

of this Agreement and the State Entity approves the relevant Draw Requisition and receives a current construction report from the Inspecting Engineer recommending payment, then the State Entity shall disburse the amount of the requested Advance to the Public Entity.

Section 6.03 Additional Funds. If the State Entity shall at any time in good faith determine that the sum of the undisbursed amount of the Grant plus the amount of all other funds committed to the Project is less than the amount required to pay all costs and expenses of any kind which reasonably may be anticipated in connection with the Project, then the State Entity may send written notice thereof to the Public Entity specifying the amount which must be supplied in order to provide sufficient funds to complete the Project. The Public Entity agrees that it will, within 10 calendar days of receipt of any such notice, supply or have some other entity supply the amount of funds specified in the State Entity's notice.

Section 6.04 Condition Precedent to Any Advance. The obligation of the State Entity to make any Advance hereunder (including the initial Advance) shall be subject to the following conditions precedent:

A. The State Entity shall have received a Draw Requisition for such Advance specifying the amount of funds being requested, which such amount when added to all prior requests for an Advance shall not exceed the amount of the Grant.

B. The State Entity shall have received a duly executed Declaration that has been duly recorded in the appropriate governmental office, with all of the recording information displayed thereon.

C. The State Entity shall have received evidence, in form and substance acceptable to the State Entity, that (i) the Public Entity has legal authority to and has taken all actions necessary to enter into this Agreement and the Declaration, and (ii) this Agreement and the Declaration are binding on and enforceable against the Public Entity.

D. The State Entity shall have received evidence, in form and substance acceptable to the State Entity, that the Public Entity has sufficient funds to fully and completely pay for the Project and all other expenses that may occur in conjunction therewith.

E. The State Entity shall have received evidence, in form and substance acceptable to the State Entity, that the Public Entity is in compliance with the matching funds requirements, if any, contained in Section 7.23.

F. The State Entity shall have received evidence, in form and substance acceptable to the State Entity, showing that the Public Entity possesses the ownership interest delineated in Section 2.02.

G. The State Entity shall have received evidence, in form and substance acceptable

to the State Entity, that the Real Property and, if applicable, Facility, and the contemplated use thereof are permitted by and will comply with all applicable use or other restrictions and requirements imposed by applicable zoning ordinances or regulations, and, if required by law, have been duly approved by the applicable municipal or governmental authorities having jurisdiction thereover.

H. The State Entity shall have received evidence, in form and substance acceptable to the State Entity, that that all applicable and required building permits, other permits, bonds and licenses necessary for the Project have been paid for, issued, and obtained, other than those permits, bonds and licenses which may not lawfully be obtained until a future date or those permits, bonds and licenses which in the ordinary course of business would normally not be obtained until a later date.

I. The State Entity shall have received evidence, in form and substance acceptable to the State Entity, that that all applicable and required permits, bonds and licenses necessary for the operation of the Real Property and, if applicable, Facility in the manner specified in Section 2.04 have been paid for, issued, and obtained, other than those permits, bonds and licenses which may not lawfully be obtained until a future date or those permits, bonds and licenses which in the ordinary course of business would normally not be obtained until a later date.

J. The State Entity shall have received evidence, in form and substance acceptable to the State Entity, that the Project will be completed in a manner that will allow the Real Property and, if applicable, Facility to be operated in the manner specified in Section 2.04.

K. The State Entity shall have received evidence, in form and substance acceptable to the State Entity, that the Public Entity has the ability and a plan to fund the operation of the Real Property and, if applicable, Facility in the manner specified in Section 2.04.

L. The State Entity shall have received evidence, in form and substance acceptable to the State Entity, that the insurance requirements under Section 7.01 have been satisfied.

M. The State Entity shall have received evidence, in form and substance acceptable to the State Entity, of compliance with the provisions and requirements specified in Section 7.10 and all additional applicable provisions and requirements, if any, contained in Minn. Stat. § 16B.335 that exists as of the date of this Agreement and as such may subsequently be amended, modified or replaced from time to time. Such evidence shall include, but not be limited to, evidence that; (i) the predesign package referred to in Section 7.10.B has, if required, been reviewed by and received a favorable recommendation from the Commissioner of Administration for the State of Minnesota, (ii) the program plan and cost estimates referred to in Section 7.10.C have, if required, received a recommendation by the Chairs of the Minnesota State Senate Finance Committee and Minnesota House of Representatives Ways and Means Committee, and (iii) the Chair of the Minnesota House

of Representatives Capital Investment Committee has, if required, been notified pursuant to Section 7.10.G.

N. No Event of Default under this Agreement or event which would constitute an Event of Default but for the requirement that notice be given or that a period of grace or time elapse shall have occurred and be continuing.

O. The State Entity shall have received evidence, in form and substance acceptable to the State Entity, that the Contractor will complete the Construction Items substantially in conformance with the Construction Contract Documents and pay all amounts lawfully owing to all laborers and materialmen who worked on the Construction Items or supplied materials therefore, other than amounts being contested in good faith. Such evidence may be in the form of payment and performance bonds in amounts equal to or greater than the amount of the fixed price or guaranteed maximum price contained in the Construction Contract Documents that name the State Entity and the Public Entity dual obligees thereunder, or such other evidence as may be acceptable to the Public Entity and the State Entity.

P. No determination shall have been made by the State Entity that the amount of funds committed to the Project is less than the amount required to pay all costs and expenses of any kind that may reasonably be anticipated in connection with the Project, or if such a determination has been made and notice thereof sent to the Public Entity under Section 6.03, then the Public Entity has supplied, or has caused some other entity to supply, the necessary funds in accordance with such section or has provided evidence acceptable to the State Entity that sufficient funds are available.

Q. The Public Entity has supplied to the State Entity all other items that the State Entity may reasonably require.

Section 6.05 **Construction Inspections.** The Public Entity and the Engineer, if any, shall be responsible for making their own inspections and observations of the Construction Items, and shall determine to their own satisfaction that the work done or materials supplied by the Contractors to whom payment is to be made out of each Advance has been properly done or supplied in accordance with the Construction Contract Documents. If any work done or materials supplied by a Contractor are not satisfactory to the Public Entity or the Engineer, if any, or if a Contractor is not in material compliance with the Construction Contract Documents in any respect, then the Public Entity shall immediately notify the State Entity, in writing. The State Entity and the Inspecting Engineer, if any, may conduct such inspections of the Construction Items as either may deem necessary for the protection of the State Entity's interest, and that any inspections which may be made of the Project by the State Entity or the Inspecting Engineer, if any, are made and all certificates issued by the Inspecting Engineer, if any, will be issued solely for the benefit and protection of the State Entity, and the Public Entity will not rely thereon.

Article VII MISCELLANEOUS

Section 7.01 Insurance. The Public Entity shall, upon acquisition of the ownership interest delineated in Section 2.02, insure the Facility, if such exists, in an amount equal to the full insurable value thereof by self insuring under a program of self insurance legally adopted, maintained and adequately funded by the Public Entity or by way of builders risk insurance and fire and extended coverage insurance with a deductible in an amount acceptable to the State Entity, and shall name the State Entity as loss payee thereunder. If damages which are covered by such required insurance occur, then the Public Entity shall, at its sole option and discretion, either; (i) use or cause the insurance proceeds to be used to fully or partially repair such damage and to provide or cause to be provided whatever additional funds that may be needed to fully or partially repair such damage, or (ii) sell its interest in the damaged Facility and portion of the Real Property associated therewith in accordance with the provisions contained in Section 4.01.

If the Public Entity elects to only partially repair such damage, then the portion of the insurance proceeds not used for such repair shall be applied in accordance with the provisions contained in Section 4.02 as if the Public Entity's interest in the Real Property and Facility had been sold, and such amounts shall be credited against the amounts due and owing under Section 4.02 upon the ultimate sale of the Public Entity's interest in the Real Property and Facility. If the Public Entity elects to sell its interest in the damaged Facility and portion of the Real Property associated therewith, then such sale must occur within a reasonable time period from the date the damage occurred and the cumulative sum of the insurance proceeds plus the proceeds of such sale must be applied in accordance with the provisions contained in Section 4.02, with the insurance proceeds being so applied within a reasonable time period from the date they are received by the Public Entity.

The State Entity agrees to and will assign or pay over to the Public Entity all insurance proceeds it receives so that the Public Entity can comply with the requirements that this Section imposes thereon as to the use of such insurance proceeds.

If the Public Entity elects to maintain general comprehensive liability insurance regarding the Real Property and, if applicable, Facility, then the Public Entity shall have the State Entity named as an additional named insured therein.

At the written request of either the State Entity or the Commissioner of Finance, the Public Entity shall promptly furnish to the requesting entity all written notices and all paid premium receipts received by the Public Entity regarding the required insurance, or certificates of insurance evidencing the existence of such required insurance.

If the Public Entity fails to provide and maintain the insurance required under this Section, then the State Entity may, at its sole option and discretion, obtain and maintain insurance of an

equivalent nature and any funds expended by the State Entity to obtain or maintain such insurance shall be due and payable on demand by the State Entity and bear interest from the date of advancement by the State Entity at a rate equal to the lesser of the maximum interest rate allowed by law or 18% per annum based upon a 365 day year. Provided, however, nothing contained herein, including but not limited to this Section, shall require the State Entity to obtain or maintain such insurance, and the State Entity's decision to not obtain or maintain such insurance shall not lessen the Public Entity's duty to obtain and maintain such insurance.

Section 7.02 Condemnation. If after the Public Entity has acquired the ownership interest delineated in Section 2.02 all or any portion of the Real Property and, if applicable, Facility is condemned to an extent that the Public Entity can no longer comply with the provisions contained in Section 2.04, then the Public Entity shall, at its sole option and discretion, either; (i) use or cause the condemnation proceeds to be used to acquire an interest in additional real property needed for the Public Entity to continue to comply with the provisions contained in Section 2.04 and, if applicable, to fully or partially restore the Facility and to provide or cause to be provided whatever additional funds that may be needed for such purposes, or (ii) sell the remaining portion of its interest in the Real Property and, if applicable, Facility in accordance with the provisions contained in Section 4.01. Any condemnation proceeds which are not used to acquire an interest in additional real property or to restore, if applicable, the Facility shall be applied in accordance with the provisions contained in Section 4.02 as if the Public Entity's interest in the Real Property and, if applicable, Facility had been sold, and such amounts shall be credited against the amounts due and owing under Section 4.02 upon the ultimate sale of the Public Entity's interest in the remaining Real Property and, if applicable, Facility. If the Public Entity elects to sell its interest in the portion of the Real Property and, if applicable, Facility that remains after the condemnation, then such sale must occur within a reasonable time period from the date the condemnation occurred and the cumulative sum of the condemnation proceeds plus the proceeds of such sale must be applied in accordance with the provisions contained in Section 4.02, with the condemnation proceeds being so applied within a reasonable time period from the date they are received by the Public Entity.

As recipient of any of condemnation awards or proceeds referred to herein, the State Entity agrees to and will disclaim, assign or pay over to the Public Entity all of such condemnation awards or proceeds it receives so that the Public Entity can comply with the requirements which this Section imposes upon the Public Entity as to the use of such condemnation awards or proceeds.

Section 7.03 Use, Maintenance, Repair and Alterations. The Public Entity shall (i) keep the Real Property and, if applicable, Facility, in good condition and repair, subject to reasonable and ordinary wear and tear, (ii) complete promptly and in good and workmanlike manner any building or other improvement which may be constructed on the Real Property and promptly restore in like manner any portion of the Facility, if applicable, which may be damaged or destroyed thereon and pay when due all claims for labor performed and materials furnished therefore, (iii) comply with all laws, ordinances, regulations, requirements, covenants, conditions

and restrictions now or hereafter affecting the Real Property or, if applicable, Facility, or any part thereof, or requiring any alterations or improvements thereto, (iv) keep and maintain abutting grounds, sidewalks, roads, parking and landscape areas in good and neat order and repair, (v) comply with the provisions of any Real Property/Facility Lease if the Public Entity's interest in the Real Property and, if applicable, Facility, is a leasehold interest, and (vi) comply with the provisions of any condominium documents and any applicable reciprocal easement or operating agreements if the Real Property and, if applicable, Facility, is part of a condominium regime or is subject to a reciprocal easement or use agreement.

The Public Entity shall not, without the written consent of the State Entity and the Commissioner of Finance, (a) permit or suffer the use of any of the Real Property or, if applicable, Facility, for any purpose other than the purposes specified in Section 2.04, (b) remove, demolish or substantially alter any of the Real Property or, if applicable, Facility, except such alterations as may be required by laws, ordinances or regulations or such other alterations as may improve such Real Property or, if applicable, Facility by increasing the value thereof or improving its ability to be used to operate the Governmental Program thereon or therein, (c) do any act or thing which would unduly impair or depreciate the value of the Real Property or, if applicable, Facility, (d) abandon the Real Property or, if applicable, Facility, (e) commit or permit any waste or deterioration of the Real Property or, if applicable, Facility, (f) remove any fixtures or personal property from the Real Property or, if applicable, Facility, that was paid for with the proceeds of the Grant unless the same are immediately replaced with like property of at least equal value and utility, or (g) commit, suffer or permit any act to be done in or upon the Real Property or, if applicable, Facility, in violation of any law, ordinance or regulation.

If the Public Entity fails to maintain the Real Property and, if applicable, Facility in accordance with the provisions contained in this Section, then the State Entity may perform whatever acts and expend whatever funds that are necessary to so maintain the Real Property and, if applicable, Facility and the Public Entity irrevocably authorizes and empowers the State Entity to enter upon the Real Property and, if applicable, Facility, to perform such acts as may be necessary to so maintain the Real Property and, if applicable, Facility. Any actions taken or funds expended by the State Entity hereunder shall be at its sole option and discretion, and nothing contained herein, including but not limited to this Section, shall require the State Entity to take any action, incur any expense, or expend any funds, and the State Entity shall not be responsible for or liable to the Public Entity or any other entity for any such acts that are undertaken and performed in good faith and not in a negligent manner. Any funds expended by the State Entity to perform such acts as may be necessary to so maintain the Real Property and, if applicable, Facility shall be due and payable on demand by the State Entity and bear interest from the date of advancement by the State Entity at a rate equal to the lesser of the maximum interest rate allowed by law or 18% per annum based upon a 365 day year.

Section 7.04 Records Keeping and Reporting. The Public Entity shall maintain or cause to be maintained books, records, documents and other evidence pertaining to the costs or expenses associated with the Project and operation of the Real Property and, if applicable,

Facility needed to comply with the requirements contained in this Agreement, the G.O. Compliance Legislation, and the Commissioner's Order, and upon request shall allow or cause the entity which is maintaining such items to allow the State Entity, auditors for the State Entity, the Legislative Auditor for the State of Minnesota, or the State Auditor for the State of Minnesota, to inspect, audit, copy, or abstract, all of such items. The Public Entity shall use or cause the entity which is maintaining such items to use generally accepted accounting principles in the maintenance of such items, and shall retain or cause to be retained (i) all of such items that relate to the Project for a period of 6 years from the date that the Project is fully completed and placed into operation, and (ii) all of such items that relate to the operation of the Real Property and, if applicable, Facility for a period of 6 years from the date such operation is initiated.

Section 7.05 Inspection of Real Property and, if applicable, Facility After Completion. Upon reasonable request by the State Entity and without interfering with the normal use of the Real Property and, if applicable, Facility, the Public Entity shall allow, and will require any entity to whom it leases, subleases, or enters into a Use Contract for any portion of the Real Property and, if applicable, Facility to allow the State Entity to inspect the Real Property and, if applicable, Facility.

Section 7.06 Data Practices. The Public Entity agrees with respect to any data that it possesses regarding the Grant, the Project, or the operation of the Real Property and, if applicable, Facility, to comply with all of the provisions and restrictions contained in the Minnesota Government Data Practices Act contained in Chapter 13 of the Minnesota Statutes that exists as of the date of this Agreement and as such may subsequently be amended, modified or replaced from time to time.

Section 7.07 Non-Discrimination. The Public Entity agrees to not engage in discriminatory employment practices regarding the Project, or operation or management of the Real Property and, if applicable, Facility, and it shall, with respect to such activities, fully comply with all of the provisions contained in Chapters 363A and 181 of the Minnesota Statutes that exist as of the date of this Agreement and as such may subsequently be amended, modified or replaced from time to time.

Section 7.08 Worker's Compensation. The Public Entity agrees to comply with all of the provisions relating to worker's compensation contained in Minn. Stat. §§ 176.181 Subd. 2 & 176.182 that exist as of the date of this Agreement and as such may subsequently be amended, modified or replaced from time to time, with respect to the Project and the operation or management of the Real Property and, if applicable, Facility.

Section 7.09 Antitrust Claims. The Public Entity hereby assigns to the State Entity and the Commissioner of Finance all claims it may have for over charges as to goods or services provided with respect to the Project, and operation or management of the Real Property and, if applicable, Facility that arise under the antitrust laws of the State of Minnesota or of the United States of America.

Section 7.10 Review of Plans and Cost Estimates. The Public Entity agrees to comply with all applicable provisions and requirements, if any, contained in Minn. Stat. § 16B.335 that exists as of the date of this Agreement and as such may subsequently be amended, modified or replaced from time to time, for the Project, and in accordance therewith the Public Entity and the State Entity agree to comply with the following provisions and requirements if such provisions and requirements are applicable.

A. The Public Entity shall provide all information that the State Entity may request in order for the State Entity to determine that the Project will comply with the provisions and requirements contained in Minn. Stat. § 16B.335 that exists as of the date of this Agreement and as such may subsequently be amended, modified or replaced from time to time.

B. Prior to its proceeding with design activities for the Project the Public Entity shall prepare a predesign package and submit it to the Commissioner of Administration for the State of Minnesota for review and comment. The predesign package must be sufficient to define the purpose, scope, cost, and projected schedule for the Project, and must demonstrate that the Project has been analyzed according to appropriate space and needs standards. Any substantial changes to such predesign package must be submitted to the Commissioner of Administration for the State of Minnesota for review and comment.

C. If the Project includes the construction of a new building, substantial addition to an existing building, a substantial change to the interior configuration of an existing building, or the acquisition of an interest in land, then the Public Entity shall not prepare final plans and specifications until it has prepared a program plan and cost estimates for all elements necessary to complete the Project and presented them to the Chairs of the Minnesota State Senate Finance Committee and Minnesota House of Representatives Ways and Means Committee and the chairs have made their recommendations, and it has notified the Chair of the Minnesota House of Representatives Capital Investment Committee. The program plan and cost estimates must note any significant changes in the work to be performed on the Project, or in its costs, which have arisen since the appropriation from the legislature for the Project was enacted or which differ from any previous predesign submittal.

D. The Public Entity must notify the Chairs of the Minnesota State Senate Finance Committee, the Minnesota House of Representatives Capital Investment Committee and the Minnesota House of Representatives Ways and Means Committee of any significant changes to the program plan and cost estimates referred to in Section 7.10.C.

E. The program plan and cost estimates referred to in Section 7.10.C must ensure that the Project will comply with all applicable energy conservation standards contained in law, including Minn. Stat. §§ 216C.19 to 216C.20 that exists as of the date of this

Agreement and as such may subsequently be amended, modified or replaced from time to time, and all rules adopted thereunder.

F. If any of the Grant is to be used for the construction or remodeling of the Facility, then both the predesign package referred to in Section 7.10.B and the program plan and cost estimates referred to in Section 7.10.C must include provisions for cost-effective information technology investments that will enable the occupant of the Facility to reduce its need for office space, provide more of its services electronically, and decentralize its operations where such provisions are deemed necessary by the Information Policy Office of the Department of Administration for the State of Minnesota.

G. If the Project does not involve the construction of a new building, substantial addition to an existing building, substantial change to the interior configuration of an existing building, or the acquisition of an interest in land, then prior to beginning work on the Project the Public Entity shall just notify the Chairs of the Minnesota State Senate Finance Committee, the Minnesota House of Representatives Capital Investment Committee and the Minnesota House of Representatives Ways and Means Committee that the work to be performed is ready to begin.

H. The Project must be; (i) substantially completed in accordance with the program plan and cost estimates referred to in Section 7.10.C, (ii) completed in accordance with the time schedule contained in the program plan referred to in Section 7.10.C, and (iii) completed within the budgets contained in the cost estimates referred to in Section 7.10.C.

Provided, however, the provisions and requirements contained in this Section only apply to public lands or buildings or other public improvements of a capital nature, and shall not apply to the demolition or decommissioning of state assets, hazardous material projects, utility infrastructure projects, environmental testing, parking lots, exterior lighting, fencing, highway rest areas, truck stations, storage facilities not consisting primarily of offices or heated work areas, roads, bridges, rails, pathways, campgrounds, athletic fields, dams, floodwater retention systems, water access sites, harbors, sewer separation projects, water and wastewater facilities, port development projects for which the Commissioner of Transportation for the State of Minnesota has entered into an assistance agreement under Minn. Stat. § 457A.04 that exists as of the date of this Agreement and as such may subsequently be amended, modified or replaced from time to time, ice arenas, local government projects with a construction cost of less than \$1,500,000.00, or any other capital project with a construction cost of less than \$750,000.00.

Section 7.11 Prevailing Wages. The Public Entity agrees to comply with all of the applicable provisions contained in Chapter 177 of the Minnesota Statutes, and specifically those provisions contained in Minn. Stat. §§ 177.41 through 177.435 that exists as of the date of this Agreement and as such may subsequently be amended, modified or replaced from time to time with respect to the Project and the operation of the Governmental Program on or in the Real Property and, if applicable, Facility. By agreeing to this provision, the Public Entity is not

acknowledging or agreeing that the cited provisions apply to the Project or the operation of the Governmental Program on or in the Real Property and, if applicable, Facility.

Section 7.12 Liability. The Public Entity and the State Entity agree that they will, subject to any indemnifications provided herein, be responsible for their own acts and the results thereof to the extent authorized by law, and they shall not be responsible for the acts of the other party and the results thereof. The liability of the State Entity and the Commissioner of Finance is governed by the provisions contained in Minn. Stat. § 3.736 that exists as of the date of this Agreement and as such may subsequently be amended, modified or replaced from time to time. If the Public Entity is a "municipality" as such term is used in Chapter 466 of the Minnesota Statutes that exists as of the date of this Agreement and as such may subsequently be amended, modified or replaced from time to time, then the liability of the Public Entity, including but not limited to the indemnification provided under Section 7.13, is governed by the provisions contained in such Chapter 466.

Section 7.13 Indemnification by the Public Entity. The Public Entity shall bear all loss, expense (including attorneys' fees), and damage in connection with the Project and operation of the Real Property and, if applicable, Facility, and agrees to indemnify and hold harmless the State Entity, the Commissioner of Finance, and the State of Minnesota, their agents, servants and employees from all claims, demands and judgments made or recovered against the State Entity, the Commissioner of Finance, and the State of Minnesota, their agents, servants and employees, because of bodily injuries, including death at any time resulting therefrom, or because of damages to property of the State Entity, the Commissioner of Finance, or the State of Minnesota, or others (including loss of use) from any cause whatsoever, arising out of, incidental to, or in connection with the Project or operation of the Real Property and, if applicable, Facility, whether or not due to any act of omission or commission, including negligence of the Public Entity or any contractor or his or their employees, servants or agents, and whether or not due to any act of omission or commission (excluding, however, negligence or breach of statutory duty) of the State Entity, the Commissioner of Finance, or the State of Minnesota, their employees, servants or agents.

The Public Entity further agrees to indemnify, save, and hold the State Entity, the Commissioner of Finance, and the State of Minnesota, their agents and employees, harmless from all claims arising out of, resulting from, or in any manner attributable to any violation by the Public Entity, its officers, employees, or agents, or by any Counterparty, its officers, employees, or agents, of any provision of the Minnesota Government Data Practices Act, including legal fees and disbursements paid or incurred to enforce the provisions contained in Section 7.06.

The Public Entity's liability hereunder shall not be limited to the extent of insurance carried by or provided by the Public Entity, or subject to any exclusions from coverage in any insurance policy.

Section 7.14 **Relationship of the Parties.** Nothing contained in this Agreement is intended or should be construed in any manner as creating or establishing the relationship of co-partners or a joint venture between the Public Entity, the State Entity, or the Commissioner of Finance, nor shall the Public Entity be considered or deemed to be an agent, representative, or employee of either the State Entity, the Commissioner of Finance, or the State of Minnesota in the performance of this Agreement, the Project, or operation of the Real Property and, if applicable, Facility.

The Public Entity represents that it has already or will secure or cause to be secured all personnel required for the performance of this Agreement and the Project, and the operation and maintenance of the Real Property and, if applicable, Facility. All personnel of the Public Entity or other persons while engaging in the performance of this Agreement, the Project, or the operation and maintenance of the Real Property and, if applicable, Facility shall not have any contractual relationship with either the State Entity, the Commissioner of Finance, or the State of Minnesota and shall not be considered employees of any of such entities. In addition, all claims that may arise on behalf of said personnel or other persons out of employment or alleged employment including, but not limited to, claims under the Workers' Compensation Act of the State of Minnesota, claims of discrimination against the Public Entity, its officers, agents, contractors, or employees shall in no way be the responsibility of either the State Entity, the Commissioner of Finance, or the State of Minnesota. Such personnel or other persons shall not require nor be entitled to any compensation, rights or benefits of any kind whatsoever from either the State Entity, the Commissioner of Finance, or the State of Minnesota including, but not limited to, tenure rights, medical and hospital care, sick and vacation leave, disability benefits, severance pay and retirement benefits.

Section 7.15 **Notices.** In addition to any notice required under applicable law to be given in another manner, any notices required hereunder must be in writing and shall be sufficient if personally served or sent by prepaid, registered, or certified mail (return receipt requested), to the business address of the party to whom it is directed. Such business address shall be that address specified below or such different address as may hereafter be specified, by either party by written notice to the other:

To the Public Entity at:

City of East Grand Forks
600 Demers Avenue, P.O Box 373
East Grand Forks, MN 56721
Attention: Lynn Stauss, Mayor

To the State Entity at:

MN Department of Natural Resources
500 Lafayette Road
St. Paul, MN 55155-4039
Attention: Larry Peterson

To the Commissioner of Finance at:

Minnesota Department of Finance
400 Centennial Office Bldg.
658 Cedar St.
St. Paul, MN 55155
Attention: Commissioner of Finance

Section 7.16 Binding Effect and Assignment or Modification. This Agreement and the Declaration shall be binding upon and inure to the benefit of the Public Entity and the State Entity, and their respective successors and assigns. Provided, however, that neither the Public Entity nor the State Entity may assign any of its rights or obligations under this Agreement or the Declaration without the prior written consent of the other party. No change or modification of the terms or provisions of this Agreement or the Declaration shall be binding on either the Public Entity or the State Entity unless such change or modification is in writing and signed by an authorized official of the party against which such change or modification is to be imposed.

Section 7.17 Waiver. Neither the failure by the Public Entity, the State Entity, or the Commissioner of Finance, as a third party beneficiary of this Agreement, in any one or more instances to insist upon the complete and total observance or performance of any term or provision hereof, nor the failure of the Public Entity, the State Entity, or the Commissioner of Finance, as a third party beneficiary of this Agreement, to exercise any right, privilege, or remedy conferred hereunder or afforded by law shall be construed as waiving any breach of such term, provision, or the right to exercise such right, privilege, or remedy thereafter. In addition, no delay on the part of either the Public Entity, the State Entity, or the Commissioner of Finance, as a third party beneficiary of this Agreement, in exercising any right or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right or remedy preclude other or further exercise thereof or the exercise of any other right or remedy.

Section 7.18 Entire Agreement. This Agreement, the Declaration, and the documents, if any, referred to and incorporated herein by reference embody the entire agreement between the Public Entity and the State Entity, and there are no other agreements, either oral or written, between the Public Entity and the State Entity on the subject matter hereof.

Section 7.19 Choice of Law and Venue. All matters relating to the validity, construction, performance, or enforcement of this Agreement or the Declaration shall be

determined in accordance with the laws of the State of Minnesota. All legal actions initiated with respect to or arising from any provision contained in this Agreement shall be initiated, filed and venued in the State of Minnesota District Court located in the City of St. Paul, County of Ramsey, State of Minnesota.

Section 7.20 **Severability.** If any provision of this Agreement is finally judged by any court to be invalid, then the remaining provisions shall remain in full force and effect and they shall be interpreted, performed, and enforced as if the invalid provision did not appear herein.

Section 7.21 **Time of Essence.** Time is of the essence with respect to all of the matters contained in this Agreement.

Section 7.22 **Counterparts.** This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be an original, but such counterparts shall together constitute one and the same instrument.

Section 7.23 **Matching Funds.** The Public Entity must obtain and supply the following matching funds, if any, for the Project:

Any matching funds which are intended to meet the above requirements must either be in the form of (i) cash monies, (ii) legally binding commitments for money, or (iii) equivalent funds or contributions, including equity, which have been or will be used to pay for the Project. The Public Entity shall supply to the Commissioner of Finance whatever documentation the Commissioner of Finance may request to substantiate the availability and source of any matching funds, and the source and terms relating to all matching funds must be consented to, in writing, by the Commissioner of Finance.

Section 7.24 **Source and Use of Funds.** The Public Entity represents to the State Entity and the Commissioner of Finance that **Attachment III** to this Agreement is intended to be and is a source and use of funds statement showing the total cost of the Project and all of the funds that are available for the completion of the Project, and that the information contained in such **Attachment III** correctly and accurately delineates the following information.

A. The total cost of the Project detailing all of the major elements that make up such total cost and how much of such total cost is attributed to each such major element.

B. The source of all funds needed to complete the Project broken down amongst the following categories:

- (i) State funds including the Grant, identifying the amount and source of such funds.
- (ii) Matching funds, identifying the amount and source of such funds.
- (iii) Other funds supplied by the Public Entity, identifying the amount and

source of such funds.

(iv) Loans, identifying each such loan, the entity providing the loan, the terms and conditions of each such loan, and all collateral pledged for repayment of each such loan.

(v) Other funds, identifying the amount and source of such funds.

C. Such other financial information that is needed to correctly reflect the total funds available for the completion of the Project, the source of such funds and the expected use of such funds.

If any of the funds included under the source of funds consists of project expenses previously paid, then a detailed list of such expenses must be included in **Attachment III** to this Agreement.

If any of the funds included under the source of funds have conditions precedent to the release of such funds, then the Public Entity must provide to the State Entity and the Commissioner of Finance a detailed description of such conditions and what is being done to satisfy such conditions.

The Public Entity shall also supply whatever other information and documentation that the State Entity or the Commissioner of Finance may request to support or explain any of the information contained in **Attachment III** to this Agreement.

Section 7.25 Project Completion Schedule. The Public Entity represents to the State Entity and the Commissioner of Finance that **Attachment IV** to this Agreement correctly and accurately delineates the projected schedule for the completion of the Project.

Section 7.26 Third-Party Beneficiary. The Governmental Program will benefit the State of Minnesota and the provisions and requirements contained herein are for the benefit of both the State Entity and the State of Minnesota. Therefore, the State of Minnesota, by and through its Commissioner of Finance, is and shall be a third-party beneficiary of this Agreement.

Section 7.27 Public Entity Tasks. Any tasks that this Agreement imposes upon the Public Entity may be performed by such other entity as the Public Entity may select or designate, provided that the failure of such other entity to perform said tasks shall be deemed to be a failure to perform by the Public Entity.

Section 7.28 State Entity and Commissioner of Finance Required Acts and Approvals. The State Entity and the Commissioner of Finance shall not (i) perform any act herein required or authorized by it in an unreasonable manner, (ii) unreasonably refuse to perform any act that it is required to perform hereunder, or (iii) unreasonably refuse to provide or withhold any approval that is required of it herein.

Section 7.29 Applicability to Real Property and Facility. This Agreement applies to the Public Entity's interest in the Real Property and if a Facility exists to the Facility. The term "if applicable" appearing in conjunction with the term "Facility" is meant to indicate that this Agreement will apply to a Facility if one exists, and if no Facility exists then this Agreement will only apply to the Public Entity's interest in the Real Property.

Section 7.30 Publicity/ Acknowledgment/Signage. Any publicity given to the program, publications, or services provided resulting from this Grant Agreement, including, but not limited to notices, informational pamphlets, press releases, research, reports, signs, and similar public notices prepared by or for the PUBLIC ENTITY or its employees individually or jointly with others or any subgrantees, shall identify the STATE OF MINNESOTA as the sponsoring agency. Upon project completion, the PUBLIC ENTITY shall post a permanent funding acknowledgment sign, in a form prescribed by the state, at the entrance to the project site, or at an alternative conspicuous location on the site.

Section 7.31 Land Retention Requirements.

A) **CONVERSION OF USE:** It is the intention of the State that the property acquired under this agreement shall exist in the Public Entity's ownership and be maintained and managed consistent with the purpose and type of property to properly protect the natural, recreational and/or scenic resources in perpetuity. The Public Entity shall not at any time convert any property acquired or developed pursuant to this agreement to uses other than the permitted uses specified in this agreement without the prior written approval of the State.

The State will consider a conversion request only after the following pre-requisites have been met:

1. All practical alternatives to the conversion have been evaluated and rejected on a sound basis.
2. The Public Entity has agreed to replace the converted lands with other lands of at least equal fair market value and reasonably equivalent recreational resources as determined by the State.

The State shall have the authority to approve or disapprove conversion requests.

B) **DEED RESTRICTION REQUIREMENT:** The Public Entity shall have the following condition recorded with the deed to all lands within the park as it was described in this agreement and submit an attested copy of the deed and the condition to the State along with the completed Declaration (Attachment I):

In order to comply with the Department of Natural Resources Grant Project for Red River State Recreation Area Campground Improvements, the City of East

Grand Forks does hereby impose the following restrictions on the property:

1. The property shall be managed and maintained consistent with the purpose and type of property acquired using appropriate management and protection practices to protect the natural, recreational and/or scenic resources.
2. The City of East Grand Forks shall not at any time convert any portion of the natural, recreational and/or scenic area to uses other than permitted in this Agreement without the prior written approval of the State.

Section 7.32 Additional Requirements. The Public Entity and the State Entity agree to comply with the following additional requirements. In the event of any conflict or inconsistency between the following additional requirements and any other provisions or requirement contained in this Agreement, the following additional requirements contained in this Section shall control.

The Public Entity shall limit future development of the area chiefly to redeveloping the existing facilities within their existing footprint and to allow the State to approve future development plans and proposals.

(THE REMAINING PORTION OF THIS PAGE WAS INTENTIONALLY LEFT BLANK)

IN TESTIMONY HEREOF, the Public Entity and the State Entity have executed this General Obligation Bond Proceeds Grant Agreement Construction Grant for the Red River State Recreation Area Campground Improvements Project on the day and date indicated immediately below their respective signatures.

Public Entity: City of East Grand Forks

By

Its

Date

And

By

Its

Date

State Entity

MN Department of Natural Resources

By

Its

Date

**Attachment I
DECLARATION**

The undersigned has the following interest in the real property legally described in **Exhibit A** attached and all facilities situated thereon (cumulatively referred to as the "Restricted Property"):

(Check the appropriate box.)

X	a fee simple title (State ownership)
	a lease, or
	an easement,

and as owner of such fee title, lease or easement, does hereby declare that such interest in the Restricted Property is hereby made subject to the following restrictions and encumbrances:

- A. The Restricted Property is bond financed property within the meaning of Minn. Stat. § 16A.695 that exists as of the effective date of the grant agreement identified in B hereinbelow, is subject to the encumbrance created and requirements imposed by such statutory provision, and cannot be sold or otherwise disposed of by the public officer or agency which has jurisdiction over it or owns it without the approval of the Minnesota Commissioner of Finance, which approval must be evidenced by a written statement signed by the Commissioner of Finance and attached to the deed or instrument used to sell or otherwise dispose of the Restricted Property; and

- B. The Restricted Property is subject to all of the terms, conditions, provisions, and limitations contained in that certain General Obligation Bond Proceeds Grant Agreement for the Red River State Recreation Area Campground Improvements between East Grand Forks and the State of Minnesota, dated December 10, 2008.

The Restricted Property shall remain subject to such restrictions and encumbrances until it is released therefrom by way of a written release in recordable form signed by both the Minnesota Commissioner of Natural Resources and the Minnesota Commissioner of Finance, and such written release is recorded in the real estate records relating to the Restricted Property.

This Declaration may not be terminated, amended, or in any way modified without the specific written consent of the Minnesota Commissioner of Finance.

(SIGNATURE BLOCK, ACKNOWLEDGMENTS, AND STATEMENT AS TO WHOM IT WAS DRAFTED BY)

Attachment II
LEGAL DESCRIPTION OF REAL PROPERTY

LAND DESCRIPTION FOR
GRANT AGREEMENT

Construction Grant Agreement for the
Red River State Recreation Area Campground Improvements
East Grand Forks, Minnesota

All of Lots 1 through 12, both numbers inclusive, Outblock 1 ; and Lots 4 through 12, both numbers inclusive, Outblock 2; and Outblock 3; and Lots 1 through 4, both numbers 1 inclusive, Outblock 4; all in Edward's Outlots to the City of East Grand Forks, Minnesota,

AND

All of Lots 9 through 19, both numbers inclusive, Block 3; and Lots 1 through 7, both numbers inclusive, Block 4; all in Budge's First Addition to the City of East Grand Forks, Minnesota,

AND

All of Lots 16 through 22, both numbers inclusive, Block 3; and Lots 1 through 11, both numbers inclusive, Block 4; and Lots 13 through 24, both numbers inclusive, Block 5; and Lots 13 through 24, both numbers inclusive, Block 8; and Lots 1 through 24, both numbers inclusive, Block 9; and Lots 10 and 11, Block 10; and Lots 12 and 13, Block 11; all in Lake Park Addition to the City of East Grand Forks, Minnesota,

AND

Including all vacated streets, avenues and alleys described as follows:

All of 2nd Street Northwest (formerly Second Street) situated in Lake Park Addition to the City of East Grand Forks, Polk County, Minnesota, more particularly described as follows:

All of 2nd Street Northwest lying northeasterly of Lot 10, Block 10, Lake Park Addition and southwesterly of Lot 13 , Block 11, Lake Park Addition;

AND

The entire intersection of 2nd Street Northwest with 10th Avenue Northwest (formerly Ione Avenue) in Lake Park Addition;

AND

All of 2nd Street Northwest lying southwesterly of Lots 13 through 24, Block 8, Lake Park Addition and northeasterly of Lots 1 through 12, Block 9, Lake Park Addition;

AND

The entire intersection of 2nd Street Northwest with 9th Avenue Northwest (formerly Dakota Avenue) in Lake Park Addition;

AND

All of 2nd Street Northwest lying northeasterly of Lots 1 through 10, Block 4, Lake Park Addition and southwesterly of Lots 13 through 24, Block 5, Lake Park Addition;

AND

The entire intersection of 2nd Street Northwest with 8th Avenue Northwest (formerly Cheyenne Avenue) in Lake Park Addition;

AND

All of 2nd Street Northwest lying southwesterly of Lots 21 and 22, Block 3, Lake Park Addition;

AND

All of 2nd Street Northwest (formerly Second Street) lying northeasterly of Lots 1 and 2, Block 4, Edward's Outlots of the Auditor's Plat of Outlots to East Grand Forks, Minnesota; lying northeasterly of Lots 1, 2, 3, 4, 5 and 6, Block 1, Edward's Outlots of the Auditor's Plat of Outlots to East Grand Forks, Minnesota; lying northeasterly of Lots 1, 2, 3, 4, 5, 6 and 7, Block 4, Budge's First Addition to East Grand Forks, Minnesota; and lying southwesterly of Lots 9, 10, 11, 12, 13, 14, 15, 16, 17, 18 and 19, Block 3, Budge's First Addition to East Grand Forks, Minnesota; and lying southwesterly of Block 3, Edward's Outlots of the Auditor's Plat of Outlots to East Grand Forks, Minnesota;

AND

The entire intersection of 2nd Street Northwest with 7th Avenue Northwest (formerly Kirkland Avenue);

AND

All of 7th Avenue Northwest (formerly Kirkland Avenue) lying between 1st Street Northwest and 2nd Street Northwest more particularly described as follows:

Commencing at the most westerly corner of Lot 14, Block 4, Budge's First Addition to East Grand Forks, Minnesota; thence in a northeasterly direction along the northwesterly boundaries of Lot 14 and Lot 1, Block 4, Budge's First Addition to East Grand Forks, Minnesota, to the most northerly corner of the said Lot 1; thence turning left 90 degrees and continuing in a northwesterly direction across 7th Avenue Northwest to the most easterly corner of Lot 6, Block 1, Edward's Outlots of the Auditor's Plat of Outlots to East Grand Forks, Minnesota; thence turning left 90 degrees and continuing in a southwesterly direction along the southeasterly boundaries of Lot 6 and Lot 7, Block 1, Edward's Outlots of the Auditor's Plat of Outlots to East Grand Forks, Minnesota, to the most southerly corner of the said Lot 7; thence turning left 90 degrees and continuing in a southeasterly direction across 7th Avenue Northwest to the point of beginning.

AND

All of 8th Avenue Northwest (formerly Cheyenne Avenue) more particularly described as follows:

Commencing at the most westerly corner of Lot 22, Block 3, Lake Park Addition to East Grand Forks, Minnesota; thence in a northeasterly direction along the northwesterly boundary of said Lot 22 to the most northerly corner of the said Lot 22; thence turning left 90 degrees and continuing in a northwesterly direction across 8th Avenue Northwest to the most easterly corner of Lot 13, Block 5, Lake Park Addition to East Grand Forks, Minnesota; thence turning left 90 degrees and continuing in a southwesterly direction along the southeasterly boundary of Lot 13, Block 5, Lake Park Addition to East Grand Forks, Minnesota, to the most southerly corner of said Lot 13; thence turning left 90 degrees and continuing in a southeasterly direction across 8th Avenue Northwest to the point of beginning.

AND

All of 9th Avenue Northwest (formerly Dakota Avenue) lying between 1st Street Northwest and the alley between 2nd Street Northwest and 3rd Street Northwest more particularly described as follows:

Commencing at the most westerly corner of Lot 12, Block 2, Edward's Outlots of the Auditor's Plat of Outlots to East Grand Forks, Minnesota; thence in a northeasterly direction along the northwesterly boundaries of Lot 12, Block 2, Edward's Outlots of the Auditor's Plat of Outlots to East Grand Forks, Minnesota and Lot 11 and Lot 1, Block 4, Lake Park Addition to East Grand Forks, Minnesota, across 2nd Street Northwest and along the northwesterly boundary of Lot 24, Block 5, Lake Park Addition to East Grand Forks, Minnesota, to the most northerly corner of the said Lot 24; thence turning left 90 degrees and continuing in a northwesterly direction across 9th Avenue Northwest to the most easterly corner of Lot 13, Block 8, Lake Park Addition to East Grand Forks, Minnesota; thence turning left 90 degrees and continuing in a southwesterly direction along the southeasterly boundaries Lot 13, Block 8, Lake Park Addition to East Grand Forks, Minnesota, across 2nd Street Northwest and along the southeasterly boundaries of Lot 12 and Lot 13, Block 9, Lake Park Addition to East Grand Forks, Minnesota, to the most southerly corner of the said Lot 13; thence turning left 90 degrees and continuing in a southeasterly direction across 9th Avenue Northwest to the point of beginning.

AND

All of 10th Avenue Northwest (formerly Ione Avenue) lying between 1st Street Northwest and 3rd Street Northwest more particularly described as follows:

Commencing at the most westerly corner of Lot 24, Block 9, Lake Park Addition to East Grand Forks, Minnesota; thence in a northeasterly direction along the northwesterly boundaries of Lot 24 and Lot 1, Block 9, Lake Park Addition to East Grand Forks, Minnesota, across 2nd Street Northwest and along the northwesterly boundaries of Lot 24 and Lot 1, Block 8, Lake Park Addition to East Grand Forks, Minnesota; thence turning left 90 degrees and continuing in a northwesterly direction across 10th Avenue Northwest to the most easterly corner of Lot 12, Block 11, Lake Park Addition to East Grand Forks, Minnesota; thence turning left 90 degrees

and continuing in a southwesterly direction along the southeasterly boundaries Lot 12 and Lot 13, Block 11, Lake Park Addition to East Grand Forks, Minnesota, across 2nd Street Northwest and along the southeasterly boundaries of Lot 10 and Lot 11, Block 10, Lake Park Addition to East Grand Forks, Minnesota, to the most southerly corner of the said Lot 11; thence turning left 90 degrees and continuing in a southeasterly direction across 10th Avenue Northwest to the point of beginning.

AND

The alley and alley rights-of-way located in Blocks 4 and 9, and adjacent to Lot 10 and Lot 11, Block 10, Lake Park Addition to East Grand Forks, Minnesota; and Lot 12 and Lot 13, Block 11, Lake Park Addition to East Grand Forks, Minnesota:

AND

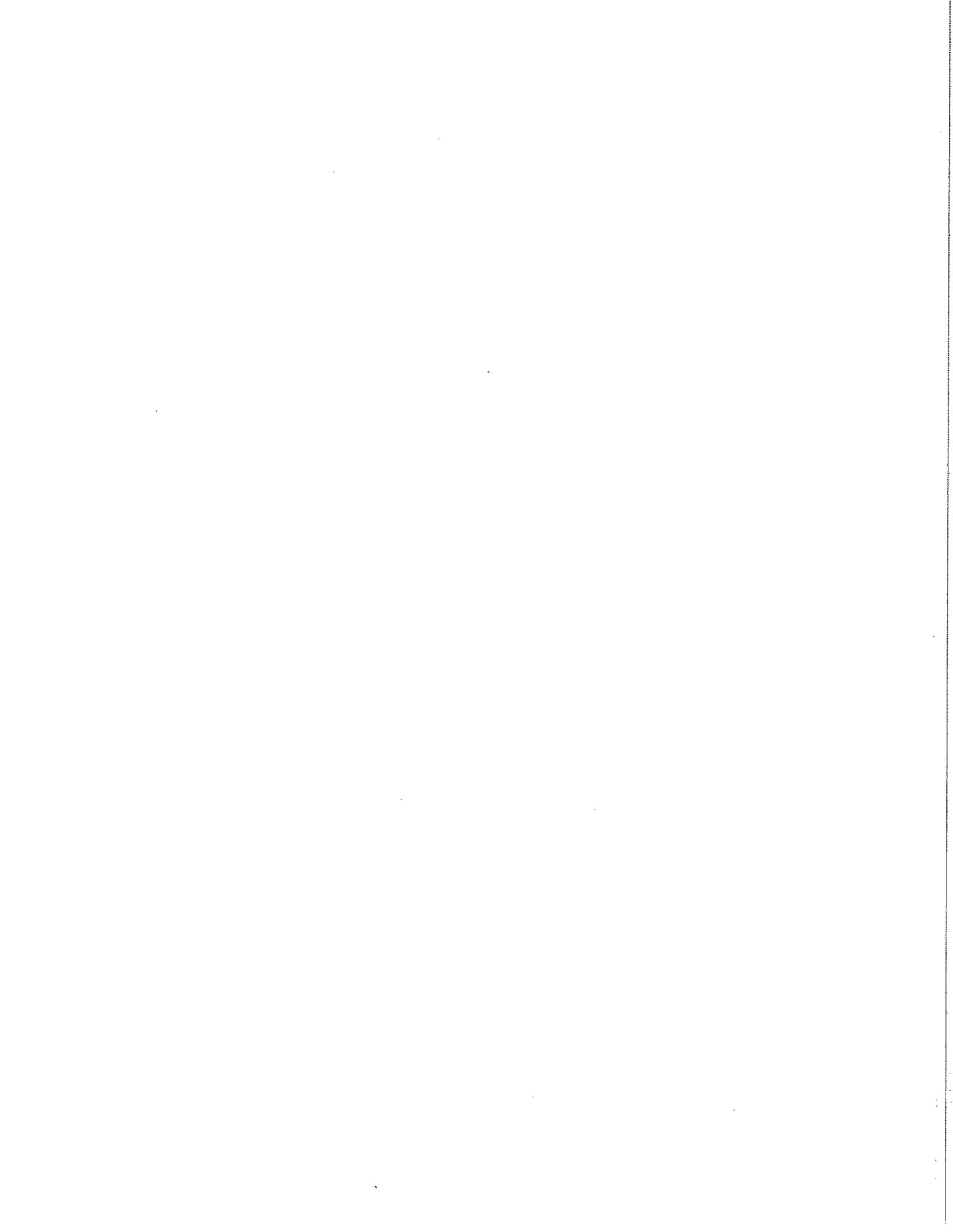
The alley and alley rights-of-way located in Blocks 1, 2 and 4, Edward's Outlots of the Auditor's Plat of Outlots to East Grand Forks, Minnesota.

**Attachment III
SOURCE AND USE OF FUND**

Source of Funds		Use of Funds	
Entity Supplying Funds	Amount	Item	Amount
State Funds		Items of a Capital Nature	
State GO Grant (2008)	\$200,000	Campground Utility Improvements	\$527,000

Sub-Total			
Matching Funds	\$448,750		
Sub Total		Sub-total	\$527,000
Other Public Entity Funds		Other	
Sub-Total		Engineering, Admin., Legal, Contingency	\$131,750
Loans			
-----	\$-----		
Sub-Total	\$-----		
Other Funds			
-----	\$-----		
Sub-Total	\$-----	Sub-Total	\$131,750
TOTAL	\$648,750	TOTAL PROJECT COSTS	\$648,750

Attachment IV
PROJECT COMPLETION SCHEDULE



RESOLUTION NO. 09 - 03 - 18

Council Member _____, supported by Council Member _____, introduced the following resolution and moved its adoption:

RESOLUTION RATIFYING CONTRACTS

WHEREAS, the City of East Grand Forks purchased from Hardware Hank the goods referenced in check number 2428 for a total of \$3180.13.

WHEREAS, Craig Buckalew, was personally interested financially in the contract, but the purchases were made because the price was as low as or lower than other local vendors.

NOW THEREFORE, BE IT RESOLVED, BY THE CITY COUNCIL OF THE CITY OF EAST GRAND FORKS:

1. The above mentioned purchase by the City and the claim of the vendor based thereon are confirmed and the Mayor and Clerk are directed to issue an order-check in payment of such claim on the filing of the affidavit of official interest required under Minnesota Statutes, Section 471.89.
2. It is hereby determined that the total price of \$3180.13 paid for such goods is as low as, or lower than, the price at which they could have been obtained elsewhere at the time the purchase was made.
3. This resolution is passed to comply with the provisions of Minnesota Statutes, Section 471.87-89.
4. Resolution passed by unanimous vote of the council on March 3, 2009.

Voting Aye:
 Voting Nay: None.
 Abstain: Buckalew.
 Absent:

The President declared the resolution passed.

Passed: March 3, 2009

Attest:

City Administrator/Clerk-Treasurer

President of Council

I hereby approve the foregoing resolution this 3rd of March, 2009.

Mayor

AFFIDAVIT OF OFFICIAL INTEREST CLAIM

STATE OF MINNESOTA)
COUNTY OF POLK) ss
CITY OF EAST GRAND FORKS)

I, Craig Buckalew, being duly sworn states the following:

1. I am 3rd Ward Council Member of the City of East Grand Forks.
2. The City of East Grand Forks check number 2428 for a total of \$3180.13.
3. This resolution is passed to comply with the provisions of Minnesota Statutes, Section 471.87-89.
4. Resolution passed by unanimous vote of the council on March 3, 2009.

Affiant states further that to the best of his knowledge and belief (a) the contract price was as low as or lower than the price at which the services could be obtained from other sources.

Affiant further states that the affidavit constitutes a claim against the city for the contract price, that the claim is just and correct, and that no part thereof has been paid.

Dated: _____

(Signature of Official)

Accounts Payable

Check Register Totals Only



City of East Grand Forks

P. O. Box 373
East Grand Forks, MN 56721
(218) 773-2483

User: ejohnson
Printed: 2/25/2009 - 4:41 PM

Check	Date	Vendor No	Vendor Name	Amount	Voucher
2383	03/04/2009	ACM001	Acme Electric Companies	119.00	0
2384	03/04/2009	ADV001	Advanced Business Methods	142.21	0
2385	03/04/2009	AIR001	Airgas	35.47	0
2386	03/04/2009	AKE001	Dave Aker	199.50	0
2387	03/04/2009	ALL007	Allied 100	470.00	0
2388	03/04/2009	ALL001	Alltel	63.59	0
2389	03/04/2009	ALT001	Aitru Health System	32.25	0
2390	03/04/2009	AME005	Ameripride Linen & Apparel Services	530.51	0
2391	03/04/2009	ANY001	Anytime Plumbing	385.65	0
2392	03/04/2009	BAK001	Baker & Taylor Co	259.50	0
2393	03/04/2009	BEC001	Becker Arena Products Inc	117.98	0
2394	03/04/2009	BLU001	Blue Cross Blue Shield of ND	4,482.60	0
2395	03/04/2009	BRA001	Brady, Martz & Associates	2,050.00	0
2396	03/04/2009	BRO002	Brodart Co	241.94	0
2397	03/04/2009	BUS002	Business Essentials	192.16	0
2398	03/04/2009	BUT001	Butler Machinery Co	597.54	0
2399	03/04/2009	D&M002	D&M Distributing	21.41	0
2400	03/04/2009	DEM001	Demco Educational Corp	35.46	0
2401	03/04/2009	DIA001	Richard Papenfuss Diamond Cleaning	82.54	0
2402	03/04/2009	DOV001	DOVS	10.00	0
2403	03/04/2009	DRI004	Drivers License Guide Company	28.95	0
2404	03/04/2009	EGF006	EGF City Petty Cash Ckng	763.91	0
2405	03/04/2009	EMP001	Emphasys Computer Solutions	541.91	0
2406	03/04/2009	EXP003	Explorer Post #38	40.00	0
2407	03/04/2009	EXP002	Exponent	85.00	0
2408	03/04/2009	FLO001	Floan Sanders	49,861.50	0
2409	03/04/2009	FOR009	Forx Builders Association	320.00	0
2410	03/04/2009	FOS001	Ronald and Mary Colleen Fossen	1,753.64	0
2411	03/04/2009	FRA001	Sylvia Franklin	150.00	0
2412	03/04/2009	FRE002	Fred Pryor Seminars/Career Track Ret	256.00	0
2413	03/04/2009	G&K001	G&K Services	235.42	0
2414	03/04/2009	GAL001	Gale	23.37	0
2415	03/04/2009	GAR001	Garden Hut, Inc	796.03	0
2416	03/04/2009	GAR002	Garry Gravel	2,647.61	0
2417	03/04/2009	GCD001	GC Distributing Co	1,912.68	0
2418	03/04/2009	GFF001	GF Fire Equipment	41,993.92	0
2419	03/04/2009	GFH002	GF Herald	376.00	0
2420	03/04/2009	GRA004	Grand Cities Towing	180.00	0
2421	03/04/2009	GRA008	Grand Forks City	33,319.00	0
2422	03/04/2009	GRA005	Grand Forks Taxi Company	2,229.48	0
2423	03/04/2009	GRE004	John Grenier	25.00	0
2424	03/04/2009	GWS001	GW & Sons Construction Inc	2,410.00	0
2425	03/04/2009	HAA002	Laverne Haarsager	15.00	0
2426	03/04/2009	HAJ002	Rick Hajicek	256.50	0
2427	03/04/2009	HAM002	James Hams	30.00	0
2428	03/04/2009	HAR001	Hardware Hank	3,180.13	0
2429	03/04/2009	HAW001	Hawkins Chemical	288.48	0
2430	03/04/2009	HEA001	Heartland Paper	927.49	0
2431	03/04/2009	HOL002	Holiday Credit Office	96.89	0
2432	03/04/2009	HOL003	Holiday Inn Express Hotel & Suites V	300.63	0

Check	Date	Vendor No	Vendor Name	Amount	Voucher
2433	03/04/2009	HUG001	Hugo's	39.41	0
2434	03/04/2009	INP001	Inprints Screenprinting	240.00	0
2435	03/04/2009	INT004	International Code Council	100.00	0
2436	03/04/2009	LEA002	League of MN Cities	48,798.70	0
2437	03/04/2009	LEA003	Learning Opportunities Inc	31.00	0
2438	03/04/2009	LIT001	Lithia Payment Processing	111.86	0
2439	03/04/2009	LUC001	Gerald Lucke	646.80	0
2440	03/04/2009	MAR001	Marco - Fargo Inc	515.27	0
2441	03/04/2009	MAR005	Mark Cowger Construction	887.75	0
2442	03/04/2009	MEN001	Menards	28.83	0
2443	03/04/2009	MPO001	Metropolitan Planning Organization	9,150.11	0
2444	03/04/2009	MID003	Midcontinent Communications	744.13	0
2445	03/04/2009	MID007	Midwest Refrigeration Inc	276.11	0
2446	03/04/2009	MIK001	Mike's Pizza	59.69	0
2447	03/04/2009	MNC004	MN Chief of Police Association	480.00	0
2448	03/04/2009	MND003	MN Dept of Labor & Industry	50.00	0
2449	03/04/2009	MND006	VOID****VOID****VOID*** MN I	1,148.00	0
2450	03/04/2009	MND009	MN Drivers & Vehicle Services	210.50	0
2451	03/04/2009	MNS001	MN State Retirement System	10,930.53	0
2452	03/04/2009	MNS003	MN State Treasurer - Treasury Divisic	77.29	0
2453	03/04/2009	MOO003	Ryan Moore	28.00	0
2454	03/04/2009	NAT003	National Rifle Association	525.00	0
2455	03/04/2009	NDE001	ND EMS Association	380.00	0
2456	03/04/2009	NOR010	North Central Rental & Leasing	16,125.00	0
2457	03/04/2009	ORE001	O'Reilly Auto Parts	528.56	0
2458	03/04/2009	PAR002	Party America Corp Offices	37.46	0
2459	03/04/2009	PSD001	PS Door Services	58.00	0
2460	03/04/2009	PUB001	Public Employees Retirement Associa	14,154.05	0
2461	03/04/2009	QUI001	Quill Corp	272.71	0
2462	03/04/2009	QWE001	Qwest	3,798.98	0
2463	03/04/2009	RAD001	Radio Shack Corporation	5.75	0
2464	03/04/2009	RAY002	Ray German Law Office	93.75	0
2465	03/04/2009	RDO004	RDO Equipment Co	38.47	0
2466	03/04/2009	RDO003	RDO Truck Centers	35.96	0
2467	03/04/2009	REE001	Reed Business Information	492.00	0
2468	03/04/2009	ROC001	Rochester Police Dept	50.00	0
2469	03/04/2009	SCH008	Todd Schumacher	44.32	0
2470	03/04/2009	SPE001	Speedy Sign, LLC	1,302.00	0
2471	03/04/2009	STA003	Star Tribune	234.00	0
2472	03/04/2009	STR003	Streichers	2,264.25	0
2473	03/04/2009	STU001	Stuart's Towing	130.00	0
2474	03/04/2009	CHI001	The Child's World Inc	20.95	0
2475	03/04/2009	THU002	Thur-O-Clean	110.00	0
2476	03/04/2009	TIG001	Tiger Direct.com	475.13	0
2477	03/04/2009	TRA002	Duc and Chau Tran	3,621.49	0
2478	03/04/2009	TRI002	Tri-Star Recycling Inc	2,925.33	0
2479	03/04/2009	TRU001	True Temp	220.48	0
2480	03/04/2009	USP001	United States Post Office	554.00	0
2481	03/04/2009	USB003	US Bearings & Drives	35.14	0
2482	03/04/2009	VAL001	Valley Petroleum Equipment	107.56	0
2483	03/04/2009	VAL002	Valley Truck	31.67	0
2484	03/04/2009	VIL001	Vilandre Heating & A/C	390.15	0
2485	03/04/2009	WAT001	Water & Light Department	31,521.38	0
2486	03/04/2009	WDA001	WDAZ TV	350.00	0
2487	03/04/2009	WIZ001	Wizard's Enterprises, Inc.	490.00	0
2488	03/04/2009	XCE001	Xcel Energy	12,416.75	0
2489	03/04/2009	YOU001	Joseph Myranda Young	1,143.59	0

Check	Date	Vendor No	Vendor Name	Amount	Voucher
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Check Total:

324,651.71

Accounts Payable

Check Register Totals Only

User: ejohnson
Printed: 2/27/2009 - 11:44 AM



City of East Grand Forks

P. O. Box 373
East Grand Forks, MN 56721
(218) 773-2483

Check	Date	Vendor No	Vendor Name	Amount	Voucher
2507	03/04/2009	FIS001	Ronald Fisher	100.00	0
2508	03/04/2009	JOH008	Jim Johnson	25.00	0
2509	03/04/2009	JOH007	Tom Johnson	25.00	0
2510	03/04/2009	NOV002	Linda Novacek	25.00	0
2511	03/04/2009	PEC001	Wes Peck	25.00	0
				<hr/> <hr/>	
Check Total:				200.00	
				<hr/> <hr/>	