

**AGENDA
OF THE CITY COUNCIL
CITY OF EAST GRAND FORKS
TUESDAY, DECEMBER 1, 2015 - 5:00 P.M.**

CALL TO ORDER:

CALL OF ROLL:

DETERMINATION OF 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.” If you would like to address the City Council, please come up to the podium to do so.”

APPROVAL OF MINUTES:

1. Consider approving the minutes from the “Continued Special Meeting” for the East Grand Forks, Minnesota City Council of November 12, 2015.
2. Consider approving the minutes of the “Council Meeting” for the East Grand Forks, Minnesota City Council of November 17, 2015.
3. Consider approving the minutes of the “Work Session” for the East Grand Forks, Minnesota City Council of November 24, 2015.

SCHEDULED BID LETTINGS: NONE

SCHEDULED PUBLIC HEARINGS:

4. Public Hearing on the Issuance of Industrial Development Revenue Bonds for American Crystal Sugar Company.

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 Exempt Gambling Application for Sacred Heart to hold a raffle on January 30, 2016 at the Sacred Heart School located at 200 3rd St NW East Grand Forks, MN 56721 and waive the 30-day waiting period.
6. Consider approving the maintenance and grooming grant agreement between the City of East Grand Forks and the Minnesota Department of Natural Resources.

7. Consider approving the non-exclusive agreement between the City of East Grand Forks and Northland Community and Technical for use of the parking lot for the truck driving program.
8. Consider approving the request to use the Pine to Prairie Drug Task Force 2011 Dodge Charger and authorize the vehicle to be equipped for use by the School Resource Officer.
9. Consider approving the request to start the hiring process for a firefighter position that will be open due to a resignation.

ACKNOWLEDGE RECEIPT OF REPORTS OF OFFICERS, BOARDS, AND COMMISSIONS: NONE

COMMUNICATIONS: NONE

OLD BUSINESS:

10. Consider adopting Ordinance No. 16, 4th Series establishing requirements and procedures relating to the granting of cable services franchises for use of public right-of-ways within the City of East Grand Forks (2nd Reading).

NEW BUSINESS:

11. Consider adopting Resolution No. 15-12-128 giving preliminary approval to the issuance of industrial development revenue bonds for the American Crystal Sugar Company.
12. Consider approving the agreement between the City of East Grand Forks and Ronald Galstad of Galstad, Jensen, and McCann for legal services from 2016 through 2018.
13. Consider adopting Resolution No. 15-12-129 approving the hiring of Audrey Passa as the Accounting Technician at a salary of \$20.97 per hour.
14. Consider adopting Resolution No. 15-12-130 accepting the feasibility report and declaring the intention for splash parks to be funded utilizing sales tax revenues.
15. Consider adopting Resolution No. 15-12-131 authorizing the purchase of a new transit bus from Hogle Bus Company for approximately \$136,000 plus \$3,500 for camera equipment.

CLAIMS:

16. Consider adopting Resolution No. 15-12-132 authorizing the City of East Grand Forks to approve purchases from Hardware Hank the goods referenced in check numbers 22945 for a total of \$1,061.91 whereas Council Member Buckalew is personally interested financially in the contract.
17. Consider authorizing the City Administrator/Clerk-Treasurer to issue payment of recommended bills and payroll.

COUNCIL/STAFF REPORTS:

ADJOURN:

Upcoming Meetings:

Work Session – December 8, 2015 – 5:00 PM – Training Room

Special Council Meeting – December 8, 2015 – Council Chambers

Regular Council Meeting – December 15, 2015 – 5:00 PM – Council Chambers

Work Session – December 22, 2015 – 5:00 PM – Training Room

**UNAPPROVED MINUTES
OF THE CITY COUNCIL
CITY OF EAST GRAND FORKS
TUESDAY, NOVEMBER 10, 2015 CONTINUED ON THURSDAY, NOVEMBER
12, 2015 - 5:00 P.M.**

CALL TO ORDER:

The Special Meeting of the East Grand Forks City Council continued from November 10, 2015 was called to order by Council Vice-President Chad Grassel at 5:00 P.M.

CALL OF ROLL:

On a Call of Roll the following members of the East Grand Forks City Council were present: President Mark Olstad, Council Vice-President Chad Grassel, Council Members Clarence Vetter and Marc DeMers.

DETERMINATION OF QUORUM:

The Council President Determined a Quorum was present

NEW BUSINESS:

1. Consider adopting Resolution No. 15-11-123 adopting the assessment roll #335 for 2015 Assessment Job No. 3 – Street Improvements – North Side of the City for a total assessment of \$713,096.30.

A MOTION WAS MADE BY COUNCIL MEMBER OLSTAD, SECONDED BY COUNCIL MEMBER DEMERS, TO ADOPT RESOLUTION NO. 15-11-123 ADOPTING THE ASSESSMENT ROLL #335 FOR 2015 ASSESSMENT JOB NO. 3 – STREET IMPROVEMENTS – NORTH SIDE OF THE CITY FOR A TOTAL ASSESSMENT OF \$713,096.30 AND ALLOWING A 10 YEAR TERM FOR THE THREE PROPERTY OWNERS THAT OBJECTED.

Mr. Galstad that this meeting was continued to allow him to look into whether or not the term of the special assessment could be modified. He explained that after looking through Minnesota Statute 429.061 it is his opinion the City would be able to do a number of different things and reviewed the different options. He added that if the Council only changed the term for the three property owners that objected it would need to be specifically listed in the resolution, the three parties would need to be provided written notice of the change, and an affidavit of service of mailing was needed. He stated this information was confirmed with the County Assessor, Mr. Rob Wagner. Council member DeMers asked if it was only going to be the three and not all the mill and overlay. He added only moving forward with the three would be fine with him.

Voting Aye: Olstad, Grassel, DeMers, and Vetter.

Voting Nay: None.

Absent: Pokrzywinski, Buckalew, and Tweten.

ADJOURN:

A MOTION WAS MADE BY COUNCIL MEMBER DEMERS, SECONDED BY COUNCIL MEMBER VETTER, TO ADJOURN THE NOVEMBER 12, 2015 SPECIAL MEETING OF THE EAST GRAND FORKS, MINNESOTA CITY COUNCIL AT 5:04 P.M.

Voting Aye: Olstad, Grassel, DeMers, and Vetter.

Voting Nay: None.

Absent: Pokrzywinski, Buckalew, and Tweten.

David Murphy, City Administrator/Clerk-Treasurer

**UNAPPROVED MINUTES
OF THE CITY COUNCIL
CITY OF EAST GRAND FORKS
TUESDAY, NOVEMBER 17, 2015 - 5:00 P.M.**

CALL TO ORDER:

The Regular Meeting of the East Grand Forks City Council for November 17, 2015 was called to order by Council President Mark Olstad at 5:00 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 President Mark Olstad, Council Members Clarence Vetter, Mike Pokrzywinski, Craig Buckalew, Henry Tweten, and Marc DeMers.

Dave Aker, Parks & Recreation Superintendent; Karla Anderson, Finance Director; Greg Boppre, City Engineer; Dan Boyce, Water & Light Manager; Nancy Ellis, City Planner; Ron Galstad, City Attorney; Paul Gorte, EDA Director; Mike Hedlund, Police Chief; Charlotte Helgeson, Library Director; Gary Larson, Fire Chief; David Murphy, City Administrator/Clerk-Treasurer; Megan Nelson, Executive Assistant; and Jason Stordahl, Public Works Director.

DETERMINATION OF 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.” If you would like to address the City Council, please come up to the podium to do so.”

APPROVAL OF MINUTES:

1. Consider approving the amended minutes from the “Regular Meeting for the East Grand Forks, Minnesota City Council of November 3, 2015.
2. Consider approving the minutes of the “Special Meeting” for the East Grand Forks, Minnesota City Council of November 10, 2015.
3. Consider approving the minutes of the “Work Session” for the East Grand Forks, Minnesota City Council of November 10, 2015.

A MOTION WAS MADE BY COUNCIL MEMBER BUCKALEW, SECONDED BY COUNCIL MEMBER POKRZYWINSKI, TO APPROVE ITEMS ONE (1) THROUGH THREE (3).

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

Voting Nay: None.

Absent: Grassel.

SCHEDULED BID LETTINGS: NONE

SCHEDULED PUBLIC HEARINGS:

4. Public Hearing on proposed 2016 Assessment Job No. 2 – Paving & Sidewalk Construction in Riverview 9th & 10th Additions.

A MOTION WAS MADE BY COUNCIL MEMBER DEMERS, SECONDED BY COUNCIL MEMBER VETTER, TO OPEN THE PUBLIC HEARING.

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

Voting Nay: None.

Absent: Grassel.

Mr. Emery stated that this was the improvement hearing for the Riverview 9th and 10th Addition. He stated this area had been developed using a developer's agreement back in 2012 which required paving to be completed within three years. He explained the total estimated project cost was \$408,921.92 but the estimated amount to be assessed was \$395,621.60 because the removal of the aggregate would not be assessed and the estimated cost was approximately \$135 per foot. He continued explaining the sidewalk portion of the project, added if a sidewalk had been installed and was included on the assessment roll it could be removed, and based on the estimates it would cost approximately \$12.64 per foot. Mr. Emery informed everyone new construction assessments were typically assessed over a 20 year period and could either be paid in full or added to the tax roll. He then asked for questions.

Ms. Michelle Jensen stated she was not a resident but did help her son-in-law and daughter pick a lot in this development. She explained they had lived there since 2013 and at no time during the process of the reviewing of building plans or building the home were they told they would have to install a sidewalk. Mr. Jacob Bondy, 115 Riverview Lane SE, stated he had contacted three people and was told that only the interior lots were going to have sidewalks, that he had already put in his driveway, and asked when the sidewalk requirement changed. Mayor Stauss asked if they had been given a grade. Mr. Bondy stated explained he had the first house on the outer loop, that his neighbor had been told the same, and that he has an issue with having to now install a sidewalk. Discussion followed on why the resident wasn't given the property information, how he is very upset about the situation, and how staff will be looking into this and bring a report back to the Council.

Mr. Barry Traub, 126 Riverview Lane SE, stated that Ms. Ellis had been at his property regarding a fence, they had a discussion about sidewalks, and that she had stated there was not going to be sidewalks on the outside loop and nothing out to 20th. Ms. Ellis stated she said that there was not going to be sidewalks on 20th. Mr. Traub added there isn't any sidewalks on 19th or 20th. Ms. Ellis stated the sidewalk on 13th was completed with Safe Routes to School funding. Mr. Traub then asked to see if sidewalks could be added to 19th and 20th. Discussion followed about how until 2010 there wasn't a sidewalk ordinance, how currently the grades are not set in the policy but that is something that can be included in the guidelines for plats, and that previous councils did not feel comfortable setting requirements on heights for the foundation of homes, designs, or curb cuts. Council member

DeMers commented how this may need to be re-addressed.

Mr. Seth Perdew, 114 Riverview Lane SE, stated his concern is that the sidewalk leads to nowhere, that there isn't a sidewalk to the school, and if there is nothing on 20th or down 13th then why should this sidewalk be put in. He asked if this is what really needs to be focused on right now. He added that they are excited about the paving but since there are still many empty lots, many large trucks will be driving through and asked if this should be revisited in a year instead because he doesn't want the new road tore up within a year.

Council member Tweten commented that he had asked on numerous occasions to have the engineering fees listed separately, that the fees are not shown separately, and that the project should be not be moving forward at this time. Council member Buckalew explained the Council had to start somewhere with the sidewalks, it had not worked that way in the past, and that it is done for safety and to complete the neighborhood. Mr. Perdew asked if there was a long term plan to fix the other neighborhoods so they all have sidewalks. Mr. Traub stated that 17th, 18th, 19th, and 20th don't have sidewalks and the kids are walking on the streets in the morning so the point that Mr. Perdew was trying to make is that the kids will be walking from the sidewalk into the street. Council member Pokrzywinski stated that those streets were developed before the sidewalk ordinance was adopted and that it would be difficult to try and retroactively enforce the ordinance. He added there was finally a Council that was able to agree on the policy. Council member DeMers commented that he is glad to hear enthusiasm about sidewalks, that it will be a slow process, and that it needed to start somewhere. Discussion followed about Safe Routes to School funding and how the City could be eligible since there is now has a sidewalk ordinance in place. Ms. Ellis added that misinformation had been given and that both her and Mr. Emery will work to see what can be done.

Mr. Traub informed the Council that within the eight households in this development there are 21 kids under the age of 10 and how some have to walk on the street to get to school. Council member Pokrzywinski said for years the City built wide streets and didn't need sidewalks and that this Council is trying to change that. Mr. Emery stated he appreciated the comments; that sidewalks have really been pushed the last few years to accommodate pedestrian traffic, how the Council has been trying to address these needs, and it was good concerns were being brought forward.

A MOTION WAS MADE BY COUNCIL MEMBER DEMERS, SECONDED BY COUNCIL MEMBER POKRZYWINSKI, TO CLOSE THE PUBLIC HEARING.

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

Voting Nay: None.

Absent: Grassel.

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 adopting Resolution No. 15-11-124 appointing Josh Krostue to Equipment Operator at a salary of \$19.69 per hour.
6. Consider approving the Exempt Gambling Application for the Red River Valley Pheasants Forever to hold a raffle on March 26, 2016 at the Eagles Club located at 227 10th St NW East Grand Forks, MN 56721 and waive the 30-day waiting period.

7. Consider approving the Exempt Gambling Application for the Red River Valley Pheasants Forever to hold a raffle on May 21, 2016 at the Eagles Club located at 227 10th St NW East Grand Forks, MN 56721 and waive the 30-day waiting period.

A MOTION WAS MADE BY COUNCIL MEMBER DEMERS, SECONDED BY COUNCIL MEMBER VETTER, TO APPROVE ITEMS FIVE (5) THROUGH SEVEN (7).

Voting Aye: Pokrzywinski, Buckalew, Tweten, Olstad, DeMers, and Vetter.
Voting Nay: None.
Absent: Grassel.

ACKNOWLEDGE RECEIPT OF REPORTS OF OFFICERS, BOARDS, AND COMMISSIONS:

8. Regular meeting minutes of the Water, Light, Power, and Building Commission for October 15, 2015.
9. Regular meeting minutes of the Economic Development Authority Board for October 20, 2015.

COMMUNICATIONS:

10. Acknowledge the veto of the three year contract between the City of East Grand Forks and Widseth Smith Nolting for engineering services.

OLD BUSINESS:

11. Reconsider approving the agreement between the City of East Grand Forks and Widseth Smith Nolting for engineering services for a three year term.

A MOTION WAS MADE BY COUNCIL MEMBER POKRZYWINSKI, SECONDED BY COUNCIL MEMBER DEMERS, TO APPROVE THE AGREEMENT BETWEEN THE CITY OF EAST GRAND FORKS AND WIDSETH SMITH NOLTING FOR ENGINEERING SERVICES FOR A THREE YEAR TERM.

Council member Vetter stated the Council can't make this motion without having this brought forward by either Council member Tweten or himself. Mr. Murphy said the motion should read motion to override veto since the charter has the item come back to the next meeting. Council member Vetter said again that motion would have to come from Council member Tweten or himself. Mr. Galstad stated the charter automatically comes back for the Council to vote on to see if the veto can be overturned. He said it didn't have to be a reconsideration from those who voted no and if it does not get the extra vote it will automatically be defeated. Council President Olstad stated the motion should then be amended.

A MOTION WAS MADE BY COUNCIL MEMBER POKRZYWINSKI, SECONDED BY COUNCIL MEMBER DEMERS, TO CONSIDER OVERRIDING THE VETO OF THE AGREEMENT BETWEEN THE CITY OF EAST GRAND FORKS AND WIDSETH SMITH NOLTING FOR ENGINEERING SERVICES FOR A THREE YEAR TERM.

Voting Aye: Pokrzywinski, Buckalew, Olstad, and DeMers.
Voting Nay: Tweten and Vetter.
Absent: Grassel.

Council President Olstad stated the motion failed.

12. Reconsider approving the agreement between the City of East Grand Forks and Widseth Smith Nolting for engineering services for a one year term.

A MOTION WAS MADE BY COUNCIL MEMBER BUCKALEW, SECONDED BY COUNCIL MEMBER DEMERS, TO APPROVE THE AGREEMENT BETWEEN THE CITY OF EAST GRAND FORKS AND WIDSETH SMITH NOLTING FOR ENGINEERING SERVICES FOR A ONE YEAR TERM.

Voting Aye: Pokrzywinski, Buckalew, Olstad, and DeMers.
Voting Nay: Tweten and Vetter.
Absent: Grassel.

NEW BUSINESS:

13. Consider adopting Resolution No. 15-11-125 approving the Bygland Road Study along with the recommendations and for consideration of this information into the Long Range Transportation Plan by future Council request.

A MOTION WAS MADE BY COUNCIL MEMBER VETTER, SECONDED BY COUNCIL MEMBER DEMERS, TO ADOPT RESOLUTION NO. 15-11-125 APPROVING THE BYGLAND ROAD STUDY ALONG WITH THE RECOMMENDATIONS AND FOR CONSIDERATION OF THIS INFORMATION INTO THE LONG RANGE TRANSPORTATION PLAN BY FUTURE COUNCIL REQUEST.

Voting Aye: Pokrzywinski, Buckalew, Tweten, Olstad, DeMers, and Vetter.
Voting Nay: None.
Absent: Grassel.

14. Consider adopting Resolution No. 15-11-126 ordering improvements and preparation of plans and specifications for 2016 Assessment Job No. 2 – Paving & Sidewalk Construction – Riverview 9th & 10th Additions.

A MOTION WAS MADE BY COUNCIL MEMBER DEMERS, SECONDED BY COUNCIL MEMBER POKRZYWINSKI, TO ADOPT RESOLUTION NO. 15-11-126 ORDERING IMPROVEMENTS AND PREPARATION OF PLANS AND SPECIFICATIONS FOR 2016 ASSESSMENT JOB NO. 2 – PAVING & SIDEWALK CONSTRUCTION – RIVERVIEW 9TH & 10TH ADDITIONS.

Council member Vetter asked if this should be tabled until Mr. Bondy's issues had been addressed. Council President Olstad asked how the Council would like to proceed. Council member DeMers commented that the issues should be worked out and it would not matter if the Council waited two

weeks to vote. Council member Buckalew stated this was just plans and specifications, not letting a contract. He asked how long it would take to get the plans and specifications prepared. Mr. Boppre explained they were hoping to have plans and specifications completed by January and bring back to the Council by February and added that should be enough time to have the sidewalk issue resolved. Council member DeMers commented how this would be the right time to address the issue. Council member Tweten stated this would lock them in, he disagrees with the conduct, and how the plans and specs may have to be done again.

Voting Aye: Pokrzywinski, Buckalew, Olstad, DeMers, and Vetter.
Voting Nay: Tweten.
Absent: Grassel.

15. Consider approving Ordinance No. 16, 4th Series establishing requirements and procedures relating to the granting of cable services franchises for use of public right-of-ways within the City of East Grand Forks (1st Reading).

A MOTION WAS MADE BY COUNCIL MEMBER POKRZYWINSKI, SECONDED BY COUNCIL MEMBER TWETEN, TO APPROVE ORDINANCE NO. 16, 4TH SERIES ESTABLISHING REQUIREMENTS AND PROCEDURES RELATING TO THE GRANTING OF CABLE SERVICES FRANCHISES FOR USE OF PUBLIC RIGHT-OF-WAYS WITHIN THE CITY OF EAST GRAND FORKS (1ST READING).

Voting Aye: Pokrzywinski, Buckalew, Tweten, Olstad, DeMers, and Vetter.
Voting Nay: None.
Absent: Grassel.

16. Consider approving the franchise agreement between the City of East Grand Forks and Midcontinent Communications.

A MOTION WAS MADE BY COUNCIL MEMBER TWETEN, SECONDED BY COUNCIL MEMBER POKRZYWINSKI, TO APPROVE THE FRANCHISE AGREEMENT BETWEEN THE CITY OF EAST GRAND FORKS AND MIDCONTINENT COMMUNICATIONS.

Voting Aye: Pokrzywinski, Buckalew, Tweten, Olstad, DeMers, and Vetter.
Voting Nay: None.
Absent: Grassel.

CLAIMS:

17. Consider adopting Resolution No. 15-11-127 authorizing the City of East Grand Forks to approve purchases from Hardware Hank the goods referenced in check numbers 22850 for a total of \$1,083.99 whereas Council Member Buckalew is personally interested financially in the contract.

A MOTION WAS MADE BY COUNCIL MEMBER VETTER, SECONDED BY COUNCIL MEMBER DEMERS, TO ADOPT RESOLUTION NO. 15-11-127 AUTHORIZING THE CITY OF EAST GRAND FORKS TO APPROVE PURCHASES FROM HARDWARE HANK THE GOODS REFERENCED IN CHECK NUMBERS 22850 FOR A TOTAL OF \$1,083.99 WHEREAS COUNCIL MEMBER BUCKALEW IS PERSONALLY INTERESTED

FINANCIALLY IN THE CONTRACT.

Voting Aye: Pokrzywinski, Tweten, Olstad, DeMers, and Vetter.

Voting Nay: None.

Abstain: Buckalew.

Absent: Grassel.

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

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

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

Voting Nay: None.

Absent: Grassel.

COUNCIL/STAFF REPORTS:

Mayor Stauss commented that the lights are out on the dome, asked who was responsible for changing the lights, and asked administration staff to have them fixed. He also asked to have red and green lights installed for the holidays and white lights for the spring.

Council Member Pokrzywinski wanted to acknowledge Mr. Chip Shea who had just resigned from the EDA Board. He stated that he appreciates the time and dedication Mr. Shea had provided on the board, said that he would be missed, and that there is now an opening on the board so the mayor will need to make an appointment. Council member Pokrzywinski added that he had some ideas. Mayor Stauss commented about the company moving into Grand Forks and how the City should be doing everything in its power to keep business in the City. Council member Pokrzywinski commented how there are non-disclosure agreements when a business considers the City, that Ideal already had a building in Grand Forks and the long range plan could have been to move, and now the City has a space available for another business and they will get started on that.

Council Member Tweten stated that it was Mr. Shea who brought the new hotel to town and encouraged people to go take a look if they haven't already.

Mr. Murphy reminded the Council that both he and Council President Olstad attended the Coalition Conference and informed the Council that the legislative platform the Coalition is going to be focusing on this year is LGA.

Mr. Boppre thanked the Council and Mayor for the opportunity to serve the City of East Grand Forks and for a one year contract. He stated how the office had been a part of the community since 1956, that there had been four company names but what was important was the individuals in the office. He explained he had started in the office in 1984, had been a part of the community for 31 years, and that he had been the City Engineer for the last 15 years which he thanked the Council for. He stated that he manages 26 employees with just under half living in East Grand Forks, how they pay taxes here, and send their children to school here. He thanked the Council for the opportunity to work on projects, that projects are a team effort between the City and the engineering firm, and that all divisions at WSN have or will worked on the waste water projects which everyone will be proud of. He commented how

a State Legislator recently said at the bonding presentation that this project was a poster child project where two communities are working together and that the State should help them. He thanked the Council again for the one year contract.

ADJOURN:

A MOTION WAS MADE BY COUNCIL MEMBER TWETEN, SECONDED BY COUNCIL MEMBER BUCKALEW, TO ADJOURN THE NOVEMBER 17, 2015 COUNCIL MEETING OF THE EAST GRAND FORKS, MINNESOTA CITY COUNCIL AT 5:54 P.M.

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

Voting Nay: None.

Absent: Grassel.

David Murphy, City Administrator/Clerk-Treasurer

3

**UNAPPROVED MINUTES
OF THE CITY
COUNCIL WORK SESSION
CITY OF EAST GRAND FORKS
TUESDAY, NOVEMBER 24, 2015 – 5:00 PM**

CALL TO ORDER:

The Work Session of the East Grand Forks City Council for November 24, 2015 was called to order by Council President Mark Olstad at 5:01 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 President Mark Olstad, Council Vice-President Chad Grassel, Council Members Clarence Vetter, Mike Pokrzywinski, Craig Buckalew, Henry Tweten, and Marc DeMers.

Karla Anderson, Finance Director; Greg Boppre, City Engineer; Nancy Ellis, City Planner; Ron Galstad, City Attorney; Paul Gorte, EDA Director; Mike Hedlund, Police Chief; Charlotte Helgeson, Library Director; Gary Larson, Fire Chief; David Murphy, City Administrator/Clerk-Treasurer; Megan Nelson, Executive Assistant; and Jason Stordahl, Public Works Director.

DETERMINATION OF A QUORUM:

The Council President Determined a Quorum was present.

1. Feasibility Study for Splash Park – Greg Boppre

Mr. Boppre reminded the Council they had authorized the engineers to prepare a feasibility study for potential splash parks and had Mr. Hermes continue. Mr. Hermes told the Council there were two packets, one that had information about the splash parks and the other packet had information about costs of running the splash parks. He reviewed three different locations on where the splash parks could be located which included O’Leary Park, Nash Park, and then on the far north end of the City. He explained each option in the different location, the costs of each option, and how the locations within the City were less expensive because the utilities, bathrooms, shelters, and parking were already available. Mr. Boppre added that the splash park on the north end would be more feasible in the future once the area in more developed, the utilities are in place, and there is a road out to it.

Mr. Hermes told the Council he had been working with Water Play on these estimates and how they had built the splash park at University Park in Grand Forks. He then reviewed the information on how much it would cost to run a splash park in East Grand Forks based on the 3,000 to 4,000 foot proposed splash pad. Council member DeMers thanked WSN for putting this together quickly, that the information gives a good illustration, and that they included three possible sites. He added how he thought this was feasible and he would support one or two splash parks. Council Vice-President suggested placing the splash pad on the northeast corner in Nash Park as possibility. Discussion followed about what would need to be set aside for depreciation, what the life of a splash park is, what kind of barrier there is that goes around the splash pad, and what should be considered to be included with the sales tax proposal. Mayor Stauss added that it will also depend on what the State will allow.

This item will be referred to a City Council Meeting for action.

2. Consideration of Excess Liability Coverage for 2016 – Karla Anderson

Ms. Anderson informed the Council this is done every year, that they can review the options, but that the Council has usually picked option two. Council President Olstad stated the Council should stick with option two and asked if there were any questions.

This item will be referred to a City Council Meeting for action.

3. Request to Authorize Use of Drug Task Force Vehicle – Mike Hedlund

Chief Hedlund reminded the Council how the Drug Task Force had expanded and may still be expanding with the addition of more agencies. He explained some of the funding for the task force comes from the sale of seized property such as vehicles. He stated how a 2011 Dodge Charger had been seized and the Drug Task Force approved the use of this vehicle by the School Resource Officer in East Grand Forks. He told the Council the vehicle needed to be outfitted which could be done using funds from the 2016 budget or through donations and that it would need to be added on the City's insurance. Discussion followed about how the vehicle would be labeled to show it was a police vehicle, a review of how the state statutes dictate when property can be seized, and if this vehicle was auctioned off the City would only receive a percentage of the funds since it was a drug seizure and most of the funds would be going to the drug task force. Council member Buckalew informed the Council that a lot of thought being put into how the vehicle was going to be labeled so it sent the correct message to youth.

This item will be referred to a City Council Meeting for action.

4. Discussion on Sale of Sunshine Terrace – Ron Galstad/David Murphy

Mr. Galstad informed the Council that currently the EDA is listed as the owner of Sunshine Terrace and that there is a 20 year deferred loan on the property for one million dollars. He explained the process the City would have to go through and the different agencies that would be involved if it had been decided to move forward with the sale of the property. Discussion followed about the possibility of hiring a management company to manage the building for the City.

5. Northland College Non-Exclusive Agreement – David Murphy

Mr. Murphy told the Council the contract between the City and Northland College was about to expire for the use of the parking lot for their truck driving program. He said that the City has not been notified about any issues in regards to their use of the parking lot. Mr. Galstad stated he had not heard of any issues but requested the Public Works Director take a look at the parking lot to see if there is any damage that has been done.

This item will be referred to a City Council Meeting for action.

6. Discussion of Legal Contract – David Murphy

Mr. Murphy informed the Council the legal contract was going to be expiring at the end of the year.

He stated he had asked Mr. Galstad to prepare a proposal which consisted of no increase for 2016 from the current rates but that there would be an increase from \$5,500 to \$5850 for prosecution services per month as well as the increase of \$120 to \$125 per hour for civil services. A short discussion followed about how the rates are reasonable and that the new contract will be for three years.

This item will be referred to a City Council Meeting for action.

7. Other

Chief Larson informed the Council he had received a resignation from an employee. He stated that he would like to start the process soon and that the position requires Firefighter 2 Certification as well as being an EMT.

Ms. Nelson informed the Council the job of accounting technician had been offered to one of the candidates. She explained the person that was offered the position had ten years of experience with payroll and accounts payable and through a negotiating process the request was made to place the candidate on step five instead of step one. Council member Vetter asked what step the person who had left was at. Mr. Murphy stated she was at a step 4.

Mr. Murphy informed the Council that his daughter was going to be having surgery in December and that he would have to be out of the office for some time and then be in and out of the office during her recovery but he would be available by phone during this time.

ADJOURN:

A MOTION WAS MADE BY COUNCIL MEMBER BUCKALEW, SECONDED BY COUNCIL MEMBER GRASSEL, TO ADJOURN THE NOVEMBER 24, 2015 WORK SESSION OF THE EAST GRAND FORKS, MINNESOTA CITY COUNCIL AT 5:56 P.M.

Voting Aye: Buckalew, Tweten, Olstad, Grassel, DeMers, Vetter, and Pokrzywinski.

Voting Nay: None.

David Murphy, City Administrator/Clerk-Treasurer

MINNESOTA LAWFUL GAMBLING
LG220 Application for Exempt Permit

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.
If total raffle prize value for the calendar year will be \$1,500 or less, contact the Licensing Specialist assigned to your county by calling 651-539-1900.

Application Fee (non-refundable)

Applications are processed in the order received. If the application is postmarked or received 30 days or more before the event, the application fee is **\$100**; otherwise the fee is **\$150**.
Due to the high volume of exempt applications, payment of additional fees prior to 30 days before your event will not expedite service, nor are telephone requests for expedited service accepted.

ORGANIZATION INFORMATION

Organization Name: SACRED HEART Previous Gambling Permit Number: X-60010-15-014
Minnesota Tax ID Number, if any: 41-0773774 Federal Employer ID Number (FEIN), if any: _____
Mailing Address: 200 3RD ST NW
City: EAST GRAND FORKS State: MN Zip: 56721 County: POLK
Name of Chief Executive Officer (CEO): FR XAVIER ILANGO
Daytime Phone: 218-773-0877 Email: _____

NONPROFIT STATUS

Type of Nonprofit Organization (check one):
 Fraternal Religious Veterans Other Nonprofit Organization

Attach a copy of one of the following showing proof of nonprofit status:

(DO NOT attach a sales tax exempt status or federal employer ID number, as they are not proof of nonprofit status.)

- A current calendar year Certificate of Good Standing**
Don't have a copy? Obtain this certificate from:
MN Secretary of State, Business Services Division Secretary of State website, phone numbers:
60 Empire Drive, Suite 100 www.sos.state.mn.us
St. Paul, MN 55103 651-296-2803, or toll free 1-877-551-6767
- 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 toll free at 1-877-829-5500.
- 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:
1. IRS letter showing your parent organization is a nonprofit 501(c) organization with a group ruling, and
2. the charter or letter from your parent organization recognizing your organization as a subordinate.

GAMBLING PREMISES INFORMATION

Name of premises where the gambling event will be conducted (for raffles, list the site where the drawing will take place): SACRED HEART SCHOOL
Address (do not use P.O. box): 200 3RD ST NW
City or Township: EAST GRAND FORKS Zip: 56721 County: POLK
Date(s) of activity (for raffles, indicate the date of the drawing): JANUARY 30, 2016
Check each type of gambling activity that your organization will conduct:
 Bingo* Paddlewheels* Pull-Tabs* Tipboards*
 Raffle (total value of raffle prizes awarded for the calendar year: \$ 6500.00)

* **Gambling equipment** for bingo paper, paddlewheels, pull-tabs, and tipboards must be obtained from a distributor licensed by the Minnesota Gambling Control Board. EXCEPTION: Bingo hard cards and bingo number selection devices may be borrowed from another organization authorized to conduct bingo. To find a licensed distributor, go to www.mn.gov/gcb and click on **Distributors** under **LIST OF LICENSEES**, or call 651-539-1900.

LOCAL UNIT OF GOVERNMENT ACKNOWLEDGMENT (required before submitting application to the Minnesota Gambling Control Board)

<p style="text-align: center;">CITY APPROVAL for a gambling premises located within city limits</p> <p><input type="checkbox"/> The application is acknowledged with no waiting period.</p> <p><input type="checkbox"/> 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).</p> <p><input type="checkbox"/> The application is denied.</p> <p>Print City Name: _____</p> <p>Signature of City Personnel: _____</p> <p>_____</p> <p>Title: _____ Date: _____</p> <div style="border: 1px solid black; padding: 5px; margin: 10px auto; width: 80%; text-align: center;"> <p>The city or county must sign before submitting application to the Gambling Control Board.</p> </div>	<p style="text-align: center;">COUNTY APPROVAL for a gambling premises located in a township</p> <p><input type="checkbox"/> The application is acknowledged with no waiting period.</p> <p><input type="checkbox"/> The application is acknowledged with a 30-day waiting period, and allows the Board to issue a permit after 30 days.</p> <p><input type="checkbox"/> The application is denied.</p> <p>Print County Name: _____</p> <p>Signature of County Personnel: _____</p> <p>_____</p> <p>Title: _____ Date: _____</p> <p>TOWNSHIP (if required by the county) On behalf of the township, I acknowledge that the organization is applying for exempted gambling activity within the township limits. (A township has no statutory authority to approve or deny an application, per Minn. Statutes, section 349.213.)</p> <p>Print Township Name: _____</p> <p>Signature of Township Officer: _____</p> <p>_____</p> <p>Title: _____ Date: _____</p>
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CHIEF EXECUTIVE OFFICER'S SIGNATURE (required)

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 event date.

Chief Executive Officer's Signature: *Fr. Xavier Ilango* Date: 11.20.2015
(Signature must be CEO's signature; designee may not sign)

Print Name: Fr. Xavier Ilango

<p>REQUIREMENTS</p> <p>Complete a separate application for:</p> <ul style="list-style-type: none"> • all gambling conducted on two or more consecutive days, or • all gambling conducted on one day. <p>Only one application is required if one or more raffle drawings are conducted on the same day.</p> <p>Financial report to be completed within 30 days after the gambling activity is done: A financial report form will be mailed with your permit. Complete and return the financial report form to the Gambling Control Board.</p> <p>Your organization must keep all exempt records and reports for 3-1/2 years (Minn. Statutes, section 349.166, subd. 2(f)).</p>	<p>MAIL APPLICATION AND ATTACHMENTS</p> <p>Mail application with:</p> <p><input type="checkbox"/> a copy of your proof of nonprofit status, and</p> <p><input type="checkbox"/> application fee (non-refundable). If the application is postmarked or received 30 days or more before the event, the application fee is \$100; otherwise the fee is \$150. Make check payable to State of Minnesota.</p> <p>To: Gambling Control Board 1711 West County Road B, Suite 300 South Roseville, MN 55113</p> <p>Questions? Call the Licensing Section of the Gambling Control Board at 651-539-1900.</p>
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Data privacy notice: The information requested on this form (and any attachments) will be used by the Gambling Control Board (Board) to determine your organization's qualifications to be involved in lawful gambling activities in Minnesota. Your organization has the right to refuse to supply the information; however, if your organization refuses to supply this information, the Board may not be able to determine your organization's qualifications and, as a consequence, may refuse to issue a permit. If your organization supplies the information requested, the Board will be able to process the application. Your organization's name and address will be public information when received by the Board. All other information provided will be private data about your organization until the Board issues the permit. When the Board issues the permit, all information provided will become public. If the Board does not issue a permit, all information provided remains private, with the exception of your organization's name and address which will remain public. Private data about your organization 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, Minnesota Management & Budget, and Revenue; Legislative Auditor, national and international gambling regulatory agencies; anyone pursuant to court order; other individuals and agencies 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 written consent.

This form will be made available in alternative format (i.e. large print, braille) upon request.

**MINNESOTA SNOWMOBILE TRAILS ASSISTANCE PROGRAM
SNOWMOBILE FY 2016
MAINTENANCE AND GROOMING GRANT AGREEMENT**

Local Unit of Government (Sponsor) City of East Grand Forks	Trail/Club Name Northern Lights	Grant Amount \$17,535.00
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THIS AGREEMENT is made between the STATE OF MINNESOTA, acting by and through the Commissioner of Natural Resources, hereinafter referred to as the "State," and Local Unit of Government, hereinafter referred to as the "Sponsor" relating to the maintenance and grooming of the trails specified above; and

WHEREAS, the Sponsor desires to maintain trails for the enjoyment of the public; and

WHEREAS, the Minnesota Snowmobile Trails Assistance Program provides grants to local units of government for the maintenance of recreational trails pursuant to Minnesota Statutes Chapter 84.83; and

WHEREAS, the Sponsor has applied to the State for a grant for said trails and has submitted the Minnesota Snowmobile Trails Assistance Program Maintenance and Grooming application form, required attachments, and resolution of the Sponsor authorizing the proposed maintenance and grooming. The submitted application form and required attachments are hereinafter referred to as the "Plan", and the sponsor resolution is attached and incorporated into this agreement as Exhibit A; and

NOW THEREFORE, it is agreed between the parties as follows:

A. TRAIL OBLIGATION OF THE SPONSOR. The Sponsor agrees to maintain the proposed trails in accordance with the guidelines contained within the current **Minnesota Snowmobile Trails Assistance Program Maintenance and Grooming Manual**, hereinafter referred to as the "Manual" as accepted or amended by the State. All work will be the responsibility of the Sponsor, its employees, or the sponsor's agent provided the agent is registered as a nonprofit corporation with the State of Minnesota. The Sponsor shall:

1. Proceed to acquire necessary interests in lands on the Trail. The Sponsor must acquire land in fee, easement, lease, permit, or other authorization for said Trail. The term of said interest shall be no less than four (4) months between November 15 of any year and April 1 of the succeeding year. For each parcel of land crossed by the Trail, the Sponsor shall obtain from the owner of said parcel a permit, lease, easement, deed, or other authorization for said crossing in accordance with Minnesota Statutes Chapter 604A. The Sponsor shall certify that the necessary interests in the land have been obtained and are on file with the Sponsor or the sponsor's agent.
2. Provide adequate maintenance and grooming on the Trail, which shall include keeping it reasonably safe for public use; provide sanitation and sanitary facilities when needed; and provide other maintenance and grooming as may be required. The Sponsor and not the State is responsible for maintaining signs and maintenance and grooming of the Trail.

B. TECHNICAL ASSISTANCE. Upon the request of the Sponsor to the extent possible, the State will provide technical assistance with major problems encountered in the maintenance and grooming of the Trail.

C. **FUNDING.** The State's sole responsibility under this Agreement is to provide funds to the Sponsor. In the event that state funds become unavailable because of legislative or executive action or restraints, the grant amount may be reduced or canceled by the State. Due to variability in revenues to the snowmobile account, in FY2016 the State/DNR may reduce or not disburse funds for the third and/or fourth benchmarks.

D. **DISBURSEMENT.** The State agrees to disburse funds to the Sponsor pursuant to this Agreement based upon the satisfactory completion of significant performance benchmarks as identified in section F. This grant shall not exceed the Grant Amount as specified above. Funds not earned and paid out will be canceled annually at the end of the State's fiscal year (June 30).

E. **GROOMING.** In order to receive maximum disbursement from this Agreement, the Sponsor agrees to groom the entire Trail referred to within the Plan in accordance with the Trail Grooming Guidelines established in the Manual.

F. **PAYMENT.**

1. **Trail Completion Benchmark, 45% of Total Grant Amount**

Disbursement of these funds is contingent on the sponsor providing a high quality map that shows the final alignment of the trail and a Trail Completion Certification Form that the trail is open and available for use. The certification must be received by December 15th of that year. This includes having the trail brushed, bridges in repair, signs installed, gates were capable of being open (snow permitting), and any other additional work needed. Also the Sponsor ensures that interest in lands to operate a snowmobile trail have been acquired through fee, easement, lease, permit, or other authorizations of interest throughout the entire Trail.

2. **Grooming Certification Benchmark, Opening – January 15, 25% of Total Grant Amount**

A portion of the grooming monies will be disbursed to the Sponsor by the DNR based upon the Certification of Satisfactory Grooming Form received from the Sponsor that the trails have been properly groomed from opening day through January 15th. The certification must be received by February 15th of that year. The Sponsor in coordination with the Club must maintain sufficient records to document the activity.

3. **Grooming Certification Benchmark, January 16 – Closing, 25% of Total Grant Amount**

The second disbursement of the grooming monies will be made to the Sponsor by the DNR based upon the Certification of Satisfactory Grooming Form received from the Sponsor and verification that the trails were groomed to the satisfaction of the Sponsor from January 16th through the end of the season. The certification must be received by April 15th of that year. The Sponsor in coordination with the Club must maintain sufficient records to document the activity.

4. **Trail Closure/Application Submission Benchmark, 5% of Total Grant Amount**

The final payment will be based upon the Trail Closure/Application Submission Certification form received from the Sponsor. The certification must be received by May 15th. A completed application for the next year must accompany the certification. Must provide evidence that Sponsor and Club attended spring training session conducted by DNR. A map indicating the "anticipated" alignment of the trail must also be submitted. A back-up grooming plan must also be provided.

G. **PENALTIES.**

1. If it is determined that the **Trail Completion Certification benchmark** in this Plan has not been satisfactorily completed but was certified as having been completed by the Sponsor, the Sponsor may be assessed a penalty of up to 45% of the Total Annual Grant Amount.

2. If it is determined that the **Grooming Certification benchmark for the period of opening day through January 15** in this Plan has not been satisfactorily completed but was certified as having been completed by the Sponsor, the Sponsor may be assessed a penalty of up to 25% of the Total Annual Grant Amount.
3. If it is determined that the **Grooming Certification benchmark for the period of January 16 through the end of the season** in this Plan has not been satisfactorily completed but was certified as having been completed by the Sponsor, the Sponsor may be assessed a penalty of up to 25% of the Total Annual Grant Amount.
4. If it is determined that the **Trail Closure/Application Submission Certification** benchmark in this Plan has not been satisfactorily completed but was certified as having been completed by the Sponsor, the Sponsor may be assessed a penalty of up to 5% of the total annual Grant Amount.

In addition to the above penalties, the State reserves the right to reduce payment in the following year's agreement or to exclude the Sponsor from participation in the Trails Assistance Program.

H. ACCOUNTING AND AUDIT. The Sponsor shall maintain books, records, documents, and other evidence relevant to this grant and in such detail that will accurately reflect the benchmarks that have been reached in this program and that have received payment. The Sponsor shall use generally accepted accounting principles and these records shall be retained for six years after this grant terminates. The State, its representative or the legislative auditor shall have the right to examine this evidence and the Sponsor shall make them available at the office at all reasonable times during the record retention period. Records shall be sufficient, as defined in the Manual to reflect significant costs incurred and volunteer donation of time, equipment, and/or materials in performance of this grant.

I. WORKER'S COMPENSATION. The Sponsor shall comply with the provisions for worker's compensation in Minnesota Statutes Chapter 176.181, Subd. 2 and 176.182 and all applicable rules and subsequent amendments thereto.

J. LIABILITY. Each party agrees that it will be responsible for its own acts and the results thereof to the extent authorized by law and shall not be responsible for the acts of the other party and the results thereof. The provisions of the Minnesota Tort Claims Act, Minnesota Statutes Chapter 3.736 and other applicable law shall govern the State's liability. The provisions of Minnesota Political Subdivisions Tort Liability, Minnesota Statutes Chapter 466.02 and other applicable law shall govern the Sponsor's liability.

K. TERM.

1. **Effective date: July 1, 2015.** Per MN Statute 16B.98, Subd. 5 and Subd. 7, this agreement is not valid and no payments will be made to the Grantee until this grant contract is fully executed, however, eligible expenses may be incurred the date the appropriation becomes available.
2. **Expiration date: June 30, 2016,** or until all obligations have been satisfactorily fulfilled, whichever is sooner.

L. TERMINATION. This Agreement may be terminated by the State in the event of a default by the Sponsor; the legislature appropriates insufficient monies for the program, or the abandonment of the Trail. The State and the Sponsor may also terminate it upon mutual agreement, upon 30 days' written notice to each entity.

M. ASSIGNMENT OR MODIFICATION. The Sponsor may not assign any of its rights or obligations under this Agreement without the prior written consent of the State. No change or modification of the terms or provisions of this Agreement shall be binding unless such change or modification is in writing and signed by both parties to this Agreement.

N. DATA DISCLOSURE. Under Minn. Stat. § 270C.65, Subd. 3, and other applicable law, the Grantee consents to disclosure of its social security number, federal employer tax identification number, and/or Minnesota tax identification number, already provided to the State, to federal and state tax agencies and state personnel involved in the payment of state obligations. These identification numbers may be used in the enforcement of federal and state tax laws which could result in action requiring the Grantee to file state tax returns and pay delinquent state tax liabilities, if any.

O. GOVERNING LAW, JURISDICTION, AND VENUE. Minnesota law, without regard to its choice-of-law provisions, governs this grant contract. Venue for all legal proceedings out of this grant contract, or its breach, must be in the appropriate state or federal court with competent jurisdiction in Ramsey County, Minnesota.

P. AUTHORIZED REPRESENTATIVE. The State's Authorized Representative is the Trail Area Supervisor from the Parks and Trails Division of the Department of Natural Resources for the area where the trail is located, or his/her successor, and has the responsibility to monitor the Sponsors performance and the authority to accept the services provided under this grant contract. If the services are satisfactory, the State's Authorized Representative will certify acceptance on each invoice submitted for payment. A list of the Trail Area Supervisors can be found on the program webpage (http://files.dnr.state.mn.us/assistance/grants/recreation/ohv/area_sups.pdf).

The Sponsor's Authorized Representative is the contact person and individual who provide the authorized signature for the Sponsor, which can be found on the program application (incorporated here into this agreement by reference). If the Sponsor's Authorized Representative changes at any time during this grant contract, the Sponsor must immediately notify the State.

The authorized representative of the sponsor is prohibited from being an officer or bookkeeper/accountant of the club or organization receiving this grant on behalf of the State.

Q. INVASIVE SPECIES PREVENTION. The DNR requires active steps to prevent or limit the introduction, establishment, and spread of invasive species during work. The Grantee and/or contractor shall prevent invasive species from entering into or spreading within a project site by cleaning equipment prior to arriving at the project site.

If the equipment, vehicles, gear, or clothing arrives at the project site with soil, aggregate material, mulch, vegetation (including seeds) or animals, it shall be cleaned by Grantee and/or contractor furnished tool or equipment (brush/broom, compressed air or pressure washer) at the staging area. If the material cannot be disposed of onsite, secure material prior to transport (sealed container, covered truck, or wrap with tarp) and legally dispose of offsite. Note that transporting noxious weeds requires a permit from the Minnesota Department of Agriculture.

The Grantee and/or contractor shall ensure that all equipment and clothing used for work in infested waters has been adequately decontaminated for invasive species (ex. zebra mussels) prior to being used in non-infested waters. All equipment and clothing including but not limited to waders, tracked vehicles, barges, boats, turbidity curtain, sheet pile, and pumps that comes in contact with any infested waters must be thoroughly decontaminated.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement.

LOCAL UNIT OF GOVERNMENT SPONSOR

Local Unit of Government (Sponsor)		
Authorized Signature	Title	Date
Authorized Signature	Title	Date

DEPARTMENT OF NATURAL RESOURCES

Individual certifies that funds have been encumbered as required by M.S. § 16A.15 and 16C.05. 	State Encumbrance Verification SWIFT PO #: 86703	Date 11/15/15
Authorized Signature	Parks and Trails Division Director or Deputy Director	Date

RESOLUTION NO. 15 – 04 - 46

A RESOLUTION DECLARING THAT THE CITY OF EAST GRAND FORKS ACT AS THE LEGAL SPONSOR FOR AN APPLICATION FOR THE FY 2015/2016 FUNDING TO THE STATE OF MINNESOTA DEPARTMENT OF NATURAL RESOURCES FOR THE TRAIL MAINTENANCE OF SNOWMOBILE TRAILS MANAGED BY THE RED RIVER SNOWMOBILE CLUB.

Council Member Vetter, supported by Council Member DeMers, introduced the following Resolution and moved its adoption:

BE IT RESOLVED, that City of East Grand Forks will act as the legal sponsor for an application for funding to the State of Minnesota Department of Natural Resources for maintenance of snowmobile/ski trails managed by the Red River Snowmobile Club.

BE IT FURTHER RESOLVED, that upon approval of its application by the state, the City of East Grand Forks may enter into an agreement with the State of Minnesota for the above referenced project and that it will comply with all applicable laws and regulations as stated in the agreement.

BE IT FURTHER RESOLVED, that City Administrator/Clerk-Treasurer, is hereby authorized to serve as the fiscal agent for the above referenced project.

Voting Aye: Vetter, Pokrzywinski, Buckalew, Tweten, Olstad, Grassel, and DeMers.

Voting Nay: None.

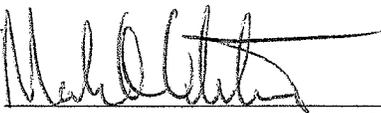
The President declared the resolution passed.

Passed: April 21, 2015

Attest:

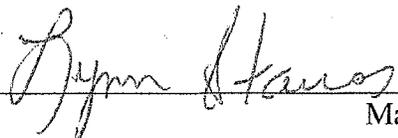


City Administrator/Clerk-Treasurer



President of Council

I hereby approve the foregoing resolution this 21st of April, 2015.



Mayor

Request for Council Action

Date: November 24, 2015

To: East Grand Forks City Council Mayor Lynn Stauss, President Mark Olstad, Council Vice President Chad Grassel, Council Members: Clarence Vetter, Mike Pokrzywinski, Craig Buckalew, Henry Tweten, and Marc DeMers.

Cc: File

From: City Administrator David Murphy

RE: Northland Community College Non-Exclusive Agreement

Background

The City of East Grand Forks and Northland Community College currently have a contract that allows the College the non-exclusive use of a portion of a city owned parking lot for truck driving training purposes. The current contract is set to expire at the beginning of 2016. Northland Community College Representative Colleen Kukowski has submitted a new contract extending the agreement for another year.

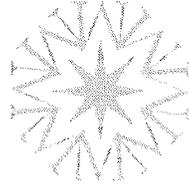
I have not received any complaints regarding the Community College's use of the parking lot.

Budget Impact

There is no fee associated with the contract.

Action Required

Approval of the Contract.



Minnesota
STATE COLLEGES
& UNIVERSITIES

NON-EXCLUSIVE USE AGREEMENT - MNSCU

THIS AGREEMENT is made by and between City of East Grand Forks, located at 600 Demers Avenue, East Grand Forks, MN 56721, hereinafter referred to as CITY, and the **STATE OF MINNESOTA, BY AND THROUGH THE BOARD OF TRUSTEES OF MINNESOTA STATE COLLEGES AND UNIVERSITIES ON BEHALF OF Northland Community and Technical College**, located at 2022 Central Avenue NE, East Grand Forks, MN 56721, hereinafter referred to as STATE,

WHEREAS, the Board of Trustees of Minnesota State Colleges and Universities is empowered by Minn. Stat. §136F.06, to lease non-state property for use by its colleges and universities, and

WHEREAS, the CITY is the owner of the parking lot, located at the northeast corner, west of 4th Avenue, East Grand Forks, Minnesota, and desires to lease space in the property to STATE, and

NOW THEREFORE, CITY and STATE, in consideration of the rents, covenants and considerations hereinafter specified, do hereby agree each with the other as follows:

1. PREMISES.

CITY grants and STATE accepts the lease of the following described Premises located in the City of East Grand Forks, County of Polk, Minnesota; more particularly described as:

Northeast corner, west of 4th Avenue, East Grand Forks, Minnesota:

Which is attached and incorporated as **Exhibit A** as part of this Use Agreement (hereinafter defined as the "Premises").

2. USE.

STATE shall use and occupy the Premises for higher education purposes and for such activities related to STATE's operation as a Minnesota State Colleges and Universities system member institution leased location, or for any other lawful purpose for the commercial vehicle operation program.

STATE will ensure an instructor will always be either in a vehicle or onsite when students are in driving training. STATE will ensure students and instructor will monitor all training activities and suspend operations when a non-training vehicle or pedestrian enters the training location. Vehicles left on training location will be worked around if practical and safe; training will otherwise be suspended. STATE will ensure students will drive a commercial vehicle to the location with an instructor in the vehicle and will enter and exit the location utilizing the east (4th Avenue) entrance.

3. TERM.

Subject to Section 4(e), the term of this Agreement shall commence on January 10, 2016, (the "Commencement Date"), and end on January 9, 2017, unless otherwise sooner terminated as provided in this Lease.

4. TERMINATION.

- a. Consistent with Minnesota Statutes, Section 16B.24, Subdivision 6, this Agreement is subject to cancellation upon thirty (30) days written notice by STATE for any reason except lease of other non-state-owned land or premises for the same use.
- b. The CITY reserves the right to cancel this agreement with reasonable notice not to exceed 45 days if it is determined at the sole discretion of the CITY that the property is needed for a public purpose or it is determined that the use by the STATE unreasonably interferes with the parking lots intended use.

5. OPERATING EXPENSES AND SERVICES.

- a. Operating Expenses for a Gross Lease: CITY shall bear the cost of all typical costs and expenses paid to operate and maintain the parking lot. The STATE shall bear the cost for any damage caused to the parking lot upon mutual agreement and subject to an encumbrance of funds as required by state law; normal wear and tear is excepted.
- b. Exterior Lighting: CITY shall provide adequate exterior lighting in the parking lot.

6. ACCESS TO PREMISES.

STATE shall allow access to the Premises by CITY or its authorized representatives at any reasonable time during the life of this Agreement for the purpose of operation, maintenance, inspection, display and repairs of the Premises.

STATE will contact CITY one week (seven calendar days) prior to use of the space to insure space availability for specific dates and times. Typical STATE hours of operation are Mondays through Thursdays from 9:00 a.m. until 3:00 p.m. and Fridays from 9:00 a.m. until noon.

7. ASSIGNMENT AND SUBLEASE.

STATE shall not assign, sublet, or otherwise transfer its interest in this Agreement.

8. ALTERATION TO PREMISES.

STATE shall make no alterations, additions, or changes in the Premises, without the advance written consent of CITY.

STATE will paint 3" orange dots on the parking lot to mark location of cones, barrels, or barricades to facilitate effective set up. During hours of operation, STATE will section off area of parking lot with cones/barricades prior to 9:00 a.m. to prevent vehicular traffic within leased area. STATE will remove cones/barricades by 3:00 p.m. at the conclusion of hours of operation within leased area, Monday through Thursday, and noon on Fridays.

9. MAINTENANCE AND REPAIRS.

- a. Maintenance: CITY shall maintain in working condition and good repair, all appurtenances within the scope of this Agreement.
- b. Snow Removal: CITY shall be responsible for removal of snow, ice and debris within the parking lot. Snow plowing, snow shoveling and ice removal must be completed by 8:00 a.m., unless snow or wind conditions make this impractical. If the snow and ice removal is not completed by 8:00 a.m., CITY will make every effort to complete the snow removal as soon as possible.

10. DESTRUCTION OF LEASED PREMISES

If the Premises is destroyed or damaged by fire, tornado, flood, civil disorder, or any cause whatsoever, so that the Premises become unstable, the STATE shall have the option of terminating this Agreement immediately or allowing CITY such amount of time as STATE deems reasonable to restore the damaged Premises to stable condition.

11. INSURANCE

General Liability and Property Damage Requirements. It shall be the duty of CITY and STATE to maintain insurance or self-insurance on their own property, both real and personal. For purposes of this Agreement, CITY shall maintain applicable insurance coverage consistent with the coverages outlined on **Exhibit B**, attached hereto and made a part of this Agreement, at CITY's sole expense during the term of this Agreement. CITY and STATE shall provide each other with evidence of insurance, upon request. Notwithstanding anything apparently to the contrary in this Agreement, CITY and STATE hereby release one another and their respective partners, officers, employees and property manager from any and all liability or responsibility to the other or anyone claiming through

or under them by way of subrogation or otherwise for loss or damage covered by said insurance, even if such loss or damage shall have been caused by the fault or negligence of the other party, or anyone for whom such party may be responsible.

12. LIABILITY

CITY and STATE agree that each party will be responsible for its own acts and the results thereof to the extent authorized by law and shall not be responsible for the acts of any others and the results thereof. STATE's and the CITY'S liability shall be governed by the provisions of the Minnesota Tort Claims Act, Minnesota Statutes, Sections 3.736 and 466.01 and other applicable law.

13. NOTICES

All notices, requests, and other communications between CITY and STATE that are required or that CITY or STATE elect to deliver shall be deemed sufficiently given or rendered if in writing and delivered to either party personally, by a recognized overnight courier service or by United States mail, first-class, certified or registered, postage prepaid, (return receipt required) addressed as follows:

CITY: City of East Grand Forks
600 Demers Avenue
East Grand Forks, MN 56721
ATTN: David Murphy, City Administrator

STATE: Northland Community and Technical College
2022 Central Avenue NE
East Grand Forks, MN 56721
ATTN: Brian Huschle, Dean of Academic Affairs, EGF

With a copy to: Minnesota State Colleges and Universities
ATTN: Real Estate Services
30 E. 7th Street, Suite 350
St. Paul, MN 55101

14. HUMAN RIGHTS

When applicable, CITY certifies that it has received a certificate of compliance from the Commissioner of Human Rights pursuant to Minnesota Statutes, Section 363A.36, or that it has not had more than 40 full-time employees at any time during the previous 12 months and claims exemption from Minnesota Statutes, Section 363A.36.

15. ENVIRONMENTAL

CITY warrants that, to the best of CITY's knowledge there do not, and there will not on the Commencement Date, exist any Hazardous Substance, including mold in, on or about

the Premises. CITY has delivered to STATE complete copies of all reports relating to the environmental condition of the Premises and underlying land in its possession of control, including but not limited to those assessing the presence or absence of Hazardous Substances and violations of or compliance with Environmental Law. "Hazardous Substance" means any pollutant, contaminant, toxic or hazardous waste, potentially dangerous substance, noxious substance, toxic substance, flammable, explosive or radioactive material, urea formaldehyde foam insulation, asbestos, PCBs, or any other substance the removal of which is required, or the manufacture, preparation, production, generation, use, maintenance, treatment, storage, transfer, handling, or ownership of which is restricted, prohibited, regulated, or penalized by any and all federal, state, county, or municipal statutes or laws now or at any time hereafter in effect, including but not limited to, the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. § 9601, et seq.), the Hazardous Materials Transportation Act (49 U.S.C. § 5101 et seq.), the Resource Conservation and Recovery Act (42 U.S.C. § 6901 et seq.), the Federal Water Pollution Control Act (33 U.S.C. § 1251 et seq.), the Clean Air Act (42 U.S.C. § 7401 et seq.), the Toxic Substances Control Act, as amended (15 U.S.C. § 2601 et seq.), and the Occupational Safety and Health Act (29 U.S.C. § 651 et seq.) as these laws have been amended or supplemented (such laws are collectively referred to as "Environmental Law"). CITY will defend and indemnify STATE from any claims, liabilities, penalties, costs, fines, damages, or expenses, including all attorney's fees, which STATE incurs arising out of the presence of any Hazardous Substances placed, stored, or generated on or about the Premises, except to the extent any such liability arises from the STATE's own actions.

16. CITY REPRESENTATIONS.

CITY represents and warrants that it is the owner in fee simple of the Building and underlying real property. CITY represents that entering into this agreement will not cause CITY to violate any other agreement to which CITY is a party.

17. ENTIRE AGREEMENT

The Agreement documents, which constitute the entire Agreement between the parties except for agreed upon written amendments issued after execution of this Agreement, are enumerated as follows:

- Agreement
- **EXHIBIT A**, Premises
- **EXHIBIT B**, Performance Specifications and Standards
- **Any Subsequent amendments, addendum properly executed by the parties.**

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed intending to be bound thereby.

APPROVED:

CITY certifies that the appropriate person(s) have executed the contract on behalf of CITY as required by applicable articles, by-laws, resolutions, or ordinances.

CITY: City of East Grand Forks

By: _____
Mr. David Murphy

Title: City Administrator _____

Date: _____

STATE: STATE OF MINNESOTA, BY AND THROUGH THE BOARD OF TRUSTEES OF MINNESOTA STATE COLLEGES AND UNIVERSITIES ON BEHALF OF Northland Community and Technical College

By: _____
Dr. Dennis Bona

Title: President _____

Date: _____

EXHIBIT A: PREMISES

This page intentionally left blank. Exhibit A on the following page.

EXHIBIT B – GENERAL INSURANCE REQUIREMENTS

POLICY REQUIREMENTS

1. Workers' Compensation Insurance

- A. Statutory Compensation Coverage
- B. Coverage B – Employers Liability with limits of not less than:
 - \$100,000 Bodily Injury by Disease per Employee
 - \$500,000 Bodily Injury by Disease Aggregate
 - \$100,000 Bodily Injury by Accident

2. General Liability Insurance

- A. Minimum Limits of Liability:
 - \$2,000,000 – Per Occurrence
 - \$2,000,000 – Annual Aggregate
 - \$2,000,000 – Annual Aggregate applying to Products/Completed Operations
- B. Coverages:
 - Premises and Operations Bodily Injury and Property Damage
 - Personal & Advertising Injury
 - Blanket Contractual
 - Products and Completed Operations
 - Other; if applicable, please list _____
 - State of Minnesota or Minnesota State Colleges and Universities named as Additional Insured

Additional Insurance Conditions

- State's policy(ies) (insurance) shall be the primary insurance to any other valid and collectible insurance available to the City of East Grand Forks with respect to any claim arising out of State's performance under this Lease Agreement.
- CITY agrees to notify the State of Minnesota within five (5) business days with a copy of the cancellation notice, unless STATE's policy(ies) contain a provision that coverage afforded under the policy(ies) will not be cancelled without at least thirty (30) days advance written notice to the State of Minnesota
- CITY is responsible for payment of Agreement related insurance premiums and deductibles.
- If CITY is self-insured, a Certification of Self-Insurance must be attached.
- CITY's policy(ies) shall include legal defense fees in addition to the liability policy limits.
- CITY shall obtain insurance policy(ies) from insurance company(ies) having an "AM Best" rating of A- (minus), Financial Size Category of VII or better, and authorized to do business in the State of Minnesota.
- An Umbrella or Excess Liability insurance policy may be used to supplement the CITY's policy limits to satisfy the full policy limits required by the Agreement.

Request for Council Action

Date: November 16, 2015

To: East Grand Forks City Council: Mayor Lynn Stauss, President Mark Olstad, Council Vice President Chad Grassel, Council Members: Clarence Vetter, Mike Pokrzywinski, Craig Buckalew, Henry Tweten and Marc Demers.

Cc: File

From: Michael S. Hedlund – Chief of Police

RE: Request to authorize the use and equipping of a Drug Task Force owned vehicle

Background: The East Grand Forks Police Department is a member of the Pine to Prairie Drug Task Force. As part of the agreement with the other Task Force agencies any assets that are seized and forfeited as part of a drug investigation become Task Force property (the originating agency gets a percentage of the profit if the asset is sold). The Task Force was recently awarded a 2011 Dodge Charger that was part of drug case that the EGFPD originated. Our Department subsequently presented a proposal to the other agencies in the Task Force that was approved by the Task Force board. We would like to take this seized Dodge Charger and equip it with Lights and Sirens so that it could be used as a police vehicle and then get it marked with various information indicating that it is a Drug Seized vehicle. (Similar to how our old Ford Mustang was marked previously.) Our plan would be to have our School Resource Officer use this as his vehicle for work purposes. This would also help reduce the mileage on our regular Patrol Vehicles. The one stipulation the Task Force board made was that other Task Force agencies need to be allowed to use the vehicle for local events such as parades or other significant community events.

The equipment/stripping expenses will either be paid for through donations or out of the 2016 EGFPD budget. I anticipate total expenses to be under \$2,000.00. We will not be installing a police radio in the car. Because of the limited time he will be spending in the car the SRO will just use his portable radio.

Recommendation: Approve the use and equipping of the 2011 Dodge Charger that is currently owned by the Pine to Prairie Drug Task Force for use by the EGFPD School Resource Officer.

Attachments: None

ORDINANCE NO. 16, 4th Series

CABLE SERVICES REGULATORY ORDINANCE

FOR

THE CITY OF EAST GRAND FORKS, MINNESOTA

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AN ORDINANCE FOR THE CITY OF EAST GRAND FORKS, MINNESOTA ESTABLISHING REQUIREMENTS AND PROCEDURES RELATING TO THE GRANTING OF CABLE SERVICES FRANCHISES FOR USE OF PUBLIC RIGHTS-OF-WAY WITHIN THE CITY OF EAST GRAND FORKS, INCLUDING THE DEFINITION OF TERMS, REQUIREMENTS FOR COMMUNITY SERVICE CHANNELS, REQUIREMENTS REGARDING THE CHARGING OF FEES FOR USE OF RIGHTS-OF-WAY, CUSTOMER SERVICE STANDARDS, TECHNICAL STANDARDS, AND OTHER PROVISIONS RELATING TO CABLE SERVICES FRANCHISES.

WHEREAS, Minnesota law requires a provider of cable service to operate pursuant to franchise granted by a municipality; and

WHEREAS, the City of East Grand Forks, pursuant to applicable federal and state law, is authorized to grant one or more nonexclusive Franchises to construct, operate, maintain, and reconstruct Cable Television Systems within the City limits. Unless otherwise permitted by applicable law, this Franchise will not extend to services beyond Cable Service, as defined herein, such as telephone service or other telecommunications services. A Franchisee does not waive its rights to offer telephone service or other telecommunications services subject to applicable local, state, or federal law; and

WHEREAS, the City finds that the development of Cable Television Systems has the potential of having great benefit and impact upon the Residents and businesses of the City. Because of the complex and rapidly changing technology associated with cable television, the City further finds that the public convenience, safety, and general welfare can best be served by establishing regulatory powers regarding Cable Service that are vested in the City or such Persons the City designates. It is the intent of this Ordinance and subsequent amendments to provide for and specify the means to obtain the best possible Cable Service for the public, and any Franchises issued pursuant to this Ordinance will be deemed to include this finding as an integral part thereof; and

WHEREAS, the City will not discriminate in awarding Franchises pursuant to this Ordinance. Entities which request a Franchise shall comply with the terms of this Ordinance; and

WHEREAS, in order to ensure that the City and its residents receive state of the art Cable Services and capabilities as this technology further evolves, all Cable Franchises to the extent set forth herein shall be subject to this Ordinance and should, be subject to periodic review and modifications to keep current with changing law, technology, and Services.

East Grand Forks, Minnesota Municipal Code Chapter _____ is hereby added to read as follows:

SECTION 1: GENERAL PROVISIONS

1.1 Title.

This Ordinance shall be referred to and cited as the “Cable Services Code” or herein as the “Ordinance” of the City of East Grand Forks, Minnesota.

1.2 Applicability.

The requirements of this Ordinance shall apply to the full extent of the terms herein and shall be limited in scope or application only to the extent as may be required by applicable federal or state law, including such changes in applicable law as may be hereinafter enacted. No provisions of this Ordinance shall be disregarded pursuant to this subsection except on express application to and determination by the City to such effect based on the specific factual circumstances demonstrated. The provisions of this Ordinance shall be deemed incorporated in each Cable Franchise granted. Nothing in this Ordinance or amendments thereto shall be interpreted to unilaterally deprive any Person of any rights or obligations imposed by any binding and existing valid Cable Franchise or contract during the term thereof, whether entered into before or after enactment of this Ordinance, and shall impose obligations on any such Person additional to those included in such Franchise or contract only to the extent permitted by law and to the extent not inconsistent with such Franchise or contract; provided that the failure of the City to enforce any provision herein or the failure of any Person to comply with any provision herein shall not be a waiver of the City’s right to enforce such provisions nor shall it in any way constitute evidence or agreement by the City that such Person has a valid existing Cable Franchise. The provisions of this Ordinance shall apply irrespective of whether a Franchisee is determined to be operating pursuant to a valid Cable Franchise.

1.3 Preservation of Police Power Authority

To the extent not inconsistent with Section 5.1.2, any rights granted pursuant to this Ordinance and pursuant to any Franchise authorized hereunder are subject to the authority of the City to adopt and enforce ordinances necessary to the health, safety, and welfare of the public. Franchisees shall be subject to and comply with all applicable Laws enacted by the City, to the extent not in conflict with Minnesota or federal law. Nothing in this Ordinance shall be deemed to waive a right, if any, that any party may have to seek judicial or regulatory review as to any provisions of the Ordinance or as to actions of the parties under applicable federal law, including 47 U.S.C. 555A, as well as applicable state or local law currently in effect or as may hereinafter be amended.

1.4 Public Inspection of Records.

Certain information required to be filed with the City pursuant to this Ordinance is subject to inspection and copying by the public pursuant to the provisions of Minnesota law applicable to public and non-public information. The City shall provide a Franchisee with notice of any request by a third party for information designated as proprietary. Nothing in this Ordinance or Franchise shall be construed as a waiver of the provisions of Minnesota law applicable to public and non-public information.

1.5 No Cause of Action for Damages Against the City.

The Franchisee shall have no cause of action whatsoever against the City for damages of any kind arising from any of the provisions or requirements of a Franchise, or because of the enforcement thereof by said City, or for the failure of said City to have the authority to grant, all, or any part, of the Franchise therein granted; provided that said Franchisee expressly acknowledges that it accepted the rights therein granted in reliance upon its independent and personal investigation and understanding of the power of authority of said City to enter into the Franchise authorized therein with Franchisee; provided further that the Franchisee acknowledges by its acceptance of said Franchise that it has not been induced to enter into a Franchise upon any understanding, or promise, whether given verbally or in writing by or on behalf of said City, or by any other person concerning any term or condition of a Franchise not expressed therein; provided further that the Franchisee acknowledges by the acceptance of any Franchise that it has carefully read the provisions, terms, and conditions hereof and of its Franchise and is willing to, and does accept, all of the risk attendant to said provisions, terms, and conditions. This section shall be interpreted to provide the same limitation of liability as that contained in 47 USC 555(a), as amended.

1.5 Enforcement.

The City shall be entitled to enforce this Ordinance and any Franchise through all remedies lawfully available.

1.6 Relationship of the Parties.

Under no circumstances shall any Franchise authorized by this Ordinance be construed to create any relationship of agency, partnership, joint venture, or employment between the parties.

SECTION 2: DEFINITIONS

For the purposes of this Ordinance, the following terms, phrases, words, and their derivations will have the meaning given herein. Words used in the present tense include the future, words in the plural number include the singular number, and words in the singular number include the plural number, and all words in the plural number include the singular. All capitalized terms used in the definition of any other term will have their meaning as otherwise defined in this Section 2. The words "will" and "shall" are mandatory and "may" is permissive. Words not defined will be given their common and ordinary meaning.

2.1 Access Channels means Channel capacity designated for public, educational or governmental access use, as well as the facilities and equipment required for the use of such Channel capacity.

2.2 Affiliate means each person, directly or indirectly, controlling, controlled by, or under common control with the Franchisee; provided that Affiliate shall in no event mean any limited partner or shareholder holding an interest of less than fifteen percent (15%) of

such Franchisee, or any creditor of such Franchisee solely by virtue of its status as a creditor and which is not otherwise an Affiliate by reason of owning a controlling interest in, being owned by, or being under common ownership, common management, or common control with, such Franchisee.

- 2.3 Basic Cable Service means any service tier, which includes the lawful retransmission of local television broadcast signals and Access Channels required by this Ordinance to be carried on the basic tier. This definition will be consistent with and deemed to change pursuant to any changes in applicable federal law or FCC rules.
- 2.4 Cable Act means the Cable Communications Policy Act of 1984, Pub. L. No. 98-549, 98 Stat. 2779 (1984) (codified at 47 U.S.C. §§ 521-611 (1982 & Supp. V. 1987)) as amended by the Cable Television Consumer Protection and Competition Act of 1992, Pub. L. No. 102-385, and the Telecommunications Act of 1996, Pub. L. No. 104-104, as may, from time to time, be amended.
- 2.5 Cable Service means (a) the one-way transmission to Subscribers of (i) Video Programming or (ii) Other Programming Service; (b) Subscriber interaction, if any, which is required for the selection or use of such Video Programming or other programming service.
- 2.6 Cable Television System, Cable System, or System means a facility, consisting of a set of closed transmission paths and associated signal generation, reception, and control equipment that is designed to provide Cable Service which includes Video Programming and which is provided to multiple Subscribers within the Franchise Area. Such term does not include (a) a facility that serves only to retransmit the television signals of one or more television broadcast stations; (b) a facility that serves Subscribers without using any public right-of-way; (c) a facility of a common carrier which is subject, in whole or in part, to the provisions of 47 U.S.C. §§ 201 et seq., except that such facility will be considered a Cable System (other than for purposes of 47 U.S.C. § 541(C)) to the extent such facility is used in the transmission of Video Programming directly to Subscribers, unless the extent of such use is solely to provide on-demand services; or (d) any facilities of any electric utility used solely for operating its electric utility system.
- 2.7 Capital Costs means costs associated with the purchase of assets, products or other resources that will provide service for more than one year, but shall not have any meaning inconsistent with generally accepted accounting principles.
- 2.8 City or Grantor means the City of East Grand Forks, Minnesota, and all territory within its existing and future territorial corporate limits, or jurisdiction for purposes of this Ordinance.
- 2.9 Channel or Cable Channel means a portion of the electromagnetic frequency spectrum which is used in a Cable or OVS System and which is capable of delivering a television Channel as defined by the FCC.

- 2.10 Complaint means any verbal or written or electronic allegation, or assertion made by a Person regarding Cable Service and which is subject to City regulation, requiring subsequent corrective action to the System or any portion thereof.
- 2.11 Converter means an electronic device that converts signals to a frequency not susceptible to interference within the television receiver of a Subscriber and, through the use of an appropriate Channel selector, permits a Cable Subscriber to view all authorized Cable Subscriber signals delivered at designated converter dial locations.
- 2.12 Drop means the cable or cables that connect the ground block on the Cable Subscriber's property to the nearest feasible point on the Cable or OVS System in order to receive Cable Service.
- 2.13 Facilities means any portion of a Cable or OVS System located in, along, over, upon, under, or through the Rights-of-Way.
- 2.14 FCC means the Federal Communications Commission, its designee, or any successor thereof.
- 2.15 Franchise means an initial authorization or renewal thereof issued by the City, whether such authorization is designated as a Franchise, permit, license, resolution, contract, certificate, agreement, or otherwise, which authorizes the construction or operation of the Cable or OVS System or the provision of OVS Service.
- 2.16 Franchise Agreement means the separate agreement or granting Ordinance by which the Franchise is granted to the Franchisee, as required by this Ordinance.
- 2.17 Franchise Area means the entire geographic area within the City as it is now constituted or may in the future be constituted.
- 2.18 Franchise Fee means any tax, fee, or assessment of any kind imposed by the City or other governmental entity on a Franchisee or its Cable Subscribers, or both, solely because of their status as such, pursuant to this Ordinance. The term "Franchise Fee" does not include: (i) any tax, fee, or assessment of general applicability (including any such tax, fee, or assessment imposed on both utilities and Cable Operators or their Cable Services but not including a tax, fee, or assessment that is unduly discriminatory against Franchisees or Cable Subscribers); (ii) Capital Costs that are required by a Franchise to be incurred by a Franchisee for public, educational or governmental ("PEG") Access facilities; (iii) requirements or charges incidental to the award or enforcement of a Franchise, including payments for bonds, security funds, letters of credit, insurance, indemnification, penalties, or liquidated damages; or (iv) any fee imposed under Title 17 of the United States Code.
- 2.19 Franchisee means and includes all Persons having any rights, powers, privileges, duties, liabilities, or obligations under this Ordinance and the Franchise Agreement and any lawful agent, employee, successor, transferee, or assignee of the original Franchisee.

- 2.20 Gross Revenues means all revenues received by the Franchisee from Cable Services in the City and consistent with local, state, and federal law, including, but not limited to, Subscriber revenues (including Pay TV), home shopping programs, rentals of equipment, advertising revenue and any and all other revenues received by the Franchisee from the provision of Cable Service in the City. Gross Revenues do not include revenues recorded as received but which are "bad debt," but includes any recoveries of bad debt. Gross Revenues also do not include any sales, excise, or other taxes collected by Franchisee on behalf of federal, state, county, city, or other governmental unit. Subject to a determination by applicable law, internet modem and related services may be a Cable Service and revenues derived from such service part of Gross Revenue.
- 2.21 Installation means the act of connecting the System from the feeder cable to the Subscriber terminal so that Cable Service may be received by the Subscriber.
- 2.22 Normal Business Hours means those hours during which most similar businesses in the community are open to serve customers. In all cases, Normal Business Hours will include some evening hours at least one night per week and/or some weekend hours.
- 2.23 Normal Operating Conditions means those service conditions which are within the control of the Franchisee. Those conditions which are not within the control of the Franchisee include, but are not limited to, natural disasters, civil disturbances, power outages, telephone network outages, and severe or unusual weather conditions. Those conditions which are ordinarily within the control of the Franchisee include, but are not limited to, special promotions, pay-per-view events, rate increases, regular peak or seasonal demand periods, and maintenance or upgrade of the System.
- 2.24 Open Video Services or OVS means any video programming Services provided to any person by a Franchisee certified by the FCC to operate an Open Video System pursuant to Section 47 U.S.C. 573, as may be amended, regardless of the Facilities used.
- 2.25 Pay TV means the delivery over the System of per-Channel or per-program programming to Subscribers for a separate fee or charge from Basic Cable Service.
- 2.26 Person means any natural person or any association, firm, individual, partnership, joint stock company, joint venture, corporation, or other legally recognized entity, public or private, whether for profit or not for profit.
- 2.27 Public Building means any building identified in the Franchise, which is owned or for the greater part occupied by the City or on behalf of the City by other governmental units performing traditional municipal governmental functions.
- 2.28 Renewal means a new Cable Franchise granted to an existing Franchisee.
- 2.29 Rights-of-Way means the surface and space on, above and below every municipal street, alley, road, highway, lane or City right-of-way dedicated or commonly used now or hereafter for utility purposes and facilities thereon, including, but not limited to, overhead lighting facilities. This term shall not include any county, state, or federal rights-of-way except where controlled or maintained by the City, or as other provided by applicable Laws or pursuant to an agreement between the City and any such Person or Agency.

"Rights-of-Way" shall not include public property owned or leased by the City and not intended for right-of-way use, including, but not limited to, municipal office building property or public works facilities.

- 2.30 Service Interruption means the loss of picture or sound on one or more Cable Channels for single or multiple Subscribers.
- 2.31 Standard Installation means any Service installation that can be completed using a Drop of one hundred twenty-five (125) feet or less.
- 2.32 Subscriber means any Person who lawfully receives Cable Service provided by a Franchisee.

SECTION 3: FRANCHISE REQUIREMENTS

3.1 Franchise Required.

It shall be unlawful for any Person to construct, operate, or maintain a Cable or OVS System or to provide Cable Service or other competing multichannel video services, including OVS, in the City without a Franchise in the form of a Franchise Agreement authorizing the same, unless applicable federal or State law prohibits the City's enforcement of such a requirement. Such Franchise Agreement shall comply with all of the specifications of this Ordinance.

3.2 Nature of Rights Granted by Franchise.

Cable Franchises shall not convey title, equitable or legal, in the Rights-of-Way, and shall give only the right to occupy Rights-of-Way, for the purposes of providing Cable Services and as may be further limited by the Franchise. No Franchise shall grant the right to use Facilities owned or controlled by the City or a third-party, without the consent of such party, nor shall a Franchise excuse Franchisee from obtaining appropriate access or attachment agreements before locating its Facilities on the Facilities owned or controlled by the City or a third-party. All Franchises shall be deemed to incorporate and be limited by the provisions of this Ordinance and shall create rights for the sole and exclusive use of Franchisee. Any Franchise or other authorization for Cable Services, in whatever form granted, shall not grant or include: (i) any other permit or authorization required for the privilege of transacting and carrying on a business within the City required by the ordinances and laws of the City, including the provision of communications services; (ii) any permit, agreement, or authorization required in connection with operations in the Rights-of-Way including, without limitation, permits and agreements for placing devices on or in poles, conduits, or other structures, whether owned by the City or a private entity, or for excavating or performing other work in or along the Rights-of-Way.

3.3 Franchise Not Exclusive.

Any Cable Franchise granted by the City shall be nonexclusive. The Grantor specifically reserves the right to grant, at any time, such additional Franchises for a Cable or OVS

System or any component thereof, to any other Person including itself, as it deems appropriate, subject to this Ordinance and applicable State and federal law.

3.4 Franchise Territory.

Every Cable Franchise shall apply to the entire territorial area of the City, as it exists now or may later be configured.

3.5 Selection of Franchisee.

In selecting a Franchisee pursuant to this Ordinance, the City will prepare a request for proposals to seek bids for a Cable or OVS System to be established under a Franchise by the City. This request for proposals will contain information and instructions relating to the preparation and filing of proposals; conditions regarding the Installation, operation, and maintenance of a Cable or OVS System; and the criteria to be used in evaluating applicant proposals. Any Person desiring an initial Franchise for a Cable or OVS System shall file an application with the City. A nonrefundable Application Fee as may be hereinafter be established by the City shall accompany the application, which shall not be considered or credited against the collection of applicable Franchise Fees. The provisions of this Section will not be applicable to the renewal of any Franchise.

Applicants may be evaluated according to the following criteria:

3.5.1 Installation Plan. Consideration may be given to an Installation plan that would provide the flexibility needed to adjust to new developments, maintenance practices, and services that would be available to the Subscriber and the community immediately and in the future.

3.5.2 Rate Schedule. Consideration may be given to applicants with the most reasonable Installation and Subscriber rate schedule.

3.5.3 Financial Soundness and Capability. The evidence of financial ability required in the applicant's proposal will be such as to assure the ability to complete the entire System within a maximum of three years from the date the Franchise is granted. The City will also consider the applicant's ability to operate the System and provide the necessary services.

3.5.4 Demonstrated Experience in Operating a Cable or OVS System. Consideration may be given to evidence of the applicant's experience in operating a Cable or OVS System, where such evidence would show or tend to show or confirm the ability of the applicant to furnish sufficient and dependable service to the potential public and private users.

3.5.5 Technical Capability. The City may consider the quality of service offered, including signal quality, response to Subscriber complaints, and billing practices.

3.5.6 Future Needs. Consideration may be given to the Franchisee's ability to meet the future cable-related community needs and interests, taking into account the cost of meeting such needs and interests.

3.5.7 Additional Considerations. The City may consider any additional information that it deems applicable.

3.6 Application for Franchise Renewal.

Franchise renewals will be according to applicable law including, but not necessarily limited to, the Cable Act, as amended. The City and Franchisee, by mutual consent, may enter into renewal negotiations at any time during the term of the Franchise Agreement.

SECTION 4: TERM

4.1 Term of Franchise.

The term of the Franchise will be stated in the Franchise Agreement.

SECTION 5: REQUIRED PROVISIONS

5.1 Franchise Provisions.

5.1.1 All Franchises granted pursuant to this Ordinance will be subject to the following provisions:

5.1.1(1) The continuing authority of City to impose such other regulations of general applicability through lawful exercises of its police powers as may be determined by the City Council to be conducive to the health, safety, and welfare of the public.

5.1.1(2) The continuing authority of City to control and regulate the use of its streets.

5.1.1(3) The authority of City to inspect all construction or installation work performed subject to the provisions of the Franchise and this Ordinance, and make such inspections as it will find necessary to insure compliance with the terms of the Franchise, this Ordinance, and other pertinent provisions of law.

5.1.1(4) The authority of City to inspect the books, records, maps, plans, income tax returns, and other like materials of the Franchisee upon reasonable notice to insure compliance with the terms of the Franchise, this Ordinance, and other pertinent provisions of law, including Franchisee's need for confidentiality of certain information.

5.1.1(5) At the expiration of the term for which this Franchise is granted or upon the termination and cancellation as provided herein, the authority of the City to require the Franchisee to remove at its own expense any and all portions of the Cable or OVS System from the Rights-of-Way within the City; provided,

however, that this paragraph shall not be applicable if Franchisee is authorized to provide telecommunications service in City.

5.1.2 Federal, State, and City Jurisdiction.

5.1.2(1) This Ordinance and any Franchise Agreement will be construed in a manner consistent with all applicable federal and state laws.

5.1.2(2) In the event that the state or federal government will discontinue preemption in any area of cable television over which it currently exercises jurisdiction in such a manner as to expand rather than limit municipal regulatory authority, the City may, if it so elects, adopt rules and regulations in these areas to the extent permitted by law.

5.1.2(3) This Ordinance will apply to all Franchises granted or renewed from and after the effective date of this Ordinance.

5.1.2(4) Franchisee will not be relieved of its obligation to comply with any of the provisions of this Ordinance or any Franchise Agreement granted pursuant to this Ordinance by reason of any failure of the City to enforce prompt compliance.

5.1.2(5) In the event of a change in state or federal law which by its terms would require the City to amend this Ordinance, the parties shall modify the existing Cable Franchise in a mutually agreed upon manner.

5.2 Franchise Agreement.

5.2.1 The applicant awarded a Franchise by the City will execute a Franchise Agreement, agreeing to the terms and provisions of the Franchise and specifications of the Franchise as may be incorporated into the Franchise Agreement in writing. All Franchises granted by the City shall contain substantially similar terms and conditions and shall specifically require that the Franchisee serve the entire Franchise Area

5.2.2 In addition to those matters required elsewhere in this Ordinance to be included in the Franchise Agreement, it must contain the following express representations by the Franchisee that:

5.2.2(1) It accepts and agrees to all of the provisions of this Ordinance, and any supplementary specification, as to construction, operation, or maintenance of the System, which the City may include in the Franchise Agreement subject to applicable state and federal law.

5.2.2(2) It has examined all of the provisions of this Ordinance and agrees that the provisions thereof are valid, binding at this time, and enforceable as of the effective date of the Franchise.

5.2.2(3) It recognizes the right of the City to adopt such additional regulations of general applicability as it will find necessary in the exercise of its police power.

5.2.3 No Franchise will be exclusive.

5.2.4 Every Franchise will specifically require that the Franchisee serve the entire Franchise Area when residences number seven (7) per 1320 feet. Each connection within one hundred fifty feet (150) of the existing system shall be connected at no cost to the customer.

5.2.5 The Franchise Agreement will contain such further conditions or provisions as may be included in the request for proposal and negotiated between the City and the Franchisee, except that no such conditions or provisions will be such as to conflict with any provisions of this Ordinance or other law. In case of such conflict or ambiguity between any terms or provisions of the Franchise Agreement and this Ordinance, the Franchise Agreement will control.

5.3 Design, Services, and Capabilities.

5.3.1 Cable or OVS System Design. Every Franchisee shall offer Cable Service that meets the cable-related needs of the City. Such Cable Service shall, at a minimum, be comparable to Cable Services offered by that Franchisee or its Affiliates operating any headend serving the City and surrounding municipalities. The Cable Franchise shall incorporate a description of the Franchisee's Cable or OVS System including the general design and capabilities of the Cable or OVS System to identify how the Cable or OVS System will meet the current and future Cable needs of the City.

5.3.2 The Cable or OVS System. Every Cable or OVS System shall pass by every single-family dwelling unit within the Franchise Area in accordance with line extension policies set forth in this Ordinance. Service shall be provided to Subscribers in accordance with the schedules and line extension policies specified in this Ordinance.

5.3.3 Drops to Public Buildings.

5.3.3(1) Every Franchisee shall provide installation of at least one (1) Cable Drop and one (1) outlet, provide monthly Basic Cable Service, and maintenance of the same, without charge, to public buildings specified by the City in Exhibit B herein. All accredited K-12 schools, secondary private schools with students receiving funding under Title I of the Education and Secondary School Act of 1965, public libraries, and each police and fire station shall receive one (1) Cable Drop, one (1) drop, Basic Cable Service, and maintenance of the same at no charge, subject to the 150 foot limit. The location of such Cable drops and outlets shall be determined in cooperation with the management of the public building to which the connection is to be made. Following the City's designation of additional public buildings to receive Cable Service, a Franchisee shall complete construction of the Drop and the outlet within 180 days of the request, weather permitting and subject to payment of the commercially reasonable cost of

installation in excess of 150 feet. Drops and outlets that are in addition to the one free Drop and outlet required by this section shall be provided by a Franchisee at commercially reasonable cost. Alternatively, at an institution's request, the institution may add outlets at its own expense, as long as such installation meets the Franchisee's standards, which shall be made readily available to any public entity upon request. Additional outlets and Services to Public Buildings are subject to the applicable commercial rate.

5.3.3(2) All Cable Outlets provided for in this subsection shall not be utilized for commercial purposes. The City shall take reasonable precautions to prevent any use of a Franchisee's Cable or OVS System in any inappropriate manner or that may result in loss or damage to the Cable or OVS System. Users of such outlets shall hold the Franchisee harmless from any and all liability or claims arising out of their use of such outlets, other than those claims arising out of improper installation or faulty equipment.

5.3.3(3) In instances where the Drop line from the feeder cable to the public building, school, or library exceeds 150 feet, the Franchisee may charge for its commercially reasonable costs that are incurred in exceeding this length. A Franchisee may require advance payment of this cost.

5.3.4 Use of Franchisee's Facilities. Subject to any applicable state or federal regulations, the City shall have the right to install and maintain, upon the poles and within the underground pipes and conduits of a Franchisee, any wires and fixtures desired by the City for public purposes. . Provided, however, that (a) such use by Grantor shall not interfere with the current or future use by Franchisee or any pre-existing user or lessor of Franchisee's facilities; (b) such use by Grantor is restricted to non-commercial public purposes; (c) Grantor takes reasonable precautions to prevent and use of Franchisee's facilities in any manner that results in an inappropriate use thereof, or any loss or damage to the Cable or OVS System. For the purposes this subsection, "public purposes" includes, but is not limited to, the use of the structures and installations for City fire, police, traffic, utility, and/or signal systems, but not for commercial Cable or OVS System purposes in competition with the Franchisee; (d) to the extent provided by state law, the City holds Franchisee harmless against and from all claims, demands, costs, or liabilities of every kind and nature whatsoever arising out of such use of said poles or conduits; and (e) at the Franchisee's sole discretion, the City may be required either to pay a reasonable rental fee or otherwise reasonably compensate the Franchisee for the use of such conduit or other equipment.

5.3.5 Upgrade of the System and New Developments. Every Franchisee shall upgrade its Cable or OVS System (herein referred to as "System Upgrade"), if required, as set forth in its respective Franchise. Furthermore, the City may amend this Ordinance whenever necessary to enable the Franchisee to take advantage of any developments in the field of transmission of communication signals and upgrade the System which will afford it an opportunity to more effectively, efficiently, or economically serve its customers; provided that this Section will not be construed to require the City to make any such amendment and further provided that the City may not impose any capital or

operating expenditures on any Franchisee pursuant to this Section without the Franchisee's consent.

5.3.6 Emergency Alert Capability. Every Franchisee shall at all times provide the System capabilities to comply with the FCC's Emergency Alert System rules and regulations. Provided, that if the FCC at some future date eliminates the current regulations, the City and Franchisee shall mutually agree upon the applicable standard on a going forward basis.

5.3.7 Periodic Review and Evaluation. The City has determined that cable television technology, programs, and services are subject to continuing change. This includes change in law and regulations, as well as technological and service advancements. For this reason, it is essential that any Franchise which is granted pursuant to this Ordinance must include provisions for periodic review evaluation and modification and procedures and requirements relating to evaluation of the State of the Art technology and services permitting the City and Franchisee to agree to changes based upon review and in accordance with the procedures outlined in the Franchise Agreement.

5.3.8 Close Captioning and Descriptive Audio Service. Every Franchisee will make audio descriptive services and closed captioning capabilities available to the extent required by state and federal law.

5.3.9 HDTV/ATV Conversion. Conversion to High Definition Television/Advances Television (HDTV/ATV) formats shall occur in accordance with applicable law.

5.4 Public, Educational, and Governmental Access or PEG Access.

5.4.1 Access Channels.

5.4.1(1) Every Franchisee shall, to the extent required in its Franchise and subject to applicable law, provide or fund PEG Access Facilities in an amount equal to that provided by other Franchisee(s). Such requirements shall, at a minimum, satisfy the community need for such facilities and/or service as determined by the City or governing body for the period of the applicable Franchise and shall be established in the Franchise Agreement.

5.4.1(2) Every Franchisee shall also provide channel capacity, and support for Public, Educational, and Government Access Channels, as specified in their Franchise. All such PEG Access Channels shall be available to all Subscribers as part of their Basic Cable Service. Given the on-going changes in the state of technology as of the Effective Date of this Ordinance, absent express written consent of the City, Franchisee shall transmit PEG Access Channels in the format or technology utilized to transmit all of the Channels on the Basic Cable Service tier. Oversight and administration of the PEG Access Channels shall be set forth in the Franchise Agreement.

5.4.1(3) The City may require the Grantee to pay up to one percent (1%) per Subscriber, per month as a grant for the community's telecommunications-related capital needs. Such charge may be itemized as a "PEG Fee" and passed-through on Subscriber's bills.

5.4.1(4) The City may adopt or modify the "PEG Fee," up to the amount provided in paragraph 5.2a above, by adopting a Resolution identifying the amount thereof. The City shall provide written notice of any modification or adoption of the PEG fee to Grantee within 90 days of the proposed effective change. An equivalent fee shall be required of all other franchised video service providers.

5.4.1(5) The City, or its designee, may implement rules for use of any access channel(s).

5.4.2 Proof of Performance Testing. To ensure high quality of service on the Access Channels, results of proof of performance testing as required by applicable federal law throughout the System and on all required Channels will be made available to the City upon request to the extent required by the Franchise. Every Franchisee will monitor the Cable or OVS System to determine and ensure that the level of technical quality of the System's transmission of Access Channels is in conformance with the FCC Rules and is the same as on other Channels transmitted on the Cable or OVS System.

5.5 Construction Standards and Requirements.

5.5.1 Permit Required. Franchisee will not construct any Cable or OVS System facilities until Franchisee has secured the necessary permits from the City or other cognizant public agencies.

5.5.2 Construction Standards. All of the Franchisee's plant and equipment including, but not limited to, the antenna site, headend, and distribution System, towers, house connections, structures, poles, wire, cable, coaxial cable, fixtures, and appurtenances will be installed, located, erected, constructed, reconstructed, replaced, removed, repaired, maintained, and operated in accordance with good engineering practices, performed by experienced pole line construction crews and so as not to endanger or interfere with the safety of any Person or property, or to interfere with improvements the City may deem proper to make, or to interfere in any manner with the right of any property owner, or to unnecessarily hinder or obstruct pedestrian or vehicular traffic on City properties.

5.5.3 Compliance with City Ordinances for Work in Rights-of-Way. Any opening or obstruction in or disturbance of the Rights-of-Way or other municipal properties made by the Franchisee in the exercise of its rights under a Franchise Agreement will be done in compliance with City ordinances which regulate work in the public ways of the City, except that any bond requirements therein shall be waived in cognizance of the bond requirements of this Ordinance.

5.5.4 Compliance with City Ordinances for Construction and Building Standards. The Franchisee will comply with the minimum standards provided for by the applicable ordinances of the City adopted from time to time containing construction or building standards of general applicability; provided, however, that Franchisee shall not be required to modify or alter its Cable or OVS System unless such modification or alteration is necessary for the protection of public health, safety and welfare.

5.5.5 Removal and Relocation of Facilities. The Franchisee will, at its expense, protect, support, temporarily disconnect, relocate in the same Rights-of-Way, or other Right-of-Way, or remove from the Right-of-Way, any property of Franchisee when required by the City or its designee by reason of traffic conditions, public safety, street excavation, freeway, and street construction, change or establishment of street grade, installation of sewers, drains, water pipes, power lines, signal lines, and tracks, or any other type of structures or improvements by public agencies. If the City compensates any utility for such work, the City must similarly compensate the Franchisee for such work.

5.5.6 Movement of Lines. The Franchisee will, on the request of any private party holding an appropriate permit issued by the City and upon five (5) days prior written notice, temporarily raise or lower its lines to permit the moving of any building or other structure, and the actual expense of the same will be paid in advance by the party requesting the same.

5.5.7 Tree Trimming. The Franchisee will have the right, with the prior approval of the City, except in emergency circumstances, to remove, trim, cut, and keep clear of its poles, wires, or cables, the trees in and along the streets of the City, but in the exercise of such right, the Franchisee will not cut or otherwise injure said trees to any greater extent than is reasonably necessary for the continued integrity of its poles, wires, or cables.

5.5.8 Responsible for Restoration and Costs. The Franchisee, in exercise of any right granted to it by the Franchise, will reconstruct, replace, restore, or repair any street, and any sewer, gas, or water main, pipe, electric, fire alarm, or police communications, off or on City property, or Right-of-Way or traffic control facility of the City which may be damaged or destroyed by the exercise of any such right, to a condition as good as that prevailing before said work to the reasonable satisfaction of the City. The City reserves the right to determine whether the Franchisee has properly complied with the provisions of this paragraph and in the event it is determined that the Franchisee has failed to do so, the City will have the right to, following notice to the Franchisee and reasonable opportunity for the Franchisee to cure, enforce such provisions, and the Franchisee will reimburse the City in full for all expenses incurred by the City in carrying out all or part of such provisions.

5.5.9 Failure to Complete Work. Upon failure of the Franchisee to commence, pursue, or complete any work required by law or by the provisions of this Ordinance to be done in any Rights-of-Way, within the time prescribed, and to the reasonable satisfaction of the City or its designee, the City or its designee may, following notice to the Franchisee and reasonable opportunity for the Franchisee to cure, at its option, cause such work to be done. The Franchisee will pay to the City the cost thereof in the itemized amounts

reported by the City or its designee to Franchisee within 30 days after receipt of such itemized report.

5.6 Technical Standards.

5.6.1 Compliance with OSHA. All construction practices will be in accordance with all applicable sections of the Occupational Safety and Health Act of 1970, as amended, as well as all other applicable local, state, and federal laws and regulations.

5.6.2 Compliance with National Electrical Codes. All Installation of electronic equipment will be installed in accordance with the provisions of the National Electrical and Safety Code and National Electrical Code as amended.

5.6.3 Compliance with FAA Regulations. Antennae and their supporting structures (towers) will be painted, lighted, erected, and maintained in accordance with all applicable rules and regulations of the Federal Aviation Administration and all other local, state, and federal laws and regulations.

5.6.4 Test and Compliance Procedure. Tests for the Cable or OVS System shall be performed periodically in a manner so as to conform with FCC specifications. The tests may be witnessed by representatives of the City and written test results shall be made available to the City within 30 days of a request.

5.6.5 Additional Tests. At any time after commencement of Service to Subscribers, the City may require the Franchisee to perform additional tests, full or partial repeat tests, or tests involving a specific Subscriber's Drop. Such additional tests may be made on the basis of Complaints received or other evidence indicating an unresolved controversy or significant noncompliance, and such tests will be limited to the particular matter in controversy. The City will be able to designate a representative to be present during the testing. If a test indicates that the Franchisee is in compliance with FCC standards and requirements, the City will bear the expense of such test. If a test indicates that the Franchisee is not in compliance with FCC standards and requirements, the Franchisee will bear the expense of such test. The City will endeavor to so arrange its requests for such special tests so as to minimize hardship or inconvenience to Franchisee or to the Subscriber.

5.7 Repair.

Any damage caused to the property of building owners or users or any other Person by the Franchisee's negligence will be repaired fully to a condition as good as that prevailing before said work by the Franchisee.

5.8 Removal of Facilities From Subscriber's Premises Upon Request.

Upon termination of service to any Subscriber, the Franchisee will promptly remove all its facilities and equipment from the premises of such Subscriber upon his or her request.

5.9 Transfer of Ownership.

5.9.1 Franchisee will not sell, transfer, lease, assign, sublet, or dispose of any Franchise awarded under this Ordinance or any of the rights or privileges granted by the Franchise to any Person other than an Affiliate of Franchisee, without the prior consent of the City, which consent will not be unreasonably withheld and may be denied only upon a good faith finding by the City that the proposed transferee lacks the legal, technical, or financial qualifications to consummate the transaction and operate the Cable or OVS System so as to perform its obligations under the Cable Franchise. This section shall not apply to sales or property or equipment in the normal course of business.

Further, any sale or transfer and the consent thereto, will comply with applicable legal requirements. Any attempt to sell, transfer, lease, assign, or otherwise dispose of the Franchise and/or the Cable or OVS System without the consent of the City except as otherwise provided herein will be null and void. The granting of a security interest in any of Franchisee's assets, or any mortgages or other hypothecation, will not be considered a transfer for the purposes of this Section.

5.9.2 Any change of control of Franchisee will be deemed to be a "sale" or "transfer" of the Franchise. A "change of control" will include any stock sale by Franchisee to, or any merger or consolidation with, any Person (or group of Persons acting in concert) that is not an Affiliate of Franchisee before such transaction but shall not include the transfer of ownership or control of a Franchisee's limited or non-managing general partner. The sale, assignment, or other transfer of all or a majority of a Franchisee's assets in the City shall also constitute a sale or transfer.

5.9.3 The Franchisee must comply with provisions of the Cable Act regarding transfers of ownership and any other state, federal, or local laws which are applicable.

5.9.4 The Franchisee will notify the City in writing of any foreclosure or any other judicial sale of all or a substantial part of the property of the Franchisee or upon the termination of any lease or interest covering all or a substantial part of said franchised property. Such notification will be considered by the City as notice that a change in control or ownership of the Franchise has taken place and the provisions under this Section governing the consent of the City to such change in control or ownership will apply.

5.9.5 For the purpose of determining whether it will consent to such a change, transfer, or acquisition of control, the City may inquire into the qualifications of the prospective transferee or controlling party, and the Franchisee will assist the City in any such inquiry. The transferee will be required to establish that it possesses the legal, technical, and financial qualifications to operate and maintain the System and comply with all Franchise requirements for the remainder of the term of the Franchise. After considering the legal, financial, and technical qualifications of the transferee and determining that they are satisfactory, the City may approve the transfer of rights and obligations of said Franchise.

5.9.6 As a condition of transfer of ownership or control any proposed transferee shall execute an agreement, in such form as acceptable to the City Attorney, that it will assume and be bound by all of the provisions, terms and conditions of this Ordinance and any Franchise granted pursuant to it.

5.9.7 Any financial institution having a pledge of the Franchisee or its assets for the advancement of money for the construction and/or operation of the Franchise will have the right to notify the City that it or its designee satisfactory to the City will take control of and operate the Cable Television System, in the event of a Franchisee default in its financial obligations. Said financial institution will also submit a plan for such operation within 30 days of assuming such control that will assure continued service and compliance with all Franchise requirements during the term the financial institution exercises control over the System. The financial institution will not exercise control over the System for a period exceeding one year unless extended by the City in its discretion and during said period of time it will have the right to petition the to transfer the Franchise to another Franchisee.

5.9.8 Notwithstanding anything to the contrary contained herein, no such prior consent will be required for any transfer or assignment to any Person controlling, controlled by, or under the same common control as the Franchisee.

5.9.9 The City reserves any legal right it has under applicable law to require a Franchisee to pay all costs and expenses incurred by the City in connection with the sale, assignment, or transfer of a Cable Franchise, including, but not limited to, the City's costs of reviewing the qualifications of any proposed transferees.

5.10 Purchase by City.

Subject to the Cable Act, if a Franchise is revoked for cause, the City may, to the extent permitted by federal law, acquire that portion of the Cable or OVS System serving the City upon payment of an equitable price or affect a transfer of ownership of the same to another Person.

5.11 Requests for Cable Service.

A Franchisee will provide Cable Service to any requesting Subscriber within the City within 30 days from the date of request, weather permitting.

5.12 Multiple Franchises.

5.12.1 Grant of Additional Franchise. The City may grant one or more Franchises for the City. Each Franchise Agreement granted shall contain substantially similar terms and conditions including the service area. The City may, in its sole discretion, limit the number of Franchises granted based upon, but not necessarily limited to, the requirements of applicable laws and specific local considerations, such as:

5.12.1(1) The capacity of the public Rights-of-Way to accommodate multiple coaxial cables in addition to the cables, conduits, and pipes of the utility systems, such as

electrical, power, telephone, gas, and sewerage and the potential disruption of those Rights-of-Way and private property that may occur if one or more additional Franchises are granted.

5.12.1(2) The impact on the community of having multiple Franchises.

5.12.1(3) The amount of time it will take the applicant to complete construction of the proposed Cable or OVS System and activate Cable Service in the entire Franchise Area; and, whether the applicant can complete construction and activation of its Cable or OVS System in a timely manner.

5.12.1(4) The disruption on the availability of Cable Service within the City.

5.12.1(5) Such other information as the City may deem appropriate to be considered prior to granting any competing or overlapping Franchise.

5.12.2 Permits for Non-Franchised Entities. The City may issue a license to a Person other than the Franchisee to permit that Person to traverse any portion of a Franchisee's Franchise Area within the City in order to provide Cable Service outside, but not within the City. Such a license or easement, absent a grant of a Franchise in accordance with this Ordinance, shall not authorize nor permit said Person to provide Cable Service of any type to any home or place of business within the City.

5.13 Discriminatory or Preferential Practice.

5.13.1 Rates and Charges. The Franchisee will not, in its rates or charges, or in making available the services or facilities of its System, or in its rules or regulations, or in any other respect, make or grant preferences or advantages to any Subscriber or potential Subscriber to the System, or to any user or potential user of the System; and will not subject any such Persons to any prejudice or disadvantage. The foregoing will not be deemed to prohibit or preclude promotional rates or charges.

5.13.2 Access and Employment. The Franchisee will not deny service, deny access, or otherwise discriminate against Subscribers on the basis of race, creed, color, religion, national origin, or sex. The Franchisee will comply at all times with applicable equal employment opportunity requirements and all other applicable federal, state, and local laws and regulations, and all executive and administrative orders relating to nondiscrimination which are hereby incorporated and made part of this Ordinance by reference.

5.13.3 Build-Out. A Franchisee may not discriminate in the build-out of its Cable or OVS System to a particular area of the City or provision of Cable Service to individual groups of residents on the basis of race, creed, color, religion, national origin, sex, or economic condition.

5.14 Subscriber Privacy.

The Franchise will comply with the Subscriber privacy standards located in 47 U.S.C. § 551. If the standards in 47 U.S.C. § 551 cease to exist, the City will have the right to implement the following:

No signal will be transmitted from a Subscriber terminal for purposes of monitoring individual viewing patterns or practices without the express written permission of the Subscriber. The request for such permission will be contained in a separate document with a prominent statement that the Subscriber is authorizing the monitoring and acknowledging the provisions. The authorization will be revocable at any time by the Subscriber without penalty of any kind whatsoever; provided, however, that the Franchisee will be entitled, without permission, to conduct System-wide or individually addressed "sweeps" for the purpose of verifying System integrity, controlling return transmission, or billing for services.

5.15 Permits and Authorizations.

The Franchisee or applicant for Franchise will diligently apply for all necessary permits and authorizations required in the conduct of its business, and will diligently pursue the acquisition thereof, including necessary pole attachment contracts, and necessary authorizations from the Federal Aviation Administration to construct such receiving antenna towers as may be required, and any necessary authorizations or waivers from the FCC. After the Franchisee has diligently pursued the acquisition of necessary pole attachment contracts, or other necessary easements, and where such necessary contracts have not been entered or easements obtained after a reasonable period of time, the Franchisee may submit the matter to the City and the City may thereupon provide assistance that may be necessary to arrive at a solution so that scheduled construction of the System will not be impaired.

5.16 Annual Reports.

5.16.1 Contents. Upon request of the City, each Franchisee will file an Annual Report. Such Report will include:

5.16.1(1) An ownership report, identifying all Persons who at any time during the preceding year controlled or benefited from an interest in the Franchisee of five percent or more.

5.16.1(2) Copies of all rules, regulations, terms, and conditions the Franchisee has adopted for the conduct of its business.

5.16.1(3) A summary of any customer surveys conducted that year.

5.16.1(4) A summary of the previous year's (or in the case of the initial reporting year, the initial year's) activities in development of the Cable or OVS

System, including but not limited to, services begun or discontinued during the reporting year.

5.16.1(5) A list of Franchisee's officers, board members, and other principals and a current list of the addresses of each officer and director and other management personnel of the Franchisee.

5.16.1(6) A revenue statement certified by a representative of the Franchisee showing the Gross Revenues of the Franchisee for the proceeding fiscal year.

5.16.1(7) A statement of the Franchisee's current billing practices and charges.

5.16.1(8) As part of the Annual Report, Franchisee will provide to the City the following statistical information:

(i) Statistics compiled on a quarterly basis recording service calls in which a technician or repairman is dispatched to a residence to correct a reception problem. Such records should be kept pursuant to Section 7.6.

(ii) Franchisee's leakage log.

(iii) Records of Complaints called or written into the System and kept in the ordinary course of business. Such records should be kept pursuant to the requirements of Section 7.6.

Upon request, Franchisee will allow the City Administrator or his or her designee to review a detailed plan (map) of the System at its offices.

5.16.2 Service Contract and Subscriber Information.

5.16.2(1) A Franchisee shall have authority to promulgate such rules, regulations, terms, and conditions governing the conduct of its business as shall be reasonably necessary to enable the Franchisee to exercise its rights and perform its obligations under this Ordinance and a Franchise Agreement and to assure uninterrupted Cable Service to all of its Subscribers; provided such rules, regulations, terms, and conditions shall not be in conflict with the provisions of this Ordinance, federal, state, and or local law, or any applicable rules and regulations.

5.16.2(2) Upon request, a Franchisee shall submit to City any standard residential Subscriber contract form that it utilizes. If no written form exists, upon request, a Franchisee shall file with the City a document completely and concisely stating the terms of the standard residential Subscriber contract offered.

5.17 Indemnification, Security Funds, Insurance.

5.17.1 Liability and Indemnification. The Franchisee will indemnify, hold harmless, release, and defend the City, its officers, agents, and employees from and against any and all lawsuits, claims, causes of action, actions, liability, demands, damages, disability losses, expenses including reasonable attorneys' fees, and costs or liabilities of any nature that may be asserted by any Person or entity from any cause whatsoever including another's concurring negligence arising from injury to Persons or damages to property to the extent caused by any conduct undertaken by the Franchisee, its officers, agents, or employees, by reason of its construction, operation, or maintenance of its System. Such damages and penalties will include, but not be limited to, damages arising out of copyright infringements, and all other damages arising out of the installation, operation, or maintenance of the Cable or OVS System authorized herein, whether or not any act or omission complained of is authorized, allowed, or prohibited by the Franchise, except that a Franchisee will not be liable for payment of damages and penalties arising from any acts or omissions by the City, its agents, or employees. If a lawsuit is filed against the City, either independently or jointly with the Franchisee to recover for any claim or damages, the Franchisee, upon notice to it by the City, will, at its sole cost and expense, defend and fully control the defense of the City against the action and, in the event of a final judgment being obtained against the City, either independently or jointly with the Franchisee solely by reason of the acts of the Franchisee, the Franchisee will pay said judgment and all costs and hold the City harmless therefrom. However, the Franchisee may not enter into any compromise, settlement, resolution, or disposition of a claim or proceeding that may create or impose liability for the City without obtaining the City's written consent thereto which shall not be unreasonably withheld. In order for the City to assert its rights to be indemnified and held harmless, the City must:

5.17.1(1) Notify Franchisee of any claim or legal proceeding which gives rise to such right;

5.17.1(2) Afford Franchisee the opportunity to participate in and fully control any compromise, settlement, resolution, or disposition of such claim or proceeding; and

5.17.1(3) Fully cooperate in the defense of such claim and make available to Franchisee all such information which it may lawfully furnish to Franchisee and relating to the claim.

5.17.2 Security Funds. The City may require the Franchisee to file with the City Administrator/Clerk-Treasurer, concurrently with its acceptance of the Franchise and at Franchisee's sole expense a corporate surety bond, construction bond, performance bond, and/or security fund. Such bond and/or security fund will be in an amount specified in the Franchise Agreement, issued by a responsible company licensed to do business in Minnesota and conditioned upon the faithful performance of the Franchisee to meet its obligations under this Ordinance and the Franchise. The Franchisee shall be required to replenish any such bond within thirty (30) days after the City draws down upon it.

5.17.3 General Provisions Relating to Insurance.

5.17.3(1) During the course of a Franchise Agreement, the Franchisee will be required to maintain liability insurance, to protect the City and the Franchisee from and against any and all claims, injury, or damage to Persons or property, both real and personal, caused by the construction, erection, operation, or maintenance of any aspect of the System. The amount of insurance will be specified in the Franchise Agreement.

5.17.3(2) The Franchisee will provide workers' compensation insurance as required by state law.

5.17.3(3) All such insurance coverage will provide a thirty (30) day notice to the City Administrator in the event of material alteration or cancellation of any coverage afforded in said policies prior to the date said material alteration or cancellation will become effective.

5.17.3(4) Copies of all certificates evidencing insurance will be furnished to and filed with the City Administrator prior to the commencement of operations or the expiration of prior policies, as the case may be.

5.17.3(5) It will be the obligation of Franchisee to promptly notify the City of any pending or threatened litigation that would be likely to affect the Franchisee's insurance coverage.

5.17.4 Liability Insurance.

A. As of the effective date of this Franchise Agreement, the Franchisee will, at its sole expense, maintain during the entire term of this Franchise public liability insurance with a company licensed to do business in the State of Minnesota with a rating by Best of not less than "B" that will protect the Franchisee, the City, and the City's officials, officers, employees, and agents from claims which may arise from operations under this Franchise except claims brought by City employees which are covered by Worker's Compensation, whether such operations are by the Franchisee, its officials, officers, directors, employees, or agents, or any subcontractors of Franchisee. This liability insurance will include, but will not be limited to, protection against claims arising from bodily and personal injury, and damage to property resulting from the Franchisee's automobiles, products, and completed operations. The amount of such insurance will be not less than the following:

1. General liability insurance:

Bodily injury per Person	\$1,000,000
Bodily injury per occurrence	\$1,000,000
Property damage per occurrence	\$1,000,000
Property damage and bodily injury, aggregate	\$5,000,000

2. Automobile insurance:

Bodily injury per Person	\$1,000,000
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Bodily injury per occurrence	\$1,000,000
Property damage per occurrence	\$1,000,000

3. Umbrella coverage: \$1,000,000

B. The liability policy will provide for the following, by endorsement or otherwise:

1. The policy will cover personal injury as well as bodily injury.

2. The policy will cover blanket contractual liability subject to the standard universal exclusions of contractual liability included in the carrier's standard endorsement as to bodily injuries, personal injuries, and property damage.

3. Broad form property damage liability will be afforded.

4. The City will be included as an additional insured on the policy.

5. The coverage is primary insurance and no other insurance or fund of the City will be called upon to contribute to a loss under this coverage.

6. Standard form of cross-liability will be afforded.

7. The policy will not be canceled without thirty (30) days prior written notice of such cancellation to the City.

C. The automobile insurance policy will provide for the following, by endorsement or otherwise:

1. The City will be included as an additional insured on the policy.

2. The policy will not be canceled without thirty (30) days prior written notice of such cancellation to the City.

D. Upon ninety (90) days prior written notice to Franchisee, the City reserves the right to adjust the limit coverage requirements no more than every five (5) years. Any such adjustment by the City will be no greater than the increase in the State of Minnesota Consumer Price Index for such five-year period.

E. Franchisee will submit to the City documentation of the required insurance including a certificate of insurance signed by the insurance agent and companies named, as well as all properly executed endorsements required by this Section 2.2. The certificate of insurance should confirm that the required endorsements are in effect.

F. Any deductible or self-insured retention must be declared to the City.

G. Franchisee will have insurance coverage sufficient to cover any claim in the event that Franchisee sells or transfers the system, or in the event of termination or revocation of this Franchise.

H. It will be the obligation of the Franchisee to notify the City promptly of any pending or threatened litigation likely to negatively impact its ability to provide the insurance coverage required herein.

5.17.5 Non-Waiver. Neither the provisions of this Section, nor any bonds accepted by the City pursuant thereto, nor any damages recovered by the City thereunder will be construed to excuse unfaithful performance by the Franchisee or limit the liability of the Franchisee under this Ordinance or the Franchise for damages, either to the full amount of the bond or otherwise.

5.18 Continuity of Service.

5.18.1 It will be the right of all Subscribers to continue receiving Cable Services insofar as their financial and other obligations to the Franchisee are honored. In the event that the Franchisee elects to rebuild, modify, or sell the System, or the City gives notice of intent to terminate or fails to renew the Franchise, the Franchisee will act so as to insure that all Subscribers receive continuous, uninterrupted service, subject to compliance with federal and state laws.

5.18.2 In the event of a change of the Franchisee, or in the event a new operator acquires the System, the Franchisee will cooperate with the City's new Franchisee or operator in maintaining continuity of Cable Service to all Subscribers. During such period, Franchisee will be entitled to the revenues for any period during which it operates the System and will be entitled to reasonable cost for its services when it no longer operates the System.

5.19 Safety Requirements.

5.19.1 The Franchisee will at all times employ ordinary care and will install, maintain, and use commonly accepted methods and devices for preventing failures and accidents which are likely to cause damage, injuries, or nuisances to the public.

5.19.2 The Franchisee will install and maintain its wires, cables, fixtures, and other equipment in accordance with the requirements of the National Electrical Safety Code of the Institute of Electrical and Electronic Engineers; the National Electrical Code of the National Fire Protection Association; the Bell System Code of Pole Line Construction; and applicable federal, state, and local regulations.

5.19.3 All structures and all lines, equipment, and connections in, over, under, and upon the Rights-of-Way of the City, wherever situated or located, will at all times be kept and maintained in a safe, suitable, substantial condition and in good order and repair.

SECTION 6: FRANCHISE FEES

6.1 Five Percent Franchise Fee.

During the term of any Franchise granted pursuant to this Ordinance, the Franchisee will pay to the City for the use of its Rights-of-Way an annual franchise fee in an amount of five percent of the annual Gross Revenues as compensation for the grant of a Franchise and in consideration of permission to use the Rights-of-Way of the City for the construction, operation, maintenance, and reconstruction of a Cable or OVS System, and to defray the costs of Franchise obligations. This payment will be in addition to any other tax or payment owed to the City by the Franchisee and does not include rental of poles or underground conduits. Further, every Franchisee that offers any “bundled” services shall fairly reflect as part of its calculation of applicable Franchise Fees an appropriate and reasonable division of services among the various services offered. The specific cost accounting for such revenue attribution shall be set out in the individual Franchise or other agreement.

6.2 Payment and Audits.

Sales tax or other taxes levied directly on a per subscription basis and collected by Franchisee will be deducted from Gross Revenues before computation of sums due the City is made. Payments due the City under the terms of this Ordinance will be computed and paid monthly.. The City will be furnished a statement with each payment, certified as correct by the Franchisee, reflecting the total amount of Gross Revenues and the above charges, deductions, and computations for the one-month payment period covered by the payment. Upon 10 days prior written notice, the City will have the right to conduct an independent audit of Franchisee's records, in accordance with generally accepted accounting principles and if such audit indicates a franchise fee underpayment of five percent or more, the Franchisee will assume all reasonable costs of the audit. Any additional amount due the City as a result of such audit will be paid within 30 days following written notice by the City to the Franchisee, which notice will include a copy of the audit report.

6.3 Acceptance of Payment.

No acceptance of any payment will be construed as a release or accord and satisfaction of any claim the City may have for further or additional sums payable as a franchise fee under this Ordinance or the Franchise Agreement or for the performance of any other obligation hereunder.

6.4 Failure to Pay.

Failure to pay any fees required by this Section within 10 days of receipt of written notice of such failure from the City will be grounds for termination of the Franchise and reinstatement thereof may be had only upon resolution by the City Council.

6.5 Penalty for Late Payment.

In the event that any franchise fee payment or recomputed amount is not made on or before the dates specified above, Franchisee will pay as additional compensation an interest charge, computed from such due date, at an annual rate equal to the prime lending rate plus one and one-half percent during the period for which payment was due and unpaid.

6.6 Monthly Report of Gross Revenues.

Each Franchisee will file with the City monthly reports in the form provided as Exhibit A hereto, of Gross Revenues certified as correct by the Franchisee.

SECTION 7: CUSTOMER SERVICE STANDARDS

7.1 Compliance.

Franchisee shall comply with the customer service standards of the FCC, as outlined in this Section.

7.2 Cable or OVS System Office Hours and Telephone Availability.

7.2.1 Franchisee will maintain a local, toll-free, or collect call telephone access line which will be available to its Subscribers twenty-four (24) hours per day, seven days per week.

7.2.1(1) Trained Franchisee representatives will be available to respond to customer telephone inquiries during Normal Business Hours.

7.2.1(2) After Normal Business Hours, the access line may be answered by a service or an automated response system, including an answering machine. Inquiries received after Normal Business Hours must be responded to by a trained Franchisee representative on the next business day.

7.2.2 Under Normal Operating Conditions, telephone answer time by a customer representative, including wait time, will not exceed thirty (30) seconds when the connection is made. If the call needs to be transferred, transfer time will not exceed thirty (30) seconds. These standards will be met no less than ninety percent (90%) of the time under Normal Operating Conditions, measured on a quarterly basis.

7.2.3 The Franchisee will not be required to acquire equipment or perform surveys to measure compliance with the telephone answering standards above unless a historical record of Complaints indicates a clear failure to comply.

7.2.4 Under Normal Operating Conditions, the customer will receive a busy signal less than three percent (3%) of the time.

7.2.5 Customer service center and bill payment locations shall be open at least during Normal Business Hours and will be conveniently located.

7.3 Installations, Outages, and Service Calls.

Under Normal Operating Conditions, each of the following four standards will be met no less than ninety percent (90%) of the time measured on a quarterly basis:

7.3.1 Standard Installations will be performed within seven business days after an order has been placed. "Standard" Installations are those that are located up to one hundred fifty (150) feet from the existing distribution System.

7.3.2 Excluding conditions beyond the control of Franchisee, Franchisee's representatives will be available to begin working on Service Interruptions within twenty-four (24) hours after the interruption becomes known Franchisee must begin actions to correct other service problems the next business day after notification of the service problem.

7.3.3 The "appointment window" for Installations, service calls, and other Installation activities will be either at a specific time or, at a maximum, within a four (4) hour time block during Normal Business Hours. (The Franchisee may schedule service calls and other Installation activities outside of Normal Business Hours for the express convenience of the customer.)

7.3.4 Franchisee may not cancel an appointment with a customer after the close of business on the business day prior to the scheduled appointment.

7.3.5 If Franchisee's representative is running late for an appointment with a customer and will not be able to keep the appointment as scheduled, the customer will be contacted. The appointment will be rescheduled, as necessary, at a time which is convenient for the customer.

7.4 Communications Between Franchisee and Subscribers.

7.4.1 Notifications to Subscribers.

7.4.1(1) The Franchisee will provide written information on each of the following areas at the time of Installation of service, at least annually to all Subscribers, and at any time upon request:

- (i) Products and services offered;
- (ii) Prices and options for programming services and conditions of subscription to programming and other services;
- (iii) Installation and service maintenance policies;
- (iv) Instructions on how to use the Cable Service;

- (v) Channel positions programming carried on the System; and
- (vi) Billing and Complaint procedures, including the address and telephone number of the City official who handles cable issues.

7.4.1(2) Subscribers will be notified of any changes in rates, programming services, or Channel positions as soon as possible in writing. Notice must be given to Subscribers a minimum of thirty (30) days in advance of such changes if the change is within the control of the Franchisee. In addition, the Franchisee will notify Subscribers 30 days in advance of any significant changes in the other information required by the preceding subparagraph. Notwithstanding any other provision, Franchisee shall not be required to provide prior notice of any rate change that is the result of a regulatory fee, franchise fee or any other fee, tax, assessment or charge of any kind imposed by any federal agency, state or franchise authority on the transaction between Franchisee and the Subscriber.

7.4.2. Billing.

7.4.2(1) Bills will be clear, concise, and understandable. Bills must be fully itemized, with itemizations including, but not limited to, basic and premium service charges and equipment charges. Bills will also clearly delineate all activity during the billing period, including optional charges, rebates, and credits.

7.4.2(2) In case of a billing dispute, the Franchisee must respond to a written Complaint from a Subscriber within thirty (30) days.

7.4.3 Refunds. Refund checks will be issued promptly, but no later than either:

7.4.3(1) The customer's next billing cycle following resolution of the request or thirty (30) days, whichever is earlier, or

7.4.3(2) The return of the equipment supplied by the Franchisee if service is terminated.

7.4.4 Credits. Credits for service will be issued no later than the customer's next billing cycle following the determination that a credit is warranted.

7.5 Parental Control.

Every Franchisee shall make available to any Subscriber upon request a "lockout" device, which may be included within the converter, for blocking both video and audio portions of any channel(s) of programming entering the Subscriber's premises. Such device shall be provided at a reasonable charge, except to the extent that federal law specifically provides otherwise. A Franchisee may, however, require a reasonable security deposit for the use of such device.

7.6 Complaint Log.

Subject to the privacy provisions of 47 U.S.C. § 521 et. seq., every Franchisee shall prepare as necessary and maintain written records of Complaints made to them and the resolution of such Complaints, including the date of such resolution. Such Complaint logs shall be on file for three (3) years, and available for inspection by the City with reasonable prior notice.

SECTION 8: GENERAL

8.1 Subscriber Rates.

8.1.1 City may regulate rates as permitted by applicable law.

8.2 Records Required and City's Right to Inspect.

8.2.1 Franchisee will at all times maintain:

8.2.1(1) A full and complete set of plans, records, and "as-built" maps showing the location of the Cable Television System installed or in use in the City, exclusive of Subscriber Service Drops and equipment provided in Subscribers' homes.

8.2.1(2) If requested by City, a summary of service calls, identifying the number, general nature, and disposition of such calls, on a monthly basis to the extent kept in the regular course of business.

8.2.2 The Franchisee agrees that the Franchisor, upon thirty (30) days written notice to the Franchisee, may review such of its books and records at the Franchisee's business office, during normal business hours and on a nondisruptive basis, as is reasonably necessary to ensure compliance with the terms of this Franchise. Such notice shall specifically reference the Section of the Franchise which is under review, so that the Franchisee may organize the necessary books and records for easy access by the Franchisor. The Franchisee shall not be required to maintain any books and records for Franchise compliance purposes longer than three (3) years. Notwithstanding anything to the contrary set forth herein, the Franchisee shall not be required to disclose information which it reasonably deems to be proprietary or confidential in nature, nor disclose books and records of any affiliate which is not providing Cable Service in the Service Area.

8.2.3 The Franchisor agrees to treat any information disclosed by the Franchisee as confidential and only to disclose it to employees, representatives, and agents thereof that have a need to know, or in order to enforce the provisions hereof. Information required to be filed with the City pursuant to this Ordinance is subject to public inspection and copying pursuant to Minnesota law concerning public and nonpublic information. The City shall provide the Franchisee with notice of any request for information designated by the Franchisee as proprietary. Nothing in this Ordinance or Franchise shall be construed as a waiver of the provisions of Minnesota law applicable to public and nonpublic information. The City shall not make information designated as proprietary open for public inspection or copying except as may be required by law. The Franchisee shall not be required to provide Subscriber information in violation of Section 631 of the Cable Act.

8.2.4 The City will have the right to request copies of any petitions, applications, communications, and reports submitted by Franchisee or on its behalf to the FCC, Securities and Exchange Commission, or any other federal or state regulatory commission or agency having jurisdiction with respect to any matters affecting the Cable or OVS System authorized pursuant to this Ordinance and any Franchise, as such documents relate to Franchisee's operation of its System under the Franchise. Copies of responses from the regulatory agencies to Franchisee will likewise be furnished to the City upon request. If the City is specifically named in any such pleading or response, the City shall automatically be furnished a copy.

8.3 Abandonment or Removal of Franchise Property.

8.3.1 Abandonment. In the event that the use of any property of Franchisee within the Franchise Area or a portion thereof is discontinued for a continuous period of 12 months, Franchisee will be deemed to have abandoned that Franchise property.

8.3.2 Removal. The City, upon such terms as City may impose, may give Franchisee permission to abandon, without removing, any System facility or equipment laid, directly constructed, operated, or maintained under the Franchise. Unless such permission is granted or unless otherwise provided in this Ordinance, the Franchisee will remove all abandoned above-ground facilities and equipment upon receipt of written notice from City and will restore any affected street, alley, or public property to its former state at the time such facilities and equipment were installed, so as not to impair its usefulness. In removing its plant, structures, and equipment, Franchisee will refill, at its own expense, any excavation that will be made by it and will leave all Rights-of-Way in as good condition as that prevailing prior to such removal without materially interfering with any electrical or telephone cable or other utility wires, poles, or attachments. The City will have the right to inspect and approve the condition of the Rights-of-Way, cables, wires, attachments, and poles prior to and after removal. The liability, indemnity, and insurance provisions of this Ordinance and the security fund as provided herein will continue in full force and effect during the period of removal and until full compliance by Franchisee with the terms and conditions of this Section.

8.3.3 Transfer of Abandoned Property. Upon abandonment of any Franchise property in place, the Franchisee, if required by the City, will submit to the City an instrument, satisfactory in form to the City, transferring to the City the ownership of the Franchise property abandoned.

8.3.4 Above Ground Portion of System. At the expiration of the term for which the Franchise is granted and a denial of any renewal, or upon its revocation or earlier expiration, as provided for herein, in any such case without renewal, extension, or transfer, the City will have the right to require Franchisee to remove, at its own expense, all above-ground portions of the Cable Television System from all Rights-of-Way within the City within a reasonable period of time, but will not be less than 180 days.

8.3.5 No Material Interference. Notwithstanding anything to the contrary set forth in this Ordinance, the Franchisee may abandon any underground Franchise property in place

so long as it does not materially interfere with the use of the Rights-of-Way in which such property is located or with the use thereof by any public utility or other cable Franchisee.

8.4 Rights Reserved to City.

8.4.1 In addition to any rights specifically reserved to the City by this Ordinance, the City reserves to itself every right and power which is required to be reserved by a provision of any ordinance or under the Franchise Agreement.

8.5 Force Majeure.

Franchisee's Inability to Perform. In the event Franchisee's performance of any of the terms, conditions, or obligations required by this Ordinance or a Franchise granted hereunder is prevented by a cause or event not within Normal Operating Conditions or otherwise not within the Franchisee's control, such inability to perform will be deemed excused and no penalties or sanctions will be imposed as a result thereof.

For the purpose of this Section, causes or events not within the control of Franchisee include but are not limited to: acts of God, strikes, sabotage, riots or civil disturbances, restraints imposed by order of a governmental agency or court, failure or loss of utilities, explosions, acts of public enemies, and natural disasters such as floods, earthquakes, landslides, weather, inability to obtain equipment, and fires.

8.6 Non-Enforcement Not Estoppel.

The Franchisee will not be relieved of its obligation to comply promptly with any of the provisions of the Franchise by any failure of the City to enforce prompt compliance.

8.7 Procedure for Remediating Franchise Violations.

If Franchisee fails to perform in a timely manner any material obligation required by Ordinance or a Franchise Agreement, following notice from the City and an opportunity to cure such non-performance, the City may remedy such violation in accordance with the following procedures:

8.7.1 The City will first notify a Franchisee of the violation in writing by delivery of registered or certified mail, and demand correction within a reasonable time, which will not be less than twenty-five (25) days in the case of the failure of a Franchisee to pay any sum or other amount due the City under this Ordinance or a franchise, and not less than forty-five (45) days in all other cases. If a Franchisee fails to correct the violation within the time prescribed or if Franchisee fails to commence corrective action within the time prescribed and diligently remedy such violation thereafter, a Franchisee will then be given a written notice of not less than thirty (30) days of a public hearing to be held before the City Council. Said notice will specify the violations alleged to have occurred.

8.7.2 At the public hearing, the City Council will hear and consider all relevant evidence, and thereafter render findings at its decision.

8.7.3 In the event the City Council finds that a Franchisee has corrected the violation or has diligently commenced correction of such violation after notice thereof from the City and is diligently proceeding to fully remedy such violation, or that no material violation has occurred, the proceedings will terminate and no penalty or other sanction will be imposed.

8.7.4 In the event the City Council finds that a material violation exists and that Franchisee has not corrected the same in a satisfactory manner or has not diligently commenced correction of such violation, the City Council may establish a date of not less than thirty (30) days, by which a Franchisee must comply with the obligation or the City may thereafter impose liquidated damages, payable from the security fund, in the amounts stated in this Ordinance. The City Council may also commence the Franchise termination procedures outlined in this Ordinance.

8.7.5 In determining whether a violation is material, the City will take into consideration the reliability of the evidence of the violation, the nature of the violation, and the damage, if any, caused to the City or the City's residents thereby, whether the violation was chronic, and any justifying or mitigating circumstances, and such other matters the City may deem appropriate.

8.7.6 If the violation as proposed depends on a finding of fact, such finding of fact will be made by the City only after an administrative hearing providing a Franchisee with a full and fair opportunity to be heard. A Franchisee will have the right to appeal any such decision to a state court or a federal district court or a federal court as a Franchisee may choose and the revocation or penalty will not become effective until any such appeal has become final or the time for taking such appeal will have expired.

8.8 Penalty.

In the event, after complying with the due process procedures provided herein, the City finds that a material violation exists and that Franchisee has not corrected the same in a satisfactory manner or has not diligently commenced correction of such violation, the City may establish a date, no earlier than thirty (30) days, by which Franchisee must comply with the obligation or the City may thereafter impose liquidated damages, payable from the security fund, in the following amounts:

8.8.1 For failure to complete any upgrade, modifications, or construction in accordance with a Franchise Agreement unless the City approves the delay, the penalty will be one hundred dollars (\$100) per day for each day, or part thereof, such failure occurs or continues.

8.8.2 For failure to provide data, documents, reports, or information, or to cooperate or participate with the City during a renewal process or the System review, the penalty will be fifty dollars (\$50) per day.

8.8.3 For failure to comply with any provision of the Customer Service standards in Section 7 of this Ordinance, the penalty will be fifty dollars (\$50) per day.

8.8.4 For failure to test, analyze, and report on the performance of the System following a request by the City, the penalty will be fifty dollars (\$50) per day.

8.8.5 For failure to comply with operation or maintenance standards, the penalty will be fifty dollars (\$50) per day.

8.8.6 For failure to provide the services described in a Franchise Agreement, the penalty will be fifty dollars (\$50) per day.

8.8.7 For failure to comply with all conditions of the City permits to disturb Rights-of-Way, fix Rights-of-Way, or other terms or conditions of the City, the penalty will be fifty dollars (\$50) per day.

8.8.8 For failure to give notices required by this Ordinance or a Franchise Agreement to City or departments of the City, the penalty will be fifty dollars (\$50) per day.

8.8.9 For failure to comply with any provision of this Ordinance or a Franchise Agreement, for which a penalty is not otherwise specifically provided, the penalty will be fifty dollars (\$50) on occurrence and per day thereafter such failure continues.

8.9 Revocation or Termination of a Franchise and the Franchise Agreement.

8.9.1 Upon completion of the term of a Franchise Agreement, if a new, extended, or renewed Franchise is not granted to a Franchisee by the City, a Franchisee's right to occupy the Public Rights-of-way shall terminate, subject to applicable federal law.

8.9.2 The City shall have the right to revoke a Franchise and the Franchise Agreement for a Franchisee's failure to construct, operate or maintain a Cable or OVS System as required by a Franchise Agreement or this Ordinance; for defrauding or attempting to defraud the City or Subscribers; or for any other material breach or violation of a Franchise or of this Ordinance.

8.9.3 To invoke the provisions of this Section, the City shall give a Franchisee written notice of the default in its performance. If within ninety (90) calendar days following such written notice from the City to a Franchisee, or such other period as a Franchisee and the City shall agree, a Franchisee has not taken corrective action to the satisfaction of the City, the City may give written notice to a Franchisee of its intent to revoke a Franchise and the Franchise Agreement, stating its reasons.

8.9.4 Prior to revoking a Franchise, the City shall hold a public hearing, upon thirty (30) calendar days advance notice to the public and by certified mail to a Franchisee, at which time a Franchisee and the public shall be given an opportunity to be heard. Following the public hearing, the City may determine whether to revoke a

Franchise and a Franchise Agreement based on the information presented at the hearing, and other information of record, or, where applicable, grant additional time to a Franchisee to affect any cure. If the City determines to revoke a Franchise and the Franchise Agreement, it shall issue a written decision setting forth the reasons for its decision. A copy of such decision shall be transmitted to a Franchisee.

8.9.5 If the City revokes a Franchise and the Franchise Agreement, or if for any reason a Franchisee abandons, terminates, or fails to operate or maintain service to its Subscribers, the following procedures and rights are effective.

8.9.5(1) The City may require the former Franchisee to remove its above-ground facilities and equipment at the former Franchisee's expense and restore affected sites or permit the former Franchisee to abandon such facilities in place. If the former Franchisee fails to do so within a reasonable period of time, the City may have the removal done at the former Franchisee's and/or surety's expense.

8.9.5(2) The City may require the former Franchisee to continue operating the Cable or OVS System.

8.9.5(3) If a Cable or OVS System is abandoned by a Franchisee, the ownership of all portions of the Cable or OVS System in Public Rights-of-Way shall revert to the City and the City may sell, assign, or transfer all or part of the assets of the System.

8.9.6 Notwithstanding the foregoing, a Franchisee may appeal a revocation decision by the City to a court of competent jurisdiction and such appeal shall stay the implementation of such revocation if a stay or injunction is obtained from the court.

SECTION 9: SEVERABILITY

If any provision of this Ordinance is held by any court or by any federal or state agency of competent jurisdiction to be invalid as conflicting with any federal or state law, rule, or regulation now or hereafter in effect, or is held by such court or agency to be modified in any way in order to conform to the requirements of any such law, rule, or regulation, such provision will be considered a separate, distinct, and independent part of this Ordinance, and such holding will not affect the validity and enforceability of all other provisions hereof. In the event that such law, rule, or regulation is subsequently repealed, rescinded, amended, or otherwise changed, so that the provision hereof which had been held invalid or modified is no longer in conflict with such law, rule, or regulation, said provision will thereupon return to full force and effect and will thereafter be binding on City and Franchisee, provided that City will give Franchisee 30 days written notice of such change before requiring compliance with said provision or such longer period of time as may be reasonably required for Franchisee to comply with such provision.

SECTION 10: BANKRUPTCY, RECEIVERSHIP AND FORECLOSURE

10.1 Consistent with federal law, the filing of a bankruptcy petition alone shall not constitute a material default of this Ordinance or a Franchise Agreement provided, however, and subject to applicable federal law, in the event of a bankruptcy or other insolvency proceeding, and the City retains all existing rights and enforcement authority under this Ordinance or a Franchise Agreement and its general police powers.

10.2 Subject to applicable federal law, any trustee or receiver of a Franchisee shall be required to assume responsibility for, and remedy all existing defaults and provide adequate assurance of future performance under this Ordinance and a Franchise Agreement during the pendency of such bankruptcy or insolvency proceeding.

10.3 Subject to applicable federal law, in the event a foreclosure or other judicial sale of a Franchisee's plant, equipment, or other property comprising the System, or any material part thereof, such event shall, at the option of the City, constitute a material breach of this Ordinance and a Franchise Agreement, unless the entity acquiring the property gives adequate assurance of future performance and that it will remedy all past defaults of a Franchise Agreement.

SECTION 11: ADMINISTRATION OF FRANCHISE

The City shall be responsible for the continued administration of this Code and any Franchises granted hereunder. The City may delegate this authority from time to time in any manner consistent with applicable law, provided, however, that the City shall not delegate enforcement authority.

SECTION 12: EFFECTIVE DATE, PUBLICATION, ACCEPTANCE AND GOVERNING LAW

12.1 Publication: Effective Date.

12.1.1 A Franchise shall be signed by the Mayor and attested by the City Administrator/Clerk-Treasurer. A Franchise Agreement shall be published in accordance with the requirements of City and state law and shall take effect upon acceptance by a Franchisee, and in accordance with the requirements as provided for in Section 12.2 of this Ordinance, the Effective Date.

12.2 Acceptance and Governing Law.

12.2.1 A Franchisee shall have thirty (30) days from the date of adoption of a Franchise to accept a Franchise in a written form approved by the City Attorney which shall include Franchisee acceptance of this Ordinance and the Franchise, its authority to do business in Minnesota, a representation of its legal, technical, and financial qualifications to fully perform the obligations of this Ordinance and a Franchise, and the representations required in Section 5.2.2 of this Ordinance. Such acceptance by Franchisee shall be deemed the grant of a Franchise for all purposes. Franchisee shall also deliver a

Guarantee, if required by the City, when granting the Franchise, within the same time as delivery of the acceptance, in a form acceptable to the City Attorney. In the event acceptance does not take place within thirty (30) days or such other time as the City might allow, a Franchise shall be null and void.

12.2.2 Upon acceptance of a Franchise, Franchisee shall be bound by all the terms and conditions contained in this Ordinance and in a Franchise. Franchisee shall provide all services and offerings specifically set forth in this Ordinance and in a Franchise, to provide cable services within the City.

12.2.3 With its acceptance, Franchisee shall also deliver to the City a certified resolution evidencing a Franchisee’s power and authority to accept a Franchise. Such documents shall also describe the officers authorized to accept on behalf of Franchisee.

12.2.4 With its acceptance, Franchisee shall also deliver any security deposit, insurance certificate, and performance bonds required by this Ordinance and a Franchise.

12.2.5 This Ordinance and a Franchise granted pursuant to it and every question arising thereunder shall be construed or determined according to the laws of the State of Minnesota and applicable federal law.

Adopted this ____ day of _____, 2015 and effective _____.

Attest:

City Clerk

By _____
Mayor Lynn Stauss

Approved as to Form:

Approved as to Form:

City Attorney Ronald I. Galstad

City Administrator David Murphy

EXHIBIT A



DATE:
TO: EAST GRAND FORKS, MN
FROM: Midcontinent Communications
 Accounts Payable
RE: FRANCHISE FEE
 Payment calculation using (Month) rev

Franchise fees payable for the current month were calculated using current month revenue numbers net of bad debt as follows:

<u>REVENUE TYPE</u>	<u>*REVENUE</u>	<u>BASE RATE</u>	<u>FRANCHISE FEE</u>
<i>BASIC</i>	\$	5.00%	\$
<i>PREMIUM</i>	\$	5.00%	\$
<i>OTHER</i>	\$	5.00%	\$
<i>LOCAL GOV'T FEES</i>			
Total	<u>\$</u>		<u>\$</u>

Payment is attached. If you have any questions or concerns, please contact Accounts Payable at (605) 357-5739.

Thanks,

Midcontinent Communications

EAS004

Exhibit B

PUBLIC AND SCHOOL BUILDINGS

NOTE: The City may add other City buildings in the future that are within two hundred (200) feet of the System, without cost provided that no commercial user or uses of said City buildings shall be entitled to free service or installation of any kind.

<u>Schools</u>		<u>Public Buildings</u>	
Senior High School	C	East Grand Forks Fire Station #1	C
Central Middle School	C	East Grand Forks Fire Station #2	C
New Heights Elementary	C	Parks Maintenance	C
South Point Elementary	C	East Grand Forks City Hall	C
RR Valley High School Coop	C	East Grand Forks Police Department	C
Sacred Heart Grade School	C	Civic Center	C
Sacred Heart High School	C	VFW Arena	C
Riverside Christian School	C	Library	C

C = Classic Cable Only

RESOLUTION NO. 15 – 12 – 128

**RESOLUTION GIVING PRELIMINARY APPROVAL TO THE
ISSUANCE OF INDUSTRIAL DEVELOPMENT REVENUE BONDS,
AUTHORIZING THE SUBMISSION OF AN APPLICATION FOR
APPROVAL OF THE PROJECT TO THE DEPARTMENT OF
EMPLOYMENT AND ECONOMIC DEVELOPMENT, AND
AUTHORIZING THE PREPARATION OF NECESSARY DOCUMENTS
THEREFOR (AMERICAN CRYSTAL SUGAR COMPANY PROJECT)**

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

WHEREAS, for the purpose of promoting, attracting, encouraging, and developing an economically sound commerce, preserving and developing a tax base adequate to finance necessary public services, and encouraging employment opportunities for the citizens of the City of East Grand Forks, Minnesota (the “City”), the City is authorized by Minnesota Statutes Sections 469.152 to 469.165, as amended (the “Act”) to issue industrial development revenue bonds of the City in anticipation of the collection of revenues from an authorized project and to refund bonds previously issued under the Act; and

WHEREAS, the City has previously issued its Solid Waste Disposal Revenue Refunding Bonds (American Crystal Sugar Company Project), Series 2009 in the amount of \$34,350,000 (the “Series 2009 Bonds”). Proceeds of the 2009 Bonds were used to redeem the City’s Solid Waste Disposal Revenue Refunding Bonds (American Crystal Sugar Company Project), Series 2008, which were issued to refund the City’s Solid Waste Disposal Revenue Bonds (American Crystal Sugar Company Project), Series 2000, Solid Waste Disposal Revenue Bonds (American Crystal Sugar Company Project), Series 2005, Solid Waste Disposal Revenue Bonds (American Crystal Sugar Company Project), Series 2005B, and Solid Waste Disposal Revenue Bonds (American Crystal Sugar Company Project), Series 2006 (together, the “Refunded Bonds”) issued to finance the acquisition, construction and installation of solid waste disposal facilities located in East Grand Forks, Minnesota; and

WHEREAS, American Crystal Sugar Company, a Minnesota agricultural cooperative corporation (the “Company”), desires to undertake a project in the City, at a total cost not exceeding \$15,000,000, said Project to consist of the construction, acquisition and installation of equipment to be used in connection with sugar beet processing, solid waste disposal and functionally related facilities (the “Project”); and

WHEREAS, the Project would increase the level of economic activity in the City, would increase the tax base; and

WHEREAS, the City is advised by representatives of the Company that with the aid of municipal financing and the resulting lower borrowing cost, the Project would be significantly more feasible; and

WHEREAS, a public notice setting forth the nature of the Project and the date and time of a public hearing on the Project was published according to law and a public hearing has been held according to law on December 1, 2015, at which public hearing all those appearing at said hearing who desired to speak were heard and written comments, if any, were considered; and

WHEREAS, following the public hearing, it appears the issuance of the Bonds is in the public interest and the East Grand Forks City Council hereby determines to proceed with the issuance of revenue bonds under the Act to finance the Project and refund the Series 2009 Bonds;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of East Grand Forks, Minnesota, as follows:

1. The Council hereby gives preliminary approval to the proposal of the Company that the City refund the Series 2009 Bonds and undertake the Project pursuant to the Act and pursuant to a revenue agreement between the City and the Company containing such terms and conditions (with provisions for revision from time to time as necessary) as may be necessary to produce income and revenues sufficient to pay, when due, the principal of and interest on the revenue bonds in the maximum aggregate principal amount of \$45,000,000, to be issued pursuant to the Act (the "Revenue Bonds"). The revenue agreement may also provide for the entire interest of the Company therein to be mortgaged to the purchaser of the Revenue Bonds. The City hereby undertakes preliminarily to issue its Revenue Bonds in accordance with such terms and conditions.

2. On the basis of information available to this Council it appears, and the Council hereby finds, that the Project constitutes properties, real and personal, used or useful in connection with one or more revenue producing enterprises engaged in any business within the meaning of Subdivision 2(b) of Section 469.153 of the Act; that the Project furthers the purposes stated in Section 469.152 of the Act; and that the effect of the Project, if undertaken, will be to encourage the development of economically sound industry and commerce, to help the City retain and improve the tax base and to provide the range of service and employment opportunities required by the population, to help prevent the movement of talented and educated persons out of the State and to areas within the State where their services may not be as effectively used, to promote more intensive development and use of land within the City, and eventually to increase the tax base of the City.

3. The Project is hereby given preliminary approval by the City, subject to the approval of the Project by the Commissioner of the Department of Employment and Economic Development or such other state officer having authority to grant approval (the "Commissioner"), subject to receipt of an adequate allocation of authority to issue private activity bonds (which allocation is not made hereby), and subject to final approval by this Council, the Company, and the purchaser of the Revenue Bonds as to the ultimate details of the financing of the Project.

4. In accordance with Subdivision 3 of Section 469.154 of the Act, the Mayor or Clerk of the City is hereby authorized and directed to submit the proposal for the Project to the Commissioner requesting his approval, and other officers, employees and agents of the City

are hereby authorized to provide the Commissioner with such preliminary information as he may require.

5. The City Administrator is hereby authorized and directed to submit the Application for Allocation of Bonding Authority in accordance with Minnesota Statutes, Chapter 475A to the Minnesota Department of Finance.

6. The Company has agreed and it is hereby determined that any and all costs incurred by the City in connection with the financing of the Project, whether or not the Project is carried to completion and whether or not approved by the Commissioner, will be paid by the Company.

7. Arntson Stewart Wegner PC, acting as bond counsel, is authorized to assist in the preparation and review of necessary documents relating to the refunding of the Series 2009 Bonds and the financing of the Project, to consult with the City Attorney, the Company and the purchaser of the Revenue Bonds as to the maturities, interest rates and other terms and provisions of the Revenue Bonds and as to the covenants and other provisions of the necessary documents, and to submit such documents to the Council for final approval.

8. Nothing in this resolution or in the documents prepared pursuant hereto shall authorize the expenditure of any municipal funds on the Project other than the revenues derived from the Company or otherwise granted to the City for this purpose. The Revenue Bonds shall not constitute a charge, lien or encumbrance, legal or equitable, upon any property or funds of the City except the revenue and proceeds pledged to the payment thereof, nor shall the City be subject to any liability thereon. The holder of the Revenue Bonds shall never have the right to compel any exercise of the taxing power of the City to pay the outstanding principal of the Revenue Bonds or the interest thereon, or to enforce payment thereof against any property of the City. The Revenue Bonds shall recite in substance that the Revenue Bonds, including interest thereon, are payable solely from the revenue and proceeds pledged to the payment thereof. The Revenue Bonds shall not constitute a debt of the City within the meaning of any constitutional or statutory limitation.

9. In anticipation of the approval by the Commissioner and the issuance of the Revenue Bonds to finance all or a portion of the Project, and in anticipation that the City will procure and devote to the Revenue Bonds an adequate allocation of authority to issue private activity bonds (which allocation is not made hereby), and in order that completion of the Project will not be unduly delayed when approved, the Company is hereby authorized to make such expenditures and advances toward payment of that portion of the costs of the Project to be financed from the proceeds of the Revenue Bonds as the Company considers necessary, including the use of interim, short-term financing, subject to reimbursement from the proceeds of the Revenue Bonds if and when delivered but otherwise without liability on the part of the City.

Voting Aye:

Voting Nay:

Absent:

The President declared the resolution passed.

Passed: December 1, 2015

Attest:

City Administrator/Clerk-Treasurer

President of Council

I hereby approve the foregoing resolution this 1st of December, 2015.

Mayor

From: Ron Galstad [rgalstad@gjmlaw.com]
Sent: Friday, November 20, 2015 10:39 AM
To: David Murphy
Subject: 2016 RETAINER AGREEMENT
Attachments: 2016 RETAINER AGREEMENT.docx; Odyssey-JobOutput-November 20, 2015
10-07-27-12466267-2.pdf; Odyssey-JobOutput-November 20, 2015
10-07-35-12466264-2.pdf; Odyssey-JobOutput-November 20, 2015 10-08-23-12466270-2.pdf

Dear David:

Per your request please find the proposed legal retainer for the years 2016-2018. The contract has my office perform both the criminal prosecution and the civil work for the City of East Grand Forks. Typically, the City of East Grand Forks through fine reimbursement and forfeitures more than covers the expense for criminal prosecution. (See attached fees to City of EGF, this does not include the proceeds for the sale for forfeited vehicles and property).

My firm was previously paid an hourly rate to perform this work. The hourly rate in 2005 was \$80.00 per hour. In 2008 it went to \$90.00 dollars an hour. In 2010 the State was in a financial crisis and cut LGA to East Grand Forks, as a cost saving and budgeting measure the City asked that I absorb some of the cost and we went to a flat fee of \$5,000.00 per month. I did so without hesitation. In 2013 through to the present the flat rate was increased to \$5,500.00 per month which on a yearly basis breaks down to approximately \$75.00 - \$80.00 dollars per hour depending on the case load, hearing preparation, trial preparation and other miscellaneous services and questions of the police. The hourly rate includes all time spent on the files including my staff time; excluding out of pocket expense. I have requested that for the year 2016 the flat rate remain the same as I am aware that the budget has already been set for 2016. However, I ask that for the years 2017 and 2018 it be increased to \$5,850.00 which breaks down to approximately \$85.00 per hour or the amount the firm was being compensated 7 years ago. I have asked for a small increase in year two of the contract because more time will need to be expended to perform the prosecution duties. Court time has been expanded due to scheduling changes for 2016. Also, the Court has already mandated that the defendants be present during all omnibus hearings (their presence previously was not required) which increases the time spent on those dates as the Defendants all need to be sworn in and questioned. Additionally, the court has added DUI Court with weekly attendance on Wednesday morning. In short, the amount of time and expense to prosecute cases has increased. Further the new processes that the State of Minnesota has implemented, e charging, e filing etc. to make the system more efficient has been at the expense of the attorneys. The processes have made it less time consuming and more efficient for Court Administration but has shifted the time and expense on law firms.

Additionally, the contract provides for the performance of the civil legal work for the City. In 2004 my rate was \$100.00 dollars per hour which remain the same until 2010 when it increased to \$110.00 and in 2012 it increased to \$120.00, it has remained the same for the past three years. Again, the proposed contract remains at \$120.00 per hour for 2016 and I have included a modest request for an increase to \$125.00 for 2017 and 2018. As always, the contract provides that my work is assigned by the City Administrator as directed by the City Council. Mr. Murphy, I present this proposal in good faith for Council consideration. Should you or the Council have any questions please do not hesitate to contact me.

Respectfully yours,

Ronald I. Galstad
City Attorney

RETAINER AGREEMENT

THIS AGREEMENT is being made and entered into this ____ day of _____, 2015, by and between the **City of East Grand Forks**, Minnesota, a municipal corporation organized under the laws of the State of Minnesota, P.O. Box 373, East Grand Forks, Minnesota 56721 (hereinafter referred to as the "City"); and **Ronald I. Galstad**, of and representing the law firm of Galstad, Jensen & McCann, A Minnesota Professional Association, P.O. Box 386, East Grand Forks, Minnesota 56721 (hereinafter referred to as "Galstad").

1. PURPOSE AND TERM. City hereby employs "Galstad" as its City Prosecutor/City Attorney for a term commencing the 1st day of January, 2016 and ending the 31st day of December, 2018, both dates inclusive.
2. DUTIES. As City Prosecutor/City Attorney "Galstad" will faithfully represent the interests of the City and shall prosecute all criminal suits, actions or proceedings to which the City is a party, and shall faithfully perform all other duties as requested and assigned by the City Administrator and/or the City Council.
3. ACCEPTANCE BY ATTORNEY. "Galstad" hereby accepts the employment of City Prosecutor/City Attorney for himself and the law firm of Galstad, Jensen & McCann P.A., and promises and will render to the best of his ability the services described in Paragraph II above during the continuance of this Agreement.
4. COMPENSATION OF ATTORNEY.
 - a. As compensation for all **CRIMINAL PROSECUTION** services required by City and rendered by City Prosecutor/Attorney herein, City shall pay to the City Attorney the sum of Five Thousand Five Hundred (\$5,500.00) and 00/100 Dollars per month for services rendered during 2016 and Five Thousand Eight Hundred Fifty (\$5,850.00) and 00/100 Dollars per month for the years 2017 and 2018 of this contract.

- b. As compensation for all **CIVIL** services to be rendered by City Attorney herein, City shall pay City Attorney at the rate of One Hundred Twenty and No/100 (\$120.00) Dollars per hour for the year 2016 and One Hundred Twenty-five and No/100 (\$125.00) Dollars per hour for the years 2017 and 2018. .
 - c. The parties hereby further agree that "Galstad" shall be reimbursed for all of his out-of-pocket costs and expenses paid while fulfilling his duties as set forth in this agreement.
5. TERMINATION. This Agreement may be terminated at any time on six (6) months notice in writing from either party to the other party that employment hereunder is to be so terminated, or may at any time be terminated by the City for cause. Furthermore, should "Galstad" for any reason be unable to fulfill and perform the duties and obligations as set forth in this contract, the City reserves the right to cancel this contract after ten (10) working days notice in writing to "Galstad" and/or Galstad, Jensen & McCann P.A..
6. ASSIGNMENT. This contract may not be assigned by "Galstad" without the express written permission of the City.
7. BUDGET. "Galstad" recognizes that the City budgets the funds available to the City Prosecutor/City Attorney and hereby pledges to use his best efforts to deliver legal services within the budgeted amounts, such pledge being subject to the caveat that it is the City that controls the amount of work requested by and from the City Prosecutor/City Attorney.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement at East Grand Forks, Minnesota, the day and year first above written.

**City of East Grand Forks,
Minnesota**

**Galstad, Jensen & McCann,
A Professional Association**

BY: _____
Its Mayor-Lynn Stauss

BY: _____
Its President-Ronald I. Galstad

BY: _____
Its City Administrator-David Murphy

(RETAINER AGREEMENT January 2016)

Request for Council Action

Date: December 1, 2015

To: East Grand Forks City Council Mayor Lynn Stauss, President Mark Olstad, Council Vice President Chad Grassel, Council Members: Clarence Vetter, Mike Pokrzywinski, Craig Buckalew, Henry Tweten, and Marc DeMers.

Cc: File

From: City Administrator David Murphy

RE: Appointing Audrey Passa as Accounting Technician at Grade II, Step 5

Background

This item was discussed at the Council Work Session. Ms. Passa has over ten years of directly related experience for the Accounting Technician position.

Budget Impact

There will not be a budget impact. The former Accounting Technician was accounted for in the 2016 budget as a step 5.

Action Required

Approval of the Resolution.

RESOLUTION NO. 15 – 12 - 129

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

WHEREAS, the City of East Grand Forks has advertised externally for the position of “Accounting Technician”, and

WHEREAS, candidates were tested and interviewed by both the Civil Service Commission & City Staff, and

WHEREAS, the East Grand Forks Civil Service Commission & City Staff has recommended the hiring of Audrey Passa as Accounting Technician, and

WHEREAS, Ms. Passa would be placed on the current Step 5 of Grade 11 is \$20.97 per hour; and

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

1. Audrey Passa be hired as the Accounting Technician at a salary of \$20.97 per hour and to begin on December 3, 2015.

Voting Aye:

Voting Nay:

Absent:

The President declared the resolution passed.

Passed: December 1, 2015

Attest:

City Administrator/Clerk-Treasurer

President of Council

I hereby approve the foregoing resolution this 1st day of December, 2015.

Mayor

RESOLUTION NO. 15 – 12 - 130

RESOLUTION ACCEPTING SPLASH PARK FEASIBILITY REPORT AND DECLARING INTENTION FOR SPLASH PARKS TO BE FUNDED UTILIZING SALES TAX REVENUES

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

WHEREAS, the City Council directed the City Engineer to prepare a feasibility report for the construction of splash parks in the City of East Grand Forks.

WHEREAS, the City Engineer produced the splash park feasibility report and presented the report to the City Council at the November 24, 2015 City Council Work Session.

WHEREAS, the City Council reviewed the report and indicated their support of the construction of splash parks at the O’Leary Park and Nash Park sites.

WHEREAS, the City Council intends to have the construction of the splash parks included on the sales tax ballot question to be conducted in early 2016.

NOW THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF EAST GRAND FORKS, MINNESOTA that the City Council accepts the Splash Park Feasibility Study as prepared by Widseth, Smith and Nolting and authorizes the inclusion of Splash Parks at O’Leary Park and Nash Park on the sales tax ballot.

Voting Aye:

Voting Nay:

Absent:

The President declared the resolution passed.

Passed: December 1, 2015

Attest:

City Administrator/Clerk-Treasurer

President of Council

I hereby approve the foregoing resolution this 1st of December, 2015.

Mayor

Request for Council Action

Date: December 1, 2015
 To: East Grand Forks City Council and Mayor Lynn Stauss
 From: Nancy Ellis, Planner – EGF Transit
 RE: Approval of 2016 MnDOT Transit Capital Application

RECOMMENDATION:

Staff recommends approval for the City of East Grand Forks to enter into a contract agreement with MnDOT for FY2016 fixed route bus purchase.

BACKGROUND INFORMATION:

In addition to MnDOT application for transit operating dollars, we should be receiving funds to purchase a new fixed route bus. This purchase was originally scheduled for 2015 and we are beyond the recommended mileage for this bus to be in daily service. The state has verbally agreed to pay an 80% share of the bus purchase and we match the 20% in local funds. They have set aside up to \$160,000 in state funds for this purchase. The bus was estimated at \$200,000 with \$160,000 from the state and \$40,000 locally and placed in the 2016 budget as such. As well, this has been included in the City's CIP budget the past two years for the year 2016. We have received a cost estimate from Høglund Bus Co. for approximately \$136,000 (with all of our add-ons, delivery, etc.) with -\$3000 for the camera security system (to be purchased and installed later) for a total of \$139,000.

FINDINGS AND ANALYSIS:

The fixed route bus for East Grand Forks is beyond its recommended mileage and should be replaced. The MnDOT transit office has awarded the City of East Grand Forks funds for 80% of the purchase price up to \$160,000 to purchase a bus in 2016.

SUPPORT MATERIALS:

- 1) Resolution for 2016 agreement with MnDOT to purchase a fixed route bus to use in the City of East Grand Forks.
- 2) Bus estimate

FUNDING SOURCES

State Funding Requested (80% of total cost including fed amount): **\$111,200 (bus and cameras)**
 Local share: **\$27,800 budgeted in 2016 with general funds**

RESOLUTION NO. 15 – 12 - 131

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

WHEREAS, the City of East Grand Forks contracts with Cities Area Transit to operate their transit system; and

WHEREAS, the City of East Grand Forks desires to purchase, through the State of Minnesota Cooperative Procurement Process, a vehicle to be used in the transit system; and

WHEREAS, the vehicle cost is allocated 20% local share and 80% State/Federal share of the “contract amount”; and

WHEREAS, staff has reviewed the vehicle options offered by approved multiple contracting vendors; and

WHEREAS, the staff recommends purchasing a vehicle from Hoglund Bus Co., Inc for the reason of fleet consistency, meeting our service needs and past vendor performance; and

NOW, THEREFORE, BE IT RESOLVED that The East Grand Forks City Council hereby authorizes the purchase of a new transit bus from Hoglund Bus Co., Inc. in the approximate amount of \$136,000 plus \$3500 for cameras.

Voting Aye:

Voting Nay:

Absent:

The President declared the resolution passed.

Passed: December 1, 2015

Attest:

City Administrator/Clerk-Treasurer

President of Council

I hereby approve the foregoing resolution this 1st of December, 2015.

Mayor

PUBLIC TRANSIT (5311, ETC.)

FY 2015 VEHICLE ORDER FORM MnDOT COOPERATIVE PROCUREMENT FOR SMALL, MID-SIZED & MEDIUM DUTY ACCESSIBLE BUSES

(This form to be used ONLY for vehicles funded through MnDOT's Office of Transit)

MnDOT Recipient Contract Number: _____ Quantity: 1
 Contract Maximum Amount: \$ \$200,000.00 (For identical vehicle orders only)

Legal Name: City of East Grand Forks 218-773-0124 Nancy
 Address: 600 DeMers Avenue Phone Number: 701-740-5895 Dale Cell
 City, State, Zip: East Grand Forks, MN Fax Number: 701-746-2582
 Contact Name: Nancy Ellis-Dale Bergman Email Address: _____

Vendor Name: Hoglund Bus Company Bus GVRW: 14,200
 Vendor Contact: Scott Gretsich Chassis Manufacturer: Chevrolet
 Bus Manufacturer: Arboc Specialty Vehicles Chassis Wheelbase: 210
 Model & Gas/Diesel: SOM Gas 6.0 Vehicle Length: 26

Vehicle Spec. # 10. 09 16 (20) # of Passenger Seats 2 # of WC Positions
 Lift Manufacturer & Model: Braun Ramp Front X Rear _____
 Wheelchair Securements Manufacturer & Model: Q-Strait QRT 8100-A
 Floor Plan Attached (required): Yes X No _____
 Inspection Site/Location: Monticello, MN Recipient's Ford/GM Fleet #: _____

BASE PRICE (includes freight - manufacturer to vendor & all rebates)	\$ <u>113400.00</u>
TOTAL OPTIONS (from page 2)	\$ <u>18175.00</u>
TOTAL OPTIONS (from page 3)	\$ <u>0.00</u>
DELIVERY CHARGE (vendor to recipient)	\$ <u>625.50</u>
LICENSE & TRANSFER FEES	\$ <u>140.00</u>
EXTENDED WARRANTIES	\$ _____
EXCISE TAX (if applicable)	\$ _____
VEHICLE TOTAL	\$ <u>132,340.50</u>

Vehicle Total or Contract Amount	\$ _____	MnDot Share	\$ _____
(whichever is less)		Recipient Share	\$ _____

Recipient Signature: _____ Date: _____
 Vendor Signature: _____ Date: _____

MnDOT APPROVAL

Project Manager Signature: _____ Date: _____
 Procurement Coordinator Signature: _____ Date: _____

RESOLUTION NO. 15 – 12 - 132

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 22945 for a total of \$1,061.91.

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 \$1,061.91 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 December 1, 2015.

Voting Aye:
Voting Nay:
Abstain:

The President declared the resolution passed.

Passed: December 1, 2015

Attest:

City Administrator/Clerk-Treasurer

President of Council

I hereby approve the foregoing resolution this 1st day of December, 2015.

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 22945 for a total of \$1,061.91.
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 December 1, 2015.

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

600 Demers Avenue Northwest
 East Grand Forks, Minnesota 56721
 (218) 773-2483 www.egf.mn

User: mnelson
 Printed: 11/25/2015 - 9:57 AM

Check	Date	Vendor No	Vendor Name	Amount	Voucher
22915	12/01/2015	ACM001	Acme Electric Companies	119.14	0
22916	12/01/2015	ADV001	Advanced Business Methods Inc	711.21	0
22917	12/01/2015	AMA001	Amazon.com	22.93	0
22918	12/01/2015	AME002	American Tire Service	20.00	0
22919	12/01/2015	AME005	Ameripride Linen & Apparel Services	291.24	0
22920	12/01/2015	AQU001	Aqua Water Solutions	98.45	0
22921	12/01/2015	BAK001	Baker & Taylor Co	1,779.03	0
22922	12/01/2015	BAL001	Balco Uniforms Co Inc	178.23	0
22923	12/01/2015	BAT001	Batteries Plus	85.98	0
22924	12/01/2015	BOR001	Border States Electric Supply	251.65	0
22925	12/01/2015	BRO002	Brodart Co	477.13	0
22926	12/01/2015	COA001	Coalition of Greater MN Cities	330.00	0
22927	12/01/2015	COL004	Coldspring Memorial	173.00	0
22928	12/01/2015	COU008	Countrywide Sanitation Company	47,587.46	0
22929	12/01/2015	CUL001	Culinex	85.50	0
22930	12/01/2015	CUM001	Cummins NPower LLC	245.00	0
22931	12/01/2015	DEM001	Demco Educational Corp	318.51	0
22932	12/01/2015	DSI001	DSI Inc	204.00	0
22933	12/01/2015	EAP001	EAPC Architects Engineers	9,434.70	0
22934	12/01/2015	ECO001	Economy Plumbing	208.60	0
22935	12/01/2015	EME001	Emergency Apparatus Maintenance In	1,448.75	0
22936	12/01/2015	EXP002	Exponent	247.05	0
22937	12/01/2015	FER001	Ferrellgas	228.51	0
22938	12/01/2015	G&K001	G&K Services	173.61	0
22939	12/01/2015	GAF002	Gaffaney's	24.97	0
22940	12/01/2015	GAL002	Gall's Inc	134.97	0
22941	12/01/2015	GER001	Gerrells Sport Center	1,035.00	0
22942	12/01/2015	GRA0011	Grainger	38.21	0
22943	12/01/2015	GFP002	Grand Forks Police Dept	150.00	0
22944	12/01/2015	GRE002	Greg's Lawn Care	300.30	0
22945	12/01/2015	HAR001	Hardware Hank	1,061.91	0
22946	12/01/2015	HEA001	Heartland Paper	317.48	0
22947	12/01/2015	HOL002	Holiday Credit Office	32.95	0
22948	12/01/2015	HUG001	Hugo's	384.60	0
22949	12/01/2015	ICS002	Industrial Contract Services Inc. ICS	64,822.50	0
22950	12/01/2015	INT011	Integrated Process Solutions Inc	1,946.32	0
22951	12/01/2015	INT008	Intoximeters Inc	180.00	0
22952	12/01/2015	KAL003	Kaler Doeling, PLLP	304.00	0
22953	12/01/2015	KEI001	Keith's Security World	15.00	0
22954	12/01/2015	KEN002	Kennedy & Graven, Chartered	752.50	0
22955	12/01/2015	KUR002	Jane Kurtz	800.00	0
22956	12/01/2015	LEA002	League of MN Cities	56,347.00	0
22957	12/01/2015	LIB001	Liberty Business Systems	35.45	0
22958	12/01/2015	LUM001	Lumber Mart	26.57	0
22959	12/01/2015	MEN001	Menards	301.23	0
22960	12/01/2015	MPO001	Metropolitan Planning Organization	13,253.49	0
22961	12/01/2015	MID003	Midcontinent Communications	1,615.96	0
22962	12/01/2015	MID016	Midwest Pest Control Inc	125.00	0
22963	12/01/2015	MPW001	Minnesota Pump Works	1,150.86	0
22964	12/01/2015	MDA001	MN Dept of Agriculture	25.00	0

Transaction Detail - Summary

Trans Date	Posting Date	MCCG Code	MCC	Merchant Category Code Description	Merchant Name	Merchant State/Province	Taxpayer ID Number (TIN)	Trans Amount	Posting Type	Purchase ID	Trans Status	Disputed Status
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Name: DAVE AKER Account Number: **1870 Optional 1: Optional 2: Lost/Stolen Account: Replacement Account:

11/18/2015	11/19/2015	240499	5943	STATIONERY STORE/SUPPLIES	BFT,L.P.	TX	760136019	\$ 102.40	Memo	32201030	Not Reviewed	No
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Name: KARLA ANDERSON Account Number: **7513 Optional 1: Optional 2: Lost/Stolen Account: Replacement Account:

11/09/2015	11/10/2015	240491	8299	SCHOOLS/EDUCATIONA L SCHL	TNT TRAINING	ND	204751443	49.00	Memo	10147745	Not Reviewed	No
11/09/2015	11/11/2015	240491	8699	MEMBERSHIP ORGANIZATIONS	GOVERNMENT FINANCE	IL	362167796	23.35	Memo	AT0EDC62691E	Not Reviewed	No

Name: BRENDA AULT Account Number: **3134 Optional 1: Optional 2: Lost/Stolen Account: Replacement Account:

11/04/2015	11/05/2015	240492	5814	FAST FOOD RESTAURANTS	DOMINO'S 1962	MN	411735901	42.91	Memo	151104 041745	Not Reviewed	No
11/10/2015	11/11/2015	240491	8220	COLLEGES,UNIVERSITIE S	U OF M CONTLEARNING	MN	416007513	220.00	Memo	97062379	Not Reviewed	No
11/20/2015	11/23/2015	240492	5814	FAST FOOD RESTAURANTS	SUBWAY 00999912	FL	650701885	133.59	Memo	621-243-420941	Not Reviewed	No

Name: JAY BRUCE Account Number: **5405 Optional 1: Optional 2: Lost/Stolen Account: Replacement Account:

10/26/2015	10/28/2015	240507	5200	HOME SUPPLY WAREHOUSE STORES	MENARDS GRAND FORKS ND	ND	390989248	35.99	Memo	0	Not Reviewed	No
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Transaction Detail - Summary

Trans Date	Posting Date	MCCG Code	MCC	Merchant Category Code Description	Merchant Name	Merchant State/Province	Taxpayer ID Number (TIN)	Trans Amount	Posting Type	Purchase ID	Trans Status	Disputed Status
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Name: MARK DRAGICH **Account Number:** **3427 **Optional 1:** **Optional 2:** **Lost/Stolen Account:** **Replacement Account:**

11/19/2015	11/20/2015	240507	5065	WHOLESALE ELEC PARTS	OES INC./OES REPAIR	ON		\$ 287.28	Memo		Not Reviewed	No
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Name: NANCY ELLIS **Account Number:** **3178 **Optional 1:** **Optional 2:** **Lost/Stolen Account:** **Replacement Account:**

10/22/2015	10/23/2015	240493	3665	HAMPTON INNS	HAMPTON INNS	MN	411831148	307.80	Memo	00004916	Not Reviewed	No
11/02/2015	11/03/2015	240506	5542	AUTOMATED FUEL DISPENSERS	CENEX SPF STOR07046485	MN	410251095	21.89	Memo	0000000000000000	Not Reviewed	No

Name: GREGORY GAHLON **Account Number:** **2707 **Optional 1:** **Optional 2:** **Lost/Stolen Account:** **Replacement Account:**

10/23/2015	10/26/2015	240500	5999	MISCELLANEOUS AND SPECIAL	TASER INTERNATIONAL	AZ	060741227	74.51	Memo	0001004737	Not Reviewed	No
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Name: PAUL GORTE **Account Number:** **1823 **Optional 1:** **Optional 2:** **Lost/Stolen Account:** **Replacement Account:**

10/31/2015	11/02/2015	240507	5411	GROCERY STORES,SUPERMARK	TARGET 00017830	ND	410215170	9.27	Memo	0000000000000000	Not Reviewed	No
11/05/2015	11/09/2015	240506	7523	PARKING LOTS AND GARAGES	KELLOGG SQUARE PARKING RA	MN	411545764	9.00	Memo		Not Reviewed	No
11/06/2015	11/09/2015	240493	3501	HOLIDAY INNS	HOLIDAY INN EXPRESS & SUI	MN	391537469	112.36	Memo	11007424	Not Reviewed	No
11/13/2015	11/16/2015	240491	8699	MEMBERSHIP ORGANIZATIONS	IEDC ONLINE	DC	520887806	135.00	Memo	Q3406946031	Not Reviewed	No
11/18/2015	11/19/2015	240491	8299	SCHOOLS/EDUCATIONA L SCHL	AMERICAN PLANNING ASSOCI	IL	521134021	508.00	Memo	AU0EDC60A95F	Not Reviewed	No
11/19/2015	11/23/2015	240492	5812	EATING PLACES AND RESTAURANTS	BLUE MOOSE BAR & GRILL	MN	411766541	17.70	Memo		Not Reviewed	No

Transaction Detail - Summary

Trans Date	Posting Date	MCCG Code	MCC	Merchant Category Code Description	Merchant Name	Merchant State/Province	Taxpayer ID Number (TIN)	Trans Amount	Posting Type	Purchase ID	Trans Status	Disputed Status
11/22/2015	11/23/2015	240507	5411	GROCERY STORES,SUPERMARK	TARGET	ND	410215170	\$ 55.72	Memo	000000000000000000	Not Reviewed	No

Name: KEVIN HANSON Account Number: **1957 Optional 1: Optional 2: Lost/Stolen Account: Replacement Account:

10/28/2015	10/29/2015	240499	5942	BOOK STORES	AMAZON.COM AMZN.COM/BILL	WA	911994984	207.86	Memo	29342	Not Reviewed	No
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Name: MICHAEL HEDLUND Account Number: **1856 Optional 1: Optional 2: Lost/Stolen Account: Replacement Account:

10/30/2015	11/02/2015	240506	5541	SERVICE STATIONS	SIMONSON GAT10050029	ND	450280064	125.00	Memo		Not Reviewed	No
11/17/2015	11/18/2015	240499	5942	BOOK STORES	AMAZON.COM	WA	911646860	69.88	Memo	115-6405263-87986	Not Reviewed	No
11/17/2015	11/18/2015	240499	5942	BOOK STORES	AMAZON.COM	WA	911646860	6.29	Memo	115-6405263-87986	Not Reviewed	No

Name: CHARLOTTE HELGESON Account Number: **1631 Optional 1: Optional 2: Lost/Stolen Account: Replacement Account:

11/06/2015	11/09/2015	240499	9402	POSTAGE STAMPS	USPS 26267007930102479	MN	941308560	6.14	Memo	000000000000000000	Not Reviewed	No
11/06/2015	11/09/2015	240507	5399	MISCELLANEOUS GENERAL MER	DAYDREAMS SPECIALTIES	ND	270056684	42.70	Memo		Not Reviewed	No

Name: LINDA KOSSOW Account Number: **9273 Optional 1: Optional 2: Lost/Stolen Account: Replacement Account:

10/23/2015	10/26/2015	240507	5085	WHOLSALE INDUST SUPP	GIH*GLOBALINDUSTRI ALEQ	FL	113584699	131.85	Memo	O9866017-1	Not Reviewed	No
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Transaction Detail - Summary

Trans Date	Posting Date	MCCG Code	MCC	Merchant Category Code Description	Merchant Name	Merchant State/Province	Taxpayer ID Number (TIN)	Trans Amount	Posting Type	Purchase ID	Trans Status	Disputed Status
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Name: BRIAN LARSON Account Number: **0894 Optional 1: Optional 2: Lost/Stolen Account: Replacement Account:

10/26/2015	10/27/2015	240507	5251	HARDWARE STORES	HARDWARE HANK	MN	411717424	\$ 62.98	Memo	H27720	Not Reviewed	No
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Name: GARY LARSON Account Number: **0810 Optional 1: Optional 2: Lost/Stolen Account: Replacement Account:

10/27/2015	10/28/2015	240499	5942	BOOK STORES	AMAZON MKTPLACE	WA	911994984	27.95	Memo	114-3354804-16530	Not Reviewed	No
11/03/2015	11/04/2015	240491	8398	CHARITABLE/SOCIAL SERVICE	MINNESOTA STATE FIRE CHIE	MN		(250.00)	Memo		Not Reviewed	No

Name: DAVID MURPHY Account Number: **0699 Optional 1: Optional 2: Lost/Stolen Account: Replacement Account:

11/05/2015	11/06/2015	240507	5111	WHOLESALE OFFICE SUP	PLANNER PADS CO	NE	470806926	48.94	Memo	724977	Not Reviewed	No
11/10/2015	11/12/2015	240492	5812	EATING PLACES AND RESTAURANTS	DRAFTS SPORTS BAR & GRILL	MN	461130837	13.00	Memo		Not Reviewed	No
11/13/2015	11/16/2015	240507	5399	MISCELLANEOUS GENERAL MER	GRAND FORKS HERALD	ND	450129560	17.25	Memo	DMSH8HM	Not Reviewed	No
11/19/2015	11/23/2015	240492	5812	EATING PLACES AND RESTAURANTS	BLUE MOOSE BAR & GRILL	MN	411766541	15.63	Memo		Not Reviewed	No

Name: MEGAN NELSON Account Number: **0648 Optional 1: Optional 2: Lost/Stolen Account: Replacement Account:

10/23/2015	10/26/2015	240499	9402	POSTAGE STAMPS	USPS 26267007930102479	MN	941308560	12.65	Memo	000000000000000000	Not Reviewed	No
11/12/2015	11/16/2015	240493	7011	OTHER HOTELS	ARROWWOOD RESORT CONF C	MN	263201660	100.93	Memo	00412018	Not Reviewed	No
11/12/2015	11/16/2015	240493	7011	OTHER HOTELS	ARROWWOOD RESORT CONF C	MN	263201660	100.93	Memo	00412019	Not Reviewed	No

Transaction Detail - Summary

Trans Date	Posting Date	MCCG Code	MCC	Merchant Category Code Description	Merchant Name	Merchant State/Province	Taxpayer ID Number (TIN)	Trans Amount	Posting Type	Purchase ID	Trans Status	Disputed Status
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Name: DENNIS ROBERTSON **Account Number:** **0425 **Optional 1:** **Optional 2:** **Lost/Stolen Account:** **Replacement Account:**

10/22/2015	10/26/2015	240493	3829	COUNTRY INN BY CARLSON	COUNTRY INN&STS ELK RV	MN	205127178	\$ 95.12	Memo	179169628	Not Reviewed	No
10/22/2015	10/26/2015	240493	3829	COUNTRY INN BY CARLSON	COUNTRY INN&STS ELK RV	MN	205127178	95.12	Memo	179169628	Not Reviewed	No

Name: ANDREA SCHERER **Account Number:** **1888 **Optional 1:** **Optional 2:** **Lost/Stolen Account:** **Replacement Account:**

10/23/2015	10/27/2015	240491	8299	SCHOOLS/EDUCATIONA L SCHL	CSLP SUMMER LIBR PROGRAM	IA	421519652	32.50	Memo	2512	Not Reviewed	No
11/18/2015	11/19/2015	240499	9402	POSTAGE STAMPS	USPS 26267007930102479	MN	941308560	5.18	Memo	0000000000000000	Not Reviewed	No
11/18/2015	11/19/2015	240500	5970	ARTIST'S SUPPLY AND CRAFT SHOP	MICHAELS STORES 1583	ND	751943604	75.88	Memo	1583000186391511181511	Not Reviewed	No
11/21/2015	11/23/2015	240499	5942	BOOK STORES	BARNES & NOBLE #2606	ND	742225928	41.17	Memo		Not Reviewed	No

Name: AEISSO SCHRAGE **Account Number:** **6738 **Optional 1:** **Optional 2:** **Lost/Stolen Account:** **Replacement Account:**

10/22/2015	10/26/2015	240507	5046	WHOLESALE COMMERCIAL	NARTEC, INC.	MO	431753617	138.50	Memo	7643842461	Not Reviewed	No
10/28/2015	10/29/2015	240499	9402	POSTAGE STAMPS	USPS 26213007930102396	MN	941308560	12.75	Memo	0000000000000000	Not Reviewed	No
11/16/2015	11/18/2015	240507	5251	HARDWARE STORES	HOMETOWN HARDWARE	MN	261808473	147.85	Memo		Not Reviewed	No
11/18/2015	11/18/2015	240499	5942	BOOK STORES	AMAZON MKTPLACE PMTS	WA	911994984	77.96	Memo	104-1401928-26962	Not Reviewed	No
11/18/2015	11/19/2015	240499	5942	BOOK STORES	AMAZON MKTPLACE PMTS	WA	911994984	353.10	Memo	104-6552571-02610	Not Reviewed	No

Name: JASON STORDAHL **Account Number:** **5413 **Optional 1:** **Optional 2:** **Lost/Stolen Account:** **Replacement Account:**

11/06/2015	11/09/2015	240500	5941	SPORTING GOODS STORES	CABELA S RETAIL, INC EAST	MN	470804130	57.69	Memo		Not Reviewed	No
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Transaction Detail - Summary

Trans Date	Posting Date	MCCG Code	MCC	Merchant Category Code Description	Merchant Name	Merchant State/Province	Taxpayer ID Number (TIN)	Trans Amount	Posting Type	Purchase ID	Trans Status	Disputed Status
11/16/2015	11/17/2015	240491	8220	COLLEGES,UNIVERSITIE S	U OF M CONTLEARNING	MN	416007513	\$ 245.00	Memo	14049189	Not Reviewed	No
11/16/2015	11/17/2015	240497	5969	OTHER DIRECT MARKETER	AMERICAN PUBLIC WORKS	MO	362202880	134.75	Memo	AU0ODC43FF73	Not Reviewed	No
11/20/2015	11/23/2015	240493	3829	COUNTRY INN BY CARLSON	COUNTRY INN BY CARLSON	MN	410940175	250.34	Memo	179657483	Not Reviewed	No

Name: JACOB THOMPSON Account Number: **3435 Optional 1: Optional 2: Lost/Stolen Account: Replacement Account:

10/23/2015	10/26/2015	240506	5542	AUTOMATED FUEL DISPENSERS	SUPERAMERICA 4855	MN	273005319	26.05	Memo	059179	Not Reviewed	No
10/23/2015	10/26/2015	240506	5542	AUTOMATED FUEL DISPENSERS	HOLIDAY STNSTORE 0248	MN	410771276	18.75	Memo	0000000000000000	Not Reviewed	No

Total Number of Records: 52

Total

\$4,693.46

End of Report