

**AGENDA  
CITY COUNCIL  
WORK SESSION  
CITY OF EAST GRAND FORKS  
JANUARY 26, 2010  
5:00 PM**

**CALL TO ORDER**

**CALL OF ROLL**

**DETERMINATION OF A QUORUM**

1. Temporary Liquor License – Scott Huizenga/Ron Galstad
2. Memorandum of Understanding for Red River State Recreation Area – Scott Huizenga
3. Towing Contract – Mike Hedlund
4. EGF Legislative Agenda – Scott Huizenga
5. 2012 Event – Mayor Stauss

**ADJOURN**

**Upcoming Meetings**

Regular Meeting – February 2, 2010 – 5:00 PM – Council Chambers

Work Session – February 9, 2010 – 5:00 PM – Training Room

Regular Meeting – February 16, 2010 – 5:00 PM – Council Chambers



# Request for Council Action

Date: 01/21/10

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: Scott Huizenga, City Administrator

RE: Temporary Liquor Licenses and Caterer's Permits

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A group of local club representatives approached the City Council in December regarding the City's ability to limit Temporary Liquor Licenses to establishments based within the municipal boundaries of East Grand Forks. Historically, the City has interpreted state statutes as allowing the City to grant Temporary Liquor permits to any non-profit organization that holds a full liquor license, regardless of location. Repeated inquiries to the State of Minnesota over the years seemed to have reinforced this interpretation. It appears that this interpretation has evolved incorrectly over many years.

According to the City Attorney, *any* club, non-profit, or religious organization can apply for a Temporary Liquor License. Further, the non-profit may contract with *any* holder of full liquor license issued by the City of East Grand Forks. Or, the non-profit entity can self-serve alcohol with a Temporary Liquor License.

Therefore, the City can limit temporary liquor providers to East Grand Forks licensees (with one exception noted below). However, the provider of liquor at an event does not have to be a non-profit or a club. Rather, the provider simply must have a non-profit entity apply for the temporary license as the permit holder. This interpretation has been affirmed by the state.

One exception to this rule regards Catering Permits issued exclusively by the State of Minnesota. State law is not perfectly clear on its application. The general consensus is that Cities cannot restrict state-licensed Caterers from providing liquor within City so long as the liquor is served in connection with prepared meals.

I have attached the City Attorney's memo that outlines the relevant sections of state law and City Code. The memo also provides the City Attorney's analyses of these sections.

**Recommendation:**

The City will interpret state law and City Code as outlined in the City Attorney's memo moving forward. Further, the City Council should adopt an ordinance similar to that of Princeton, Minnesota (attached) that regulates state-licensed caterers who wish to operate in the City of East Grand Forks. I recommend a fee of \$200, which is twice that of a Temporary Liquor Permit applicant within the City of East Grand Forks.

## MEMORANDUM

To: Scott Huizenga, City Administrator

From: Ron Galstad, City Attorney

Issue: Temporary Liquor License

### I. LAW

The City of East Grand Forks has the authority to grant temporary liquor licenses. To determine the precise authority we must look not only at the city code but at the Minnesota State Statute. Minnesota State Statute annotated, M.S.A. Section 340A.404, Intoxicating Liquor; on sale licenses, controls. The statute states in pertinent part the following:

#### A. STATE STATUTE CHAPTER 340A404.

**Subdivision 1. Cities.** (a) A city may issue an on-sale intoxicating liquor license to the following establishments located within its jurisdiction:

(1) hotels;

(2) restaurants;

(3) bowling centers;

(4) clubs or congressionally chartered veterans organizations with the approval of the commissioner, provided that the organization has been in existence for at least three years and liquor sales will only be to members and bona fide guests, except that a club may permit the general public to participate in a wine tasting conducted at the club under section 340A.419;

(5) sports facilities located on land owned by the Metropolitan Sports Commission; and

(6) exclusive liquor stores.

(b) A city may issue an on-sale intoxicating liquor license, an on-sale wine license, or an on-sale malt liquor license to a theater within the city, notwithstanding any law, local ordinance, or charter provision. A license issued under this paragraph authorizes sales on all days of the week to persons attending events at the theater.

(c) A city may issue an on-sale intoxicating liquor license, an on-sale wine license, or an

on-sale malt liquor license to a convention center within the city, notwithstanding any law, local ordinance, or charter provision. A license issued under this paragraph authorizes sales on all days of the week to persons attending events at the convention center. This paragraph does not apply to convention centers located in the seven-county metropolitan area.

**Subd. 3. Notice to commissioner.** A city shall within ten days of the issuance of a license under subdivision 1 or 5, inform the commissioner of the licensee's name and address and trade name, and the effective date and expiration date of the license. The city shall also inform the commissioner of a license transfer, cancellation, suspension, or revocation during the license period.

**Subd. 4. Special provisions; sports, conventions, or cultural facilities; community festivals.** (a) The governing body of a municipality may authorize a holder of a retail on-sale intoxicating liquor license issued by the municipality or by an adjacent municipality to dispense intoxicating liquor at any convention, banquet, conference, meeting, or social affair conducted on the premises of a sports, convention, or cultural facility owned by the municipality or instrumentality thereof having independent policy-making and appropriating authority and located within the municipality. The licensee must be engaged to dispense intoxicating liquor at an event held by a person or organization permitted to use the premises, and may dispense intoxicating liquor only to persons attending the event. The licensee may not dispense intoxicating liquor to any person attending or participating in a youth amateur athletic event, for persons 18 years of age or younger, held on the premises.

(b) The governing body of a municipality may authorize a holder of a retail on-sale intoxicating liquor license issued by the municipality to dispense intoxicating liquor off premises at a community festival held within the municipality. The authorization shall specify the area in which the intoxicating liquor must be dispensed and consumed, and shall not be issued unless the licensee demonstrates that it has liability insurance as prescribed by section 340A.409 to cover the event.

**Subd. 10. Temporary on-sale licenses.** (a) The governing body of a municipality may issue to (1) a club or charitable, religious, or other nonprofit organization in existence for at least three years, (2) a political committee registered under section 10A.14, or (3) a state university, a temporary license for the on-sale of intoxicating liquor in connection with a social event within the municipality sponsored by the licensee. The license may authorize the on-sale of intoxicating liquor for not more than four consecutive days, and may authorize on-sales on premises other than premises the licensee owns or permanently occupies. The license may provide that the licensee may contract for intoxicating liquor catering services with the holder of a full-year on-sale intoxicating liquor license issued by any municipality. The licenses are subject to the terms, including a license fee, imposed by the issuing municipality. Licenses issued under this subdivision are subject to all laws and ordinances governing the sale of intoxicating liquor except sections

340A.409 and 340A.504, subdivision 3, paragraph (d), and those laws and ordinances which by their nature are not applicable. Licenses under this subdivision are not valid unless first approved by the commissioner of public safety.

## **B. CITY CODE**

Additionally, City Code Chapter 3 specifically addresses issuing temporary Liquor licenses in the Municipality: The City code in pertinent part is as follows:

**Sec. 3.42. License Restrictions And Regulations; Intoxilyzing Liquor.** Subd. 1. No license shall be granted to a wholesaler or manufacturer of liquor, or to anyone holding a financial interest in such manufacture or wholesaling, unless otherwise permitted by Minnesota Law. Subd. 2. No license shall be effective until a permit shall be issued to a licensee under the laws of the United States, if such permit be required under such laws or the State of Minnesota. Subd. 3. Every license shall be granted subject to the provisions of this Chapter and all other applicable provisions of the City Code and other laws relating to the operation of the licensed business. Subd. 4. No person under eighteen (18) years of age may sell or serve liquor on licensed premises. Subd. 5. No licensee shall sell, offer for sale, or keep for sale, liquor in any original package which has been refilled or partly refilled. Subd. 6. No licensee shall display intoxicilyzing liquor to the public during hours when the sale of liquor is prohibited. Subd. 7. On-sale licenses shall be granted only to exclusive liquor stores, hotels, restaurants, bowling centers and bona fide clubs.

**Sec. 3.48. Sports Or Convention Facilities License.** The Council may authorize any holder of an on-sale intoxicilyzing liquor license issued by the City to sell intoxicilyzing liquor at any convention, banquet, conference, meeting or social affair conducted on the premises of a sports or convention facility owned by the City, or instrumentality thereof having independent policy-making and appropriating authority and located within the City. The licensee must be engaged to sell intoxicilyzing liquor at such an event by the person or organization permitted to use the premises, and may sell intoxicilyzing liquor only to persons attending the event. The licensee shall not sell intoxicilyzing liquor to any person attending or participating in any amateur athletic event. Such sales may be limited to designated areas of the facility. All such sales shall be subject to all laws relating thereto.

**Sec. 3.49. Temporary Intoxilyzing Liquor License.** Subd. 1. License Authorized. Notwithstanding any provision of the City Code to the contrary, the Council may issue a license for the temporary on-sale of intoxicilyzing liquor in connection with a social event sponsored by the licensee. Such license may provide that the licensee may contract with the holder of a full-year on-sale license, issued by the City, for intoxicilyzing liquor catering services. Subd. 2. Applicant. The applicant for a license under this Section must be a club or charitable, religious, or other non-profit organization in existence for at least three years. Subd. 3. Terms and Conditions of License.

A. No license is valid until approved by the Commissioner.

B. No license shall be issued for more than three consecutive days.

C. All licenses and licensees are subject to all provisions of statutes and the City Code relating to intoxicating liquor sale and licensing except those relating to financial responsibility and insurance, and except those which by their nature are not applicable.

D. Licenses may authorize sales on premises other than those owned or permanently occupied by the licensee.

E. Not more than three temporary licenses for the sale of alcoholic beverages may be issued to any one organization or for any one location within a 12-month period.

## II. ANALYSIS

(When reviewing the above keep in mind that the City can be more restrictive than state law but not less restrictive.)

The City of East Grand Forks can issue a Temporary Liquor license and our ordinance is more restrictive than the State of Minnesota's requirements.

The primary difference can be seen in the following areas:

1. Who can obtain the temporary liquor license;
2. Length of time issued; and
3. How often in a calendar year it can be issued.

### A. Who can obtain the temporary liquor license

The state allows a temporary liquor license to be issued to any holder of a license issued by **any** municipality.

**"The license may provide that the licensee may contract for intoxicating liquor catering services with the holder of a full-year on-sale intoxicating liquor license issued by any municipality."**

The City code provides that a license must be issued by a holder of a license issued by the City.

**"Such license may provide that the licensee may contract with the holder of a full-year on-sale license, issued by the City, for intoxicating liquor catering services."**

This provision is more restrictive and should already address the concerns stated by the clubs doing business within the City of East Grand Forks.

I would like to point out that there may be a mistaken belief that that the licensee must be the holder of the liquor license. That is not the case. The licensee makes an application to the City to hold the event. The applicant for a license under this section must be a club or charitable, religious, or other non-profit organization in existence for at least three years. See above Sec. 3.49. Temporary Intoxilyzing Liquor License Subd. 2.

The licensee then can contract with the holder of a full-year on-sale license, **issued by the City**, for intoxicilyzing liquor catering services. See above Sec. 3.49. Temporary Intoxilyzing Liquor License. Subd. 1.

**B. Length of time issued**

State statute provides that a city can issue a Temporary Intoxilyzing Liquor License for 4 consecutive days. See above, MSA Subd. 10. Temporary on-sale licenses, (a) (3).

The City Code restricts it 3 consecutive days. See above, Sec. 3.49. Temporary Intoxilyzing Liquor License . Subd. 3. B.

**C. How often in a calendar year it can be issued.**

State statute provides no restriction on the number issued within a calendar year however the City code restricts it to **“not more than three temporary licenses for the sale of alcoholic beverages may be issued to any one organization or for any one location within a 12-month period.”** See above, See above, Sec. 3.49. Temporary Intoxilyzing Liquor License . Subd. 3. E.

**III. CONCLUSION**

Based upon the above law and analysis the City of East Grand Forks can issue a Temporary intoxicating Liquor License to a holder of a full-year on sale license issued by the City. The license can not be for not more than 3 consecutive days and the licensee can not obtain more than 3 in a 12 month period and the same location can not hold more than 3 events in that same 12 month period.

Additionally, there was some concern regarding an outside Caterer with a state liquor license selling alcohol within the City limits. The State of Minnesota issues a permit as follows

**STATE STATUTE CHAPTER 340A404**

**LAW**

**Subd. 12. Caterer's permit.** The commissioner may issue a caterer's permit to a restaurant that holds an on-sale intoxicating liquor license issued by any municipality. The holder of a caterer's permit may sell intoxicating liquor as an incidental part of a food

service that serves prepared meals at a place other than the premises for which the holder's on-sale intoxicating liquor license is issued.

- (a) A caterer's permit is auxiliary to the primary on-sale license held by the licensee.
- (b) The restrictions and regulations which apply to the sale of intoxicating liquor on the licensed premises also apply to the sale under the authority of a caterer's permit, and any act that is prohibited on the licensed premises is also prohibited when the licensee is operating other than on the licensed premises under a caterer's permit.
- (c) Any act, which if done on the licensed premises would be grounds for cancellation or suspension of the on-sale licensee, is grounds for cancellation of both the on-sale license and the caterer's permit if done when the permittee is operating away from the licensed premises under the authority of the caterer's permit.
- (d) The permittee shall notify prior to any catered event:
  - (1) the police chief of the city where the event will take place, if the event will take place within the corporate limits of a city; or
  - (2) the county sheriff of the county where the event will take place, if the event will be outside the corporate limits of any city.
- (e) If the primary license ceases to be valid for any reason, the caterer's permit ceases to be valid.
- (f) Permits issued under this subdivision are subject to all laws and ordinances governing the sale of intoxicating liquor except those laws and ordinances which by their nature are not applicable.
- (g) The annual state fee for a caterer's permit is \$300.

## ANALYSIS

The City Code is silent as to how we would handle a state issued Caterer's permit. There is limited authority that I can point to however it would appear that the City can not eliminate an outside caterer from contracting within the city limits, however, we may want to discuss addressing this in an ordinance. The City could require that the outside vender also obtain a permit and pay the appropriate fee.

Below is an Ordinance passed by the City of Princeton, Minnesota for your review if you choose to address this issue.

**ORDINANCE #631**

**AN ORDINANCE REGULATING CATERERS IN THE CITY OF PRINCETON**

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**WHEREAS**, the City of Princeton monitors on-sale intoxicating liquor licenses and catering permits issued to businesses located within the City of Princeton, and

**WHEREAS**, the City of Princeton has been made aware that businesses with on-sale intoxicating liquor licenses with caterer's permits who are located outside the City are authorized under Minnesota Statutes to sell liquor at social events in locations other than their licensed premise, and

**WHEREAS**, the City of Princeton believes that, for public safety purposes, it is a fundamental duty that the City be aware of and monitor all locations within the City where liquor is sold;

**NOW, THEREFORE**, the City Council of the City of Princeton, Minnesota, hereby ordains:

Section 1 Title IV of the City of Princeton's Ordinances entitled "Alcoholic Beverages" shall be amended by adding a new Chapter which shall read as follows:

**CHAPTER 412 – SALE OF LIQUOR BY CATERERS**

- 412.01 Illegal Sale.** It shall be unlawful for the holder of a Caterer's Permit to sell alcoholic beverages off the holder's licensed premises in the City of Princeton, except as an incidental part of the service of prepared meals at an event sponsored by a person with whom the holder has contracted for such prepared meal service.
- 412.02 Illegal Interest.** It shall be unlawful for the person who has contracted with the holder for prepared meal service to have any legal, equitable or pecuniary interest in the holder, or the holder's compensation from the catered event.
- 412.03 Information Required.** Except for holders who also hold an on-sale intoxicating liquor license issued by the City of Princeton, it is unlawful for any person holding a Caterer's Permit to sell or otherwise provide alcohol to any individual or group located within the corporate boundaries of the City of Princeton unless said person has first provided the Police Chief for the City of Princeton with the following:
  - 1. A copy of their valid caterer's permit as issued by the State of Minnesota, and
  - 2. A copy of their valid on-sale liquor license as issued by the city where their primary on-sale liquor premises is located, and
  - 3. A copy of their dram shop insurance policy clearly indicating that

dram shop coverage is currently in force, and

4. A completed caterer's permit application form, and
5. Payment of an application fee as set by resolution by the City Council of Princeton.

**412.04 Aiding and Abetting.** It is unlawful for any person to intentionally aid, advise, hire, counsel, or conspire with or otherwise procure another to commit the prohibited act.

**412.05 Enforcement.** This ordinance shall be enforced by any duly licensed law enforcement officer.

**412.06 Severability.** If any section, subsection, sentence, clause, phrase, word, or other portion of this ordinance is, for any reason, held to be unconstitutional or invalid, in whole, or in part, by any court of competent jurisdiction, such portion shall be deemed severable, and such unconstitutionality or invalidity shall not affect the validity of the remaining portions of this law, which remaining portions shall continue in full force and effect.

**412.07 Penalty.** Any person violating any provision of this chapter shall be guilty of a misdemeanor and, upon conviction thereof, shall be punished as provided in §100.99.

Section 2: Effective Date. This ordinance shall take effect upon its summary publication in the

City's official newspaper. Said publication shall read as follows:

Ordinance #631 amends Princeton City Ordinances by adding a new Chapter outlining the requirements for a person with a State issued caterer's license to sell alcohol within the corporate boundaries of the City of Princeton. A complete copy of the ordinance is available for review or purchase at Princeton's City Hall.

**ADOPTED** by the City Council this \_\_\_\_ day of \_\_\_\_\_, 2009.

\_\_\_\_\_  
Jeremy Riddle, Mayor

ATTEST:

\_\_\_\_\_  
Mark Karnowski  
City Administrator



# City of Princeton

Application to Conduct Business as Allowed by a Caterer's Permit,  
Issued in Accordance with Minnesota Statutes 340A.404 Subdivision 12

Full legal name of the business associated with the Caterer's Permit:

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Physical address of business for which the associated on-sale license is issued:

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Business Telephone number:

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Home or Cell telephone number:

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The name(s) of the person(s) for whom the licensee will be providing catering services:

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The home address of the person(s) for whom the licensee will be providing catering services:

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The telephone number(s) of person(s) for whom the licensee will be providing catering services:

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The location and address of the location where the catered event will take place:

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State the intended/requested start date and time of the event:

\_\_\_\_/\_\_\_\_/\_\_\_\_ : \_\_\_\_

State the intended/requested end date and time of the event:

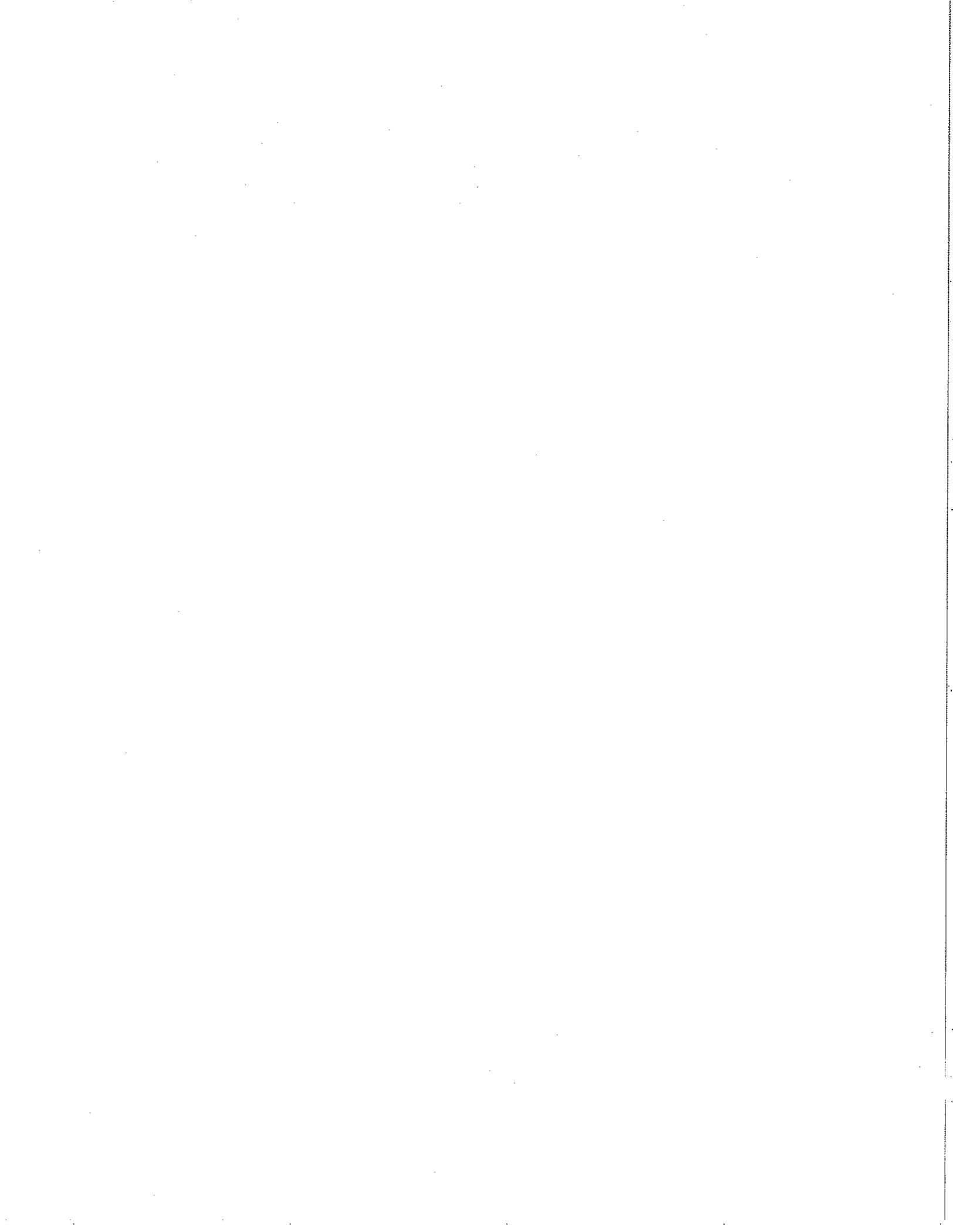
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*Applicant and his/her associates in this application will strictly comply with all the laws of the State of Minnesota governing the taxation and sale of intoxicating liquor; the rules and regulations promulgated by the Liquor Control Commissioner; and all ordinances of the municipality. I hereby certify that I have read and understand every question in this application and attachment forms, and that the answer to every question is true of my own knowledge, information, and belief. I further understand that the giving of false information in this application, and/or the failure to give required pertinent information constitutes cause for the immediate revocation of the permit issued hereunder.*

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Signature of Applicant

Date:



# Request for Council Action

Date: 01/21/10

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: Scott Huizenga, City Administrator

RE: Red River State Recreational Area Campground

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The Minnesota Department of Natural Resources (DNR) has provided a draft of the proposed Joint Powers Agreement for operation of the Red River State Recreational Area Campground. The agreement calls for a two-year term with a base fee to the City of \$109,000 per year. This is an increase from \$103,000 in 2009.

Additionally, DNR has offered a revenue-sharing component to agreement after much discussion with City officials, including Mayor Stauss and Council President Grassel. In addition to the base sum, DNR will reimburse the City \$1785 for every \$10,000 of gross campground revenue above \$127,059. This figure was derived from a state formula of total state support provided to the campground. Gross revenue topped \$175,000 in 2009 at the campground. This would equate to roughly \$8200 in additional revenue to the City. The additional campsites completed in the fall of 2009 will be operational for the entire 2010 season. Therefore, we expect that revenues will be higher in 2010.

A copy of the agreement and the DNR's revenue-sharing formula is attached.

**Recommendation:**

I recommend that the City Council approve the Joint Powers Agreement for a two-year term. This agreement will increase City revenue from 2009 by at least \$14,000 if all other variables are held constant.

## STATE OF MINNESOTA JOINT POWERS AGREEMENT

This agreement is between the State of Minnesota, acting through its Department of Natural Resources, Director of Parks and Recreation hereafter referred to as the "State" and the city of East Grand Forks hereafter referred to as "Governmental Unit".

### Recitals

Under Minn. Stat. §§ 84.026 and 471.59, subd. 10, the State is empowered to engage such assistance as deemed necessary. The State is in need of knowledgeable and dedicated staff that would be responsible to provide daily operations and management of the Red River Recreation Area. The State will continue to provide the necessary physical plant, equipment, funding, and technical assistance to meet our level of customer service and to successfully operate this facility. Refer to Exhibit A, Red River Recreation Area Management Plan for full details.

### Agreement

#### 1 Term of Agreement

- 1.1 *Effective date:* January 1, 2010, or the date the State obtains all required signatures under Minnesota Statutes Section 16C.05, subdivision 2, whichever is later.
- 1.2 *Expiration date:* December 31, 2011, or until all obligations have been satisfactorily fulfilled, whichever occurs first.

#### 2 Agreement between the Parties

See Exhibit A, Red River State Recreation Area Funding Formula For Additional Revenues

#### 3 Payment

The state agrees to reimburse the city of East Grand Forks a base sum of \$109,000 to offset the cost of operating and managing the Red River Recreation Area for the 2010 season and for the 2011 season. To offset additional costs of operating and managing the Red River State Recreation Area for the 2010 and 2011 seasons due to increased visitors and revenues the state agrees to reimburse the City of East Grand Forks an additional \$1785.00 for each \$10,000 in revenue over \$127,059.00 not including revenue from stores for resale or sales tax. The attached document outlines the increased revenues formula for revenues above \$127,059.00. The payments will be made in three installments. The first payment not to exceed \$30,000 will be made on June 30, of each year; the second payment not to exceed \$35,000 will be paid on July 30, of each year; and the third payment not to exceed \$44,000 plus any payments due to increased revenues will be paid on or before December 31 of each year. All payments must be supported by actual expenditures equal to the amount requested for reimbursement.

#### 4 Authorized Representatives

The State's Authorized Representative is Michael J. Kovacovich, Northwest Regional Parks & Trails Manager, 2115 Birchmont Beach Road, Bemidji, Minnesota, 218-308-2652, or his/her successor. The Governmental Unit's Authorized Representative is Lynn Stauss, Mayor, City of East Grand Forks, Minnesota.

#### 5 Assignment, Amendments, Waiver, and Contract Complete

- 5.1 *Assignment.* The Governmental Unit may neither assign nor transfer any rights or obligations under this agreement without the prior consent of the State and a fully executed Assignment Agreement, executed and approved by the same parties who executed and approved this agreement, or their successors in office.
- 5.2 *Amendments.* Any amendment to this agreement must be in writing and will not be effective until it has been executed and approved by the same parties who executed and approved the original agreement, or their successors in office.
- 5.3 *Waiver.* If the State fails to enforce any provision of this agreement, that failure does not waive the provision or its right to enforce it.
- 5.4 *Contract Complete.* This agreement contains all negotiations and agreements between the State and the

Governmental Unit. No other understanding regarding this agreement, whether written or oral, may be used to bind either party.

## **6 Liability**

The Governmental Unit will indemnify, save, and hold the State, its agents, and employees harmless from any claims or causes of action, including attorney's fees incurred by the State, arising from the performance of this agreement by the Governmental Unit or the Governmental Unit's agents or employees. This clause will not be construed to bar any legal remedies the Governmental Unit may have for the State's failure to fulfill its obligations under this agreement.

## **7 State Audits**

Under Minn. Stat. § 16C.05, subd. 5, the Governmental Unit's books, records, documents, and accounting procedures and practices relevant to this agreement are subject to examination by the State and/or the State Auditor or Legislative Auditor, as appropriate, for a minimum of six years from the end of this agreement.

## **8 Government Data Practices**

The Governmental Unit and State must comply with the Minnesota Government Data Practices Act, Minn. Stat. Ch. 13, as it applies to all data provided by the State under this agreement, and as it applies to all data created, collected, received, stored, used, maintained, or disseminated by the Governmental Unit under this agreement. The civil remedies of Minn. Stat. § 13.08 apply to the release of the data referred to in this clause by either the Governmental Unit or the State.

If the Governmental Unit receives a request to release the data referred to in this Clause, the Governmental Unit must immediately notify the State. The State will give the Governmental Unit instructions concerning the release of the data to the requesting party before the data is released.

## **9 Venue**

Venue for all legal proceedings out of this agreement, or its breach, must be in the appropriate state or federal court with competent jurisdiction in Ramsey County, Minnesota.

## **10 Termination**

**10.1 Termination.** The State or the Governmental Unit may terminate this agreement at any time with or without cause, upon 30 days' written notice to the other party.

**10.2 Termination for Insufficient Funding.** The State may immediately terminate this agreement if it does not obtain funding from the Minnesota Legislature, or other funding source; or if funding cannot be continued at a level sufficient to allow for the payment of the services covered here. Termination must be by written or fax notice to the Governmental Unit. The State is not obligated to pay for any services that are provided after notice and effective date of termination. However, the Governmental Unit will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed to the extent that funds are available. The State will not be assessed any penalty if the agreement is terminated because of the decision of the Minnesota Legislature, or other funding source, not to appropriate funds. The State must provide the Governmental Unit notice of the lack of funding within a reasonable time of the State's receiving that notice.

**1. STATE ENCUMBRANCE VERIFICATION**

*Individual certifies that funds have been encumbered as required by Minn. Stat. §§ 16A.15 and 16C.05.*

Signed: \_\_\_\_\_

Date: \_\_\_\_\_

CFMS Contract No. A- \_\_\_\_\_

**2. GOVERNMENTAL UNIT**

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**3. STATE AGENCY**

By: \_\_\_\_\_  
(with delegated authority)

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**4. COMMISSIONER OF ADMINISTRATION**  
delegated to Materials Management Division

By: \_\_\_\_\_

Date: \_\_\_\_\_

## Red River State Recreation Area Funding Formula For Additional Revenues

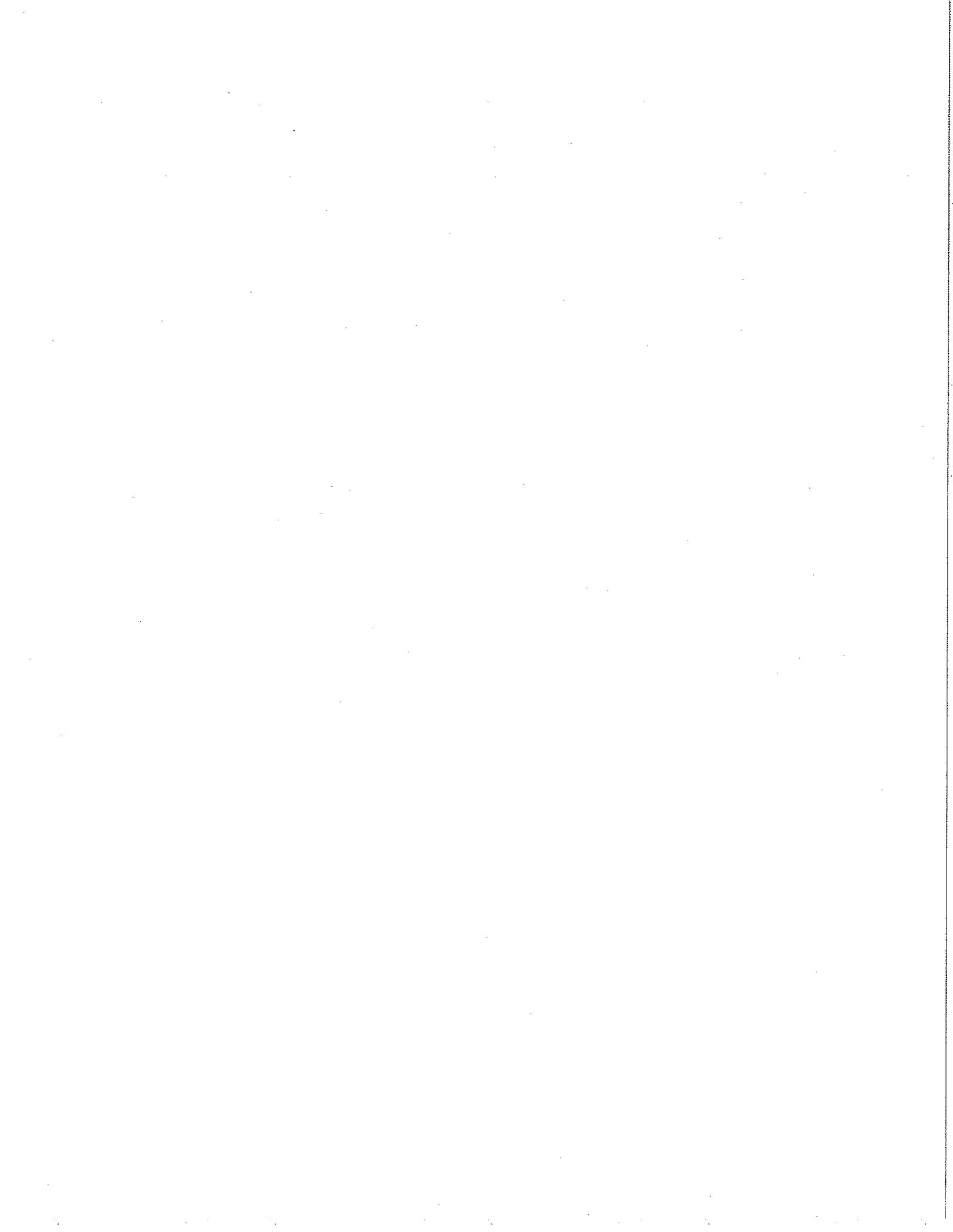
Listed below are some of the costs the Division of Parks and Trails incur in the operation of the Red River State Recreation Area above and beyond the \$109,000 base payment to the City of East Grand Forks:

Annual Building Maintenance Assessment	\$11,879
Computer Support Assessment	\$4780 (2390 ea.)
Reservation System Overhead (&POS)	\$1400 (1.5% of statewide overhead cost)
TOTAL	\$18,059

For every \$10,000 generated by Red River State Recreation Area above \$127,059 not including stores for resale or sales tax) the funding for the operations of the recreation area paid to the City of East Grand Forks will be increased based on the following:

80 additional hours of funding @19.81/hr (statewide average) plus \$200 for supplies.

\$1785 in additional funding will go to The City of East Grand Forks for each \$10,000 in revenue above \$127,059 not including stores for resale and sales tax.



# Request for Council Action

Date: January 20, 2010

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

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**Background:** On February 17, 2009 the East Grand Forks City Council approved a contract for towing services with Grand Cities Towing of East Grand Forks, MN. This contract is set to expire on February 16, 2010. This contract resulted in a change of service providers as Stuart's Towing had performed the towing service for the City of East Grand Forks for a number of years. The discussions surrounding the awarding of this contract were extensive and time consuming.

**Recommendation:** Rather than solicit proposals to provide contract towing services as was done in 2008 it is my recommendation that we (the City of East Grand Forks) contact eligible service providers within the City of East Grand Forks with a proposed contract. At this time the only towing service providers within the City of East Grand Forks that meet the requirements of the city statutes for zoning (Chapter 152) are Grand Cities Towing and Stuart's Towing. If both companies agree to the stipulations of the contract it would be my recommendation that non-exclusive contracts be offered to both companies with tows being conducted on a rotational or alternating basis. It would also be my recommendation that, if approved, this contract be put in place for a period of two (2) years.

**Enclosures:**

1. Proposed contract between the City of East Grand Forks and Grand Cities Towing and/or Stuart's Towing.

## 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) and/or (Stuart's 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. (i.e. snow removal relocations, violations of city codes reference parking violations, impoundment towing for evidentiary purposes and forfeitures.)
- (d) In the event that both Grand Cities Towing and Stuart's Towing accept this proposal, contact to these companies shall be conducted on an alternating or rotational basis designed to provide each company with a share of the business that is approximately equal.

#### 2. HOURS

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

#### 3. CITY TOWING

In the event that a city vehicle requires towing from a location within the city limits of the City of East Grand Forks to a location within the city limits of the City of East Grand Forks the Company shall provide such service for a fee of \$45.00 for passenger vehicles, vans or light trucks. Tows requiring additional services may be so charged according to the fees designated in Section 17 - Towing Charges.

#### 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 – 10<sup>th</sup> Street NE, East Grand Forks, MN 56721 for Grand Cities Towing and at 1018 5<sup>th</sup> Avenue NE, east Grand Forks, MN 56721 for Stuart's Towing 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 maintain the impoundment yard in such a manner that is shall maintain 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 of two (2) years commencing \_\_\_\_\_ and terminating \_\_\_\_\_. 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 and \$45.00 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. In the event of the need for removal of damaged vehicles from accident scenes or towing requiring the use of special equipment or extraordinary effort the company may charge the following rates:

Tows requiring a flatbed, dolly or hauler: \$75.00

Add on charges:

- Use of go jacks: \$15.00
- Removal of excessive snow and/or street cleaning beyond the norm: \$15.00

(Only one add on charge is allowed for each vehicle tow. For example, a relocation of a vehicle for snow removal that requires snow removal and the use of go jacks will only be allowed 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.

#### 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 in addition to the fees 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: \_\_\_\_\_

DATED: \_\_\_\_\_

**STUART'S TOWING**

BY: \_\_\_\_\_

**TOWING SERVICES AGREEMENT**

# Request for Council Action

Date: 01/21/10

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: Scott Huizenga, City Administrator

RE: 2010 Legislative Priorities

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The 2010 Minnesota Legislative Session is slated to convene in early February. Several Council members have requested a discussion of the City's Legislative Priorities that will help to guide the City's lobbying and outreach efforts for 2010 and beyond. I have identified the following issues as the top talking points for our legislative efforts. I have requested further input from Department Heads. And, the City Council may also have additional items to consider. Following discussion at the work session, I will draft the results into a resolution to be adopted at the next regular City Council session.

1. **Local Government Aid (LGA)** – The City has been unallocated over \$810,000 for Fiscal Years 2008, 2009, and 2010. Legal challenges to the unallotment process are expected to be considered soon at the Minnesota Supreme Court. There is no guarantee that the LGA program will be fully restored even if those challenges are upheld. The current state biennium deficit would likely top \$1.3 billion if the unallotments were negated by the Supreme Court. We do not know how the Legislature and/or the Governor would close that gap. The next biennium deficit will likely top \$7 billion. LGA will likely be on the hit list for years to come. After the previous LGA cuts in 2003, funding was never fully restored before the next rounds of cuts arrived in 2008-2010. The Coalition of Greater Minnesota Cities (CGMC) has adopted a LGA stance that recommends limiting 2010 LGA cuts to 2009 levels. For East Grand Forks, this would drop the cut of \$420,0019 in 2010 to \$173,338. This would necessitate approximately \$60 million of expenditure cuts or additional revenues at the state level.
2. **Sanitary Sewer Improvements Phase II** – The City is investigating funding options for a potential Phase II project, which primarily addresses improvements to the City's sewage lagoon. The current estimate for the project is approximately \$9.5 million. Project funding options include low-interest borrowing from the Minnesota Public Facilities Authority (PFA); and potential state bonding in 2012. The City used PFA loan funding for Phase I improvements, which totaled approximately \$4.2 million. The PFA is speculating that federal stimulus funding of 20-50 percent *may be* available for projects in 2010 or 2011. The amount of stimulus funding, if any, is unknown. Currently, the City is in the PFA's Intended Use Plan (IUP). Projects approved through state bonding typically receive about 50 percent state funding, which would significantly relieve the taxpayers' burden. Financing for Phase I necessitated an increase in single-family base meter charges from \$2 per month to \$10 per month over a year and a half period. The City

Council also approved increases to multi-family and commercial rates. Using similar assumptions, rates would have to increase again by \$15-20 per month on single-family homes in order to finance Phase II improvements without supplemental funding. The City Engineer is working with Public Works to determine whether or not Phase II will be necessary. Ideally, Phase I improvements to numerous sewer mains in the City will have decreased Infiltration and Inflow (I/I) issues to a level that the lagoon capacity is no longer threatened.

3. **TIF District reappropriations** – The City projects a balance of approximately \$200,000 in Tax Increment Financing (TIF) district collections after outstanding obligations are met. The EDHA is seeking legislative authority to redirect TIF allocations to areas outside of the existing TIF districts. One strong possibility is additional capital infusion in the Red River State Recreational Area campground. Additional possibilities may be infrastructure improvements adjacent to the current TIF district boundaries, including City-owned property and real estate.
4. **Business Development Public Infrastructure (BDPI) Grant** – The state BDPI grant program provides funding for up to 50 percent of capital costs for economic development public infrastructure projects in Greater Minnesota cities. The Minnesota Department of Employment and Economic Development (DEED) proposes to merge this program with the state's Bio Business grant program. CGMC opposes this proposal. Many believe that this endeavor would effectively redirect much of the BDPI funding back toward metro area projects; thereby eliminating much of the original purpose of the BDPI program as a funding mechanism for Greater Minnesota cities.

**Recommendation:**

Adopt by resolution an official City Legislative platform that the City present in its 2010 Legislative outreach efforts

## Michelle French

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**From:** Scott M. Huizenga  
**Sent:** Thursday, January 21, 2010 3:14 PM  
**To:** Michelle French  
**Subject:** FW: CGMC Action Alert: Contact Your Legislators  
**Attachments:** Support\_BDPI\_Grant\_Senate\_#1.pdf; Oppose\_DEED\_Proposal #1.pdf

Include these attachments on the legislative agenda RCA. Thanks.

-Scott H

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**From:** Erin Flaherty [mailto:enflaherty@flaherty-hood.com]  
**Sent:** Wednesday, January 20, 2010 8:26 AM  
**Subject:** CGMC Action Alert: Contact Your Legislators

## CGMC ACTION ALERT! CONTACT YOUR LEGISLATORS TODAY!

Tomorrow, the Senate Economic Development and Housing Budget Division will consider legislation supported by the CGMC to appropriate **\$20 million for the Greater Minnesota Business Development Public Infrastructure (BDPI) grant**. Many of your cities have benefitted directly from this grant, which provides funding to help develop industrial parks. Sen. Dan Skogen will carry this legislation for the CGMC.

Next Tuesday, the Senate Economic Development and Housing Budget Division will consider a proposal by DEED to merge the BDPI grant program with the Bio Business grant program. **The CGMC OPPOSES DEED's merger proposal.**

### We need your help lobbying the CGMC's position.

Please take a moment to contact the following members of the Senate Economic Development Committee, either by phone, email or both:

- Sen. David Tomassoni, [sen.david.tomassoni@senate.mn](mailto:sen.david.tomassoni@senate.mn), (651) 296-8017 (Greater MN Legislator)
- Sen. Dan Sparks, [sen.daniel.sparks@senate.mn](mailto:sen.daniel.sparks@senate.mn), (651) 296-9248 (Greater MN Legislator)
- Sen. Amy Koch, [sen.amy.koch@senate.mn](mailto:sen.amy.koch@senate.mn), (651) 296-5981
- Sen. Richard Cohen, (651) 296-5931
- Sen. Scott Dibble, [sen.scott.dibble@senate.mn](mailto:sen.scott.dibble@senate.mn), (651) 296-4191
- Sen. Michelle Fischbach, [sen.michelle.fischbach@senate.mn](mailto:sen.michelle.fischbach@senate.mn), (651) 296-2084 (Greater MN Legislator)
- Sen. Ken Kelash, [sen.kenneth.kelash@senate.mn](mailto:sen.kenneth.kelash@senate.mn), (651) 297-8061
- Sen. Gary Kubly, [sen.gary.kubly@senate.mn](mailto:sen.gary.kubly@senate.mn), (651) 296-5094 (Greater MN Legislator)
- Sen. Jim Metzen, [sen.jim.metzen@senate.mn](mailto:sen.jim.metzen@senate.mn), (651) 296-4370
- Sen. Mary Olson, [sen.mary.olson@senate.mn](mailto:sen.mary.olson@senate.mn), (651) 296-4913 (Greater MN Legislator)
- Sen. Pat Pariseau, [sen.pat.pariseau@senate.mn](mailto:sen.pat.pariseau@senate.mn), (651) 296-5252
- Sen. Tom Saxhaug, [sen.tom.saxhaug@senate.mn](mailto:sen.tom.saxhaug@senate.mn), (651) 296-4136 (Greater MN Legislator)
- Sen. Ray Vandever, [sen.ray.vandever@senate.mn](mailto:sen.ray.vandever@senate.mn), (651) 296-4351

Please use these talking points:

- Please support a \$20 million appropriation for the Greater Minnesota Business Development Public Infrastructure grant in the Senate Economic Development and House Budget Division this Thursday, January 21<sup>st</sup>. This legislation is sponsored by Sen. Dan Skogen.
- Please also OPPOSE a proposal by DEED to merge the BDPI grant program with the Bio Business grant program. DEED will offer this proposal in the Senate Economic Development Committee next week.
- The economic recession has hit greater Minnesota the hardest, with lower wage rates, declining population and higher levels of employment as compared to the metro area.
- The BDPI grant has created approximately 2,370 jobs since 2003, with nearly \$130 million in total investments created. This is a 4-1 return on investment.
- Now is not the time for DEED to weaken economic development programs that work in greater Minnesota and help grow jobs in our state.
- Again, SUPPORT Sen. Skogen's legislation to sustain the Greater Minnesota Business Development Public Infrastructure grant, and OPPOSE efforts by DEED to merge this grant with the Bio Business grant.

Two handouts regarding these issues are also attached. Please feel free to also forward these handout to the Senators mentioned above. If you have any questions, please contact J.D. Burton with Flaherty & Hood at 651-225-8840.

Thank you.

**Erin Flaherty**  
Communications Specialist

Flaherty & Hood, P.A.  
525 Park Street, Suite 470  
St. Paul, MN 55103  
Phone: 651-225-8840  
Direct: 651-259-1917  
Fax: 651-225-9088  
[enflaherty@flaherty-hood.com](mailto:enflaherty@flaherty-hood.com)  
[www.flaherty-hood.com](http://www.flaherty-hood.com)

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# Support the Greater Minnesota Business Development Public Infrastructure (BDPI) Grant

The BDPI grant program provides grants to cities and counties in greater Minnesota of up to 50% of the capital costs of the public infrastructure necessary to expand economic development, retain or create jobs, or increase the tax base (§116J.431). Greater Minnesota cities, in particular, depend on this grant program to **attract new businesses** and **create jobs** in their communities.

## BDPI Quick Facts:

- 80 greater Minnesota cities have received BDPI grants since 2003\*
- Approximately 2370 jobs have been created\*
- Nearly \$130 million in total investments—a 4-to-1 return\*
- \$32 million appropriated by the legislature since 2003; over \$31 million additional requests unfunded\*
- Small grant amounts: \$250k – \$500k on average

\*Source: DEED

This program has an **outstanding return** on investment.

—DEED, State of Minnesota 2010  
Preliminary Capital Budget Requests,  
7/15/2009

One of DEED's **best programs.**

—Minnesota Management and Budget  
Director Tom Hanson, press conference  
regarding governor's 2010 bonding bill  
requests, 1/15/10

## Sample greater MN cities that have put BDPI grant to good use:

**Benson** \$350k grant in 2004 helped develop \$200 million Fibrominn biomass power plant  
➔ 41 new jobs created

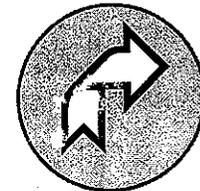
**Grand Rapids** \$522k (2 grants) helped develop industrial park  
➔ 35 new jobs created, including 27 for developmentally disabled adults

**Perham** \$250k grant in 2009 helped secure hospital in city  
➔ Retained 415 jobs; created 25 new jobs

**Alexandria** \$300k grant in 2004 helped develop industrial park  
➔ 42 new, full-time jobs created

**Cannon Falls** \$250k grant in 2008 helped create industrial park  
➔ 16 new, full-time jobs created

Complete grant  
award list on back



Support the Greater Minnesota BDPI grant  
and help grow greater Minnesota's economy.

Prepared by Flaherty & Hood, P.A. for the Coalition of Greater Minnesota Cities, 1/15/2010

# BPDI Grant Awards

City	Amount	Year	City	Amount	Year	City	Amount	Year
Ada	166,783	2003	Grand Marais	499,137	2005	New Ulm	61,649	2008
Albany	515,309	2005	Grand Rapids	272,074	2005	New Ulm	139,031	2008
Albert Lea	72,489	2009	Grand Rapids	250,000	2008	North Branch	387,787	2003
Albert Lea	177,510	2009	Green Isle	76,036	2003	North Branch	304,222	2005
Alexandria	300,000	2003	Hallock	300,000	2006	North Mankato	250,000	2008
Audubon	19,600	2003	Harmony	191,768	2003	Olivia	134,405	2003
Austin	380,000	2003	Hartland	25,000	2009	Osakis	383,139	2006
Belgrade	136,913	2005	Hawley	122,500	2005	Perham	122,725	2003
Bemidji	350,000	2006	Herman	143,900	2007	Perham	250,000	2009
Bemidji	250,000	2008	Heron Lake	500,000	2005	Pine City	53,476	2003
Benson	347,066	2004	Hibbing	250,000	2009	Pine River	164,049	2005
Bigfork	250,000	2008	Hutchinson	250,000	2009	Pipestone	499,907	2005
Bovey	192,000	2006	Isle	250,000	2009	Redwood Falls	250,000	2008
Brainerd	375,000	2006	Jackson	351,280	2005	Richmond	121,799	2008
Brewster	81,495	2003	La Crescent	1,400,000	2006	Rockville	152,734	2005
Brewster	250,000	2008	Lake Crystal	500,000	2003	Roseau	378,000	2003
Browerville	175,000	2008	Lake Crystal	257,547	2006	Roseau	300,000	2008
Cannon Falls	213,219	2008	Lakefield	198,000	2008	Silver Bay	261,354	2003
Cannon Falls	36,780	2008	Le Sueur	358,127	2003	St. Cloud	286,710	2005
Cloquet	280,000	2003	Le Sueur	250,000	2008	St. James	209,600	2003
Cohasset	352,000	2005	Litchfield	261,900	2005	St. James	250,000	2008
Cold Spring	392,752	2005	Little Falls	500,000	2005	Thief River Falls	273,800	2006
Cold Spring	300,000	2006	Long Prairie	500,000	2005	Tower	249,980	2006
Coleraine	173,425	2006	Luverne	500,000	2003	Truman	170,676	2005
Cottonwood	140,768	2005	Mankato	500,000	2005	Truman	52,681	2005
Crookston	175,737	2006	Mankato	21,313	2006	Virginia	300,000	2006
Detroit Lakes	250,000	2009	Mankato	478,686	2006	Virginia	284,750	2009
Duluth	250,000	2008	Mankato	238,350	2008	Virginia	193,143	2009
Duluth/Cirrus	500,000	2005	Mankato	11,649	2008	Virginia	6,856	2009
Duluth/St. Mary's	500,000	2005	Mazeppa	265,000	2008	Wanamingo	222,375	2003
Elk River	360,080	2005	Melrose	400,000	2003	Winona	490,000	2005
Faribault	86,001	2003	Milaca	68,310	2003	Winona	300,000	2006
Faribault	278,425	2005	Moorhead	500,000	2003	Winona	337,500	2008
Faribault	500,000	2008	Mora	56,995	2006	Winthrop	500,000	2008
Fergus Falls	300,000	2006	Mountain Iron	200,000	2009	Wyoming	1,000,000	2003
Freeport	388,482	2006	Murdock	343,000	2008	Wyoming	500,000	2006
Freeport	500,000	2006						

# OPPOSE DEED's Proposal to Merge Greater Minnesota Grant Program (BDPI) with Bio Business Grant Program

DEED has proposed to merge the BDPI with a Bio Business grant program, with the merged program available to local units of government statewide. DEED offers this proposal despite the fact that **the BDPI program is extremely successful as a stand-alone grant under current law, having created approximately 2,370 jobs since 2003.**

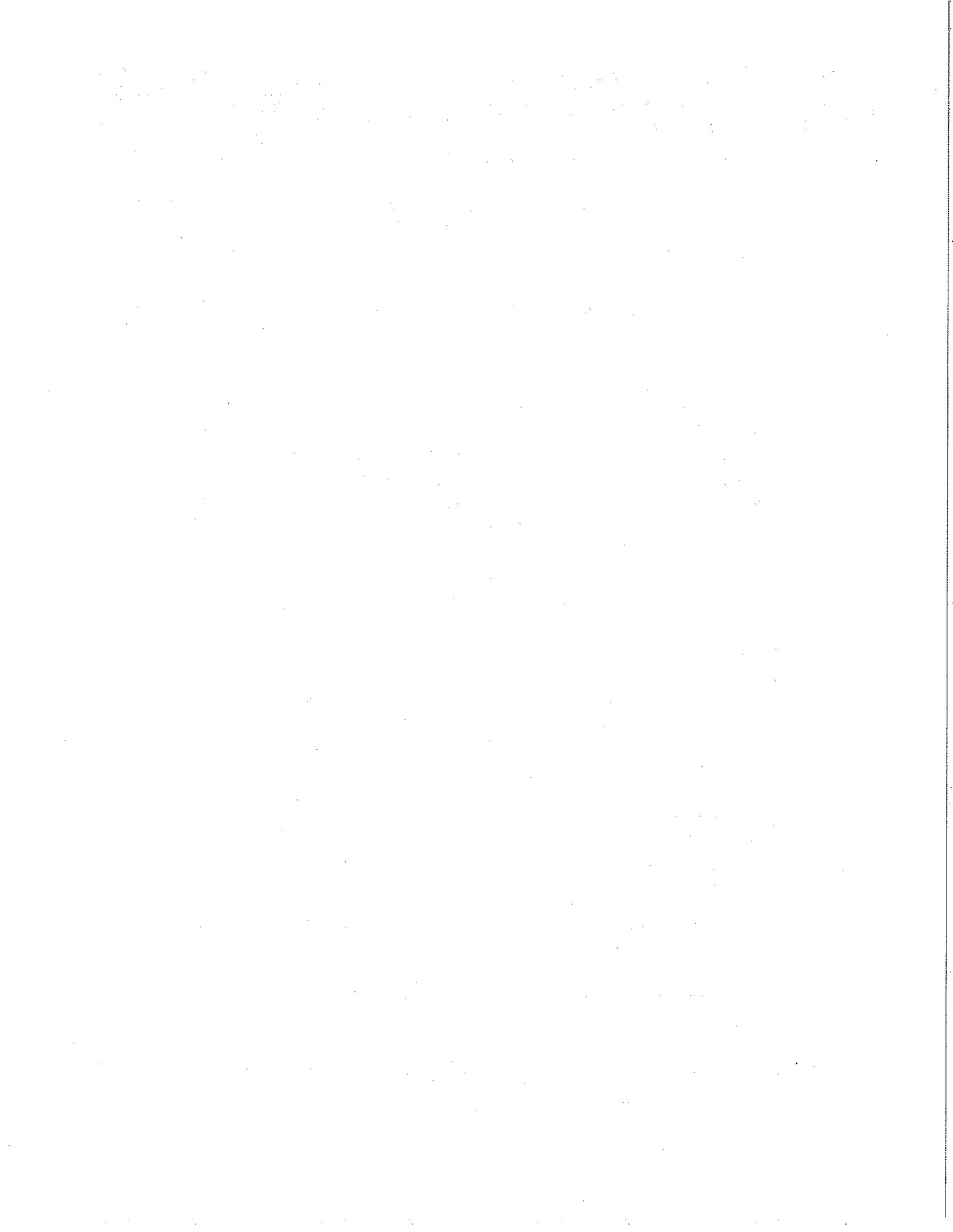
**DEED's proposal may weaken greater Minnesota's economic recovery** by potentially directing critical resources away from greater Minnesota. This is ill-advised, particularly in light of greater Minnesota's economic struggles.

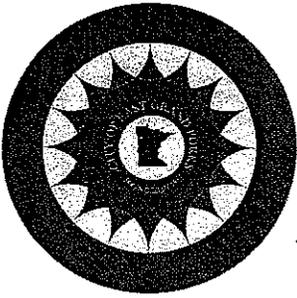
<b><i>In Greater Minnesota</i></b>	<b><i>In the Metro Area</i></b>
7.4% of employers in greater Minnesota were expecting to increase employment.	14.1% of employers expect to increase employment in the metro area.
6.4% of employers in greater Minnesota plan to decrease their current employment levels.	3.7% of employers in the metro area are expecting to decrease employment.
In greater Minnesota, there are 8.3 unemployed people per job vacancy.	There are 7.2 unemployed people per job vacancy in the metro area.
22 counties in greater Minnesota had an unemployment rate above 8%; 8 counties were above 9%.	Only 1 county in the metro area had an unemployment rate above 8% (Anoka).
56% of counties outside the metro area experienced a decline in population since 2002.	The 7-county metro area experienced a 6.0% increase.
The average yearly wage in greater Minnesota in 2008 was \$34,410.	The metro average was \$52,392.

Source: Minnesota Jobs Vacancy Survey; DEED

**The Right Approach:** Keep the BDPI grant separate and fully fund it.  
If it ain't broke, don't fix it.

Prepared by Flaherty & Hood, PA. for the Coalition of Greater Minnesota Cities, 1/15/2010





# City of East Grand Forks

600 DeMers Ave · P.O. Box 373 · East Grand Forks, MN 56721  
218-773-2483 · 218-773-9728 fax · www.eastgrandforks.net

# 2012

- \*East Grand Forks 125<sup>th</sup> Anniversary
- \*Sacred Heart 100<sup>th</sup> Anniversary
- \*Shriners Midwest Convention

Now is the time for planning for this special occasion in 2012! East Grand Forks will be celebrating its 125<sup>th</sup> Anniversary as a City, Sacred Heart Church is celebrating its 100<sup>th</sup> Anniversary, and the Shriners will be hosting the Shriners Midwest Convention in the Grand Cities. Putting all of these events together will be an exciting week in Grand Forks and East Grand Forks.

We expect the hotels, and campgrounds to be full throughout the week. This event will also boost the local economy with shopping in the communities.

A history of the past 25 years has been written by Warren Strandell and a DVD of East Grand Forks 125 years of history will be produced by WDAZ.

We plan on having a large fireworks display along the banks of the Red River with live bands playing in the parking lot behind the Riverwalk Centre. Numerous games will be available for the children, a banquet for the Senior Citizens and two parades for everyone to enjoy. Many other activities will be planned for that week.

We need your help to sponsor many of these events during the week of August \_\_. With your support, we can make this a very exciting event for all ages and a memory to last a lifetime!

Sincerely,

Lynn Stauss  
Mayor

I pledge to donate to the 2012 Event:

\$ \_\_\_\_\_ to be paid by December 31, 2010.

\$ \_\_\_\_\_ to be paid by December 31, 2011.

Sponsor Name: \_\_\_\_\_

Address: \_\_\_\_\_

Mailing Address (if different): \_\_\_\_\_

Phone: \_\_\_\_\_ Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Please make checks payable to the City of East Grand Forks 125th.  
If you have any questions, please contact Mayor Lynn Stauss or Michelle French at (218) 773-2483.

