



# CITY OF GRAND RAPIDS

## Meeting Agenda Full Detail

### City Council

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Monday, January 26, 2015

5:00 PM

City Hall Council Chambers

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**5:00 PM CALL TO ORDER: Pursuant to due notice and call thereof a Regular Meeting of the Grand Rapids City Council will be held on Monday, January 26, 2015 at 5:00 p.m. in Council Chambers, 420 North Pokegama Avenue, Grand Rapids, Minnesota.**

**CALL OF ROLL**

#### **MEETING PROTOCOL POLICY**

*Please be aware that the Council has adopted a Meeting Protocol Policy which informs attendees of the Council's desire to conduct meetings in an orderly manner which welcomes all civil input from citizens and interested parties. If you are unaware of the policy, copies (orange color) are available in the wall file by the Council entrance.*

**5:01 PM PUBLIC FORUM**

**5:06 PM COUNCIL REPORTS**

**5:10 PM APPROVAL OF MINUTES**

**15-1053** Approve Council minutes for Tuesday, December 23, 2014 Special meeting and Monday, January 12, 2015 Worksession and Regular meetings.

**Attachments:** [December 23, 2014 Special Meeting](#)  
[January 12, 2015 Worksession](#)  
[January 12, 2015 Regular Meeting](#)

**5:11 PM CONSENT AGENDA**

*Any item on the consent agenda shall be removed for consideration by request of any one Councilmember, City staff, or the public and put on the regular agenda for discussion and consideration.*

**1. 15-1057** Approve temporary liquor licenses for MacRostie Art Center First Friday Art Walk events on February 6, March 6, April 3, May 1, & June 5, 2015.

**Attachments:** [MacRostie - Liquor Applications](#)

**2. 15-1064** Accept the resignation of Michael Twite from the Grand Rapids Planning Commission.

**Attachments:** [Mike Twite - Planning Commission Resignation](#)

3. [15-1065](#) Adopt a resolution to allow the Police Department to accept a donation from Hawkinson Construction totaling \$300.00 to be used towards the purchase of a K-9 behavior shaping device kit.  
**Attachments:** [4503\\_001.pdf](#)
4. [15-1070](#) Consider adopting a resolution ordering the Feasibility Report for CP 2017-1, 5th St N Roadway and Stormwater Improvements project.  
**Attachments:** [1-26-15 Resolution CP 2017-1 Order Feasibility.pdf](#)  
[1-26-15 Attachment CP 2017-1 2015-2018 STIP Excerpt.pdf](#)
5. [15-1071](#) Outdoor Recreation Grant
6. [15-1072](#) Resignation of Adam Kortekaas from Fire Prevention and Education Officer position.  
**Attachments:** [Adam Kortekaas resignation](#)
7. [15-1073](#) Flexible Benefits Plan Document Restatement.  
**Attachments:** [Superior USA Benefits Cafeteria Plan Basic Plan Document](#)  
[Superior USA Corporation Cafeteria Plan Summary Plan Description](#)
8. [15-1074](#) Adopt a resolution approving LG230 Application to Conduct Off-Site Gambling for Grand Rapids Amateur Hockey Association (GRAHA).  
**Attachments:** [14 - GRAHA Off-Site Gambling Permit](#)  
[2015 GRAHA Off-Site Gambling Applicatoin](#)

**5:12 SETTING OF REGULAR AGENDA  
PM**

*This is an opportunity to approve the regular agenda as presented or add/delete by a majority vote of the Council members present an agenda item.*

**ACKNOWLEDGE BOARDS & COMMISSIONS**

9. [15-1076](#) Acknowledge minutes for Boards & Commissions as presented.  
**Attachments:** [November 12, 2014 Library Board Minutes](#)  
[September 25, 2014 GREDA Minutes](#)  
[October 9, 2014 GREDA Minutes](#)  
[November 13, 2014 GREDA Minutes](#)

**5:13 DEPARTMENT HEAD REPORT  
PM**

10. [15-1041](#) Engineering Department Head Report ~ Julie Kennedy



**5:23 COMMUNITY DEVELOPMENT  
PM**

11. [15-1081](#) Consider approval of a 60 month lease agreement for an HP Plotter and associated maintenance plan with VAR Resources.  
**Attachments:** [Plotter Lease](#)

**5:28 ENGINEERING  
PM**

12. [15-1066](#) Consider approving the purchase and approval of a three-year agreement from ESRI for GIS ELA software in a total amount of \$75,000.00 of which the 2015 fee is \$25,000.00.  
**Attachments:** [Attachment Esri SGELA Renewal Proposal.pdf](#)
13. [15-1069](#) Consider approving a Supplemental Letter Agreement (SLA) with SEH for the preparation of a Project Memorandum (PM) for CP 2017-1, 5th St North roadway and stormwater improvement project, for a lump sum fee of \$7,970.  
**Attachments:** [1-26-15 Attachment CP2017-1 5th St N PM SLA.pdf](#)
14. [15-1082](#) Consider authorizing the Engineering Department to purchase software from Cityworks for \$22,270 and hire the professional services of Timmon's Group for the software implementation at a cost not to exceed \$95,000.  
**Attachments:** [1-26-15 Attachment - CityworksSoftwareLicensingOptions.pdf](#)

**5:43 ADMINISTRATION DEPARTMENT  
PM**

15. [15-1055](#) Accident Plan for City Volunteers.  
**Attachments:** [Accident Plan for City Volunteers Quotation](#)
16. [15-1056](#) Reclassification of Library positions.
17. [15-1058](#) Adoption of Social Media Policy.  
**Attachments:** [Social Media Policy](#)
18. [15-1059](#) Amendments to Wellness Program.
19. [15-1067](#) A resolution opposing the imposition of levy limits on Minnesota cities.  
**Attachments:** [1-26-15 Reolution Levy limits Opposition.pdf](#)
20. [15-1068](#) Labor Attorney Request for Proposals (RFP)

**Attachments:** [Labor Attorney Request for Proposals 2015](#)

21. [15-1079](#) Appointments to Boards & Commissions.

**6:15 VERIFIED CLAIMS  
PM**

22. [15-1080](#) Consider approving the verified claims for the period January 6, 2015 to January 16, 2015 in the total amount of \$2,967,264.90, of which \$2,337,399.38 are bond payments.

**Attachments:** [City Council Bill List 01-26-15.pdf](#)

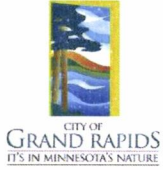
**6:20 ADJOURNMENT  
PM**

*NEXT REGULAR MEETING IS SCHEDULED FOR FEBRUARY 9, 2015 AT 5:00 P.M.*

*NOTE: These times are approximate only and are subject to change. If you are interested in a topic of discussion you should appear at least 10 minutes before its scheduled time.*

*Hearing Assistance Available: This facility is equipped with a hearing assistance system.*

*ATTEST: Kimberly Gibeau, City Clerk*



# CITY OF GRAND RAPIDS

## Legislation Details (With Text)

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**File #:** 15-1053      **Version:** 1      **Name:** Council Minutes  
**Type:** Agenda Item      **Status:** Approval of Minutes  
**File created:** 1/15/2015      **In control:** City Council  
**On agenda:** 1/26/2015      **Final action:**  
**Title:** Approve Council minutes for Tuesday, December 23, 2014 Special meeting and Monday, January 12, 2015 Worksession and Regular meetings.  
**Sponsors:**  
**Indexes:**  
**Code sections:**  
**Attachments:** [December 23, 2014 Special Meeting](#)  
[January 12, 2015 Worksession](#)  
[January 12, 2015 Regular Meeting](#)

Date	Ver.	Action By	Action	Result
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Approve Council minutes for Tuesday, December 23, 2014 Special meeting and Monday, January 12, 2015 Worksession and Regular meetings.



# CITY OF GRAND RAPIDS

## Minutes - Final - Draft City Council

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Tuesday, December 23, 2014

8:00 AM

Conference Room 2A

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### Special Meeting

**CALL TO ORDER:** Pursuant to due notice and call thereof a Special Meeting of the Grand Rapids City Council was held on Tuesday, December 23, 2014 at 8:05 a.m. in City Hall Conference Room 2A, 420 North Pokegama Avenue, Grand Rapids, Minnesota.

#### CALL OF ROLL

**Present** 5 - Councilor Barb Sanderson  
Councilor Dale Christy  
Councilor Ed Zabinski  
Councilor Joe Chandler  
Mayor Dale Adams

#### Others present:

*Tom Pagel, Lynn DeGrio, Laura Pfeifer*

#### ADMINISTRATION DEPARTMENT

- Proposed changes to the *Pay Schedule for Part-time, Seasonal, & Temporary Employees*.

*Lynn DeGrio reviews proposed changes to the draft payscale, noting compliance with new minimum wage law.*

**A motion was made by Councilor Chandler, seconded by Councilor Zabinski, to approve changes to pay schedule for part-time, seasonal & temporary employees as presented. The motion carried by the following vote.**

**Aye** 5 - Councilor Barb Sanderson  
Councilor Dale Christy  
Councilor Ed Zabinski  
Councilor Joe Chandler  
Mayor Dale Adams
- Adopt a resolution establishing 2015 compensation for City of Grand Rapids Exempt & Non-Exempt Non-Represented Employees.

*Council expresses concerns regarding salary administration system and linking increases to time in position and not specifically on performance.*

**A motion was made by Councilor Sanderson, seconded by Councilor Chandler, to adopt Resolution 14-128, establishing 2015 compensation & benefits for non-represented employees. The motion carried by the following vote.**



**Aye** 5 - Councilor Barb Sanderson  
Councilor Dale Christy  
Councilor Ed Zabinski  
Councilor Joe Chandler  
Mayor Dale Adams

3. Approval of the 2015-2017 Clerical, Library, Police Officers, and Public Works Bargaining Agreements.

*Contracts have been successfully negotiated with four of five unions including Clerical, Library, Public Works and Police Union. Also presented is the proposed changes to Holidays for 2015-2017.*

**A motion was made by Councilor Chandler, seconded by Councilor Christy, to approve union contracts with Clerical, Police, Public Works and Library bargaining units and approve holiday schedule for 2015 - 2017 as presented. The motion carried by the following vote.**

**Aye** 5 - Councilor Barb Sanderson  
Councilor Dale Christy  
Councilor Ed Zabinski  
Councilor Joe Chandler  
Mayor Dale Adams

4. Consider approving the verified claims for the period December 9, 2014 to December 18, 2014 in the total sum of \$97,271.13.

**A motion was made by Councilor Chandler, seconded by Councilor Zabinski, to approved the verified claims as presented. The motion carried by the following vote.**

**Aye** 5 - Councilor Barb Sanderson  
Councilor Dale Christy  
Councilor Ed Zabinski  
Councilor Joe Chandler  
Mayor Dale Adams

#### **ADJOURNMENT**

**A motion was made by Councilor Joe Chandler, seconded by Councilor Dale Christy, to adjourn the meeting at 8:52 am. The motion PASSED by unanimous vote.**

*Respectfully submitted: Kimberly Gibeau, City Clerk*



# CITY OF GRAND RAPIDS

## Minutes - Final - Draft City Council Work Session

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Monday, January 12, 2015

4:00 PM

Conference Room 2A

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**CALL TO ORDER: Pursuant to due notice and call thereof a Special Meeting/Worksession of the Grand Rapids City Council was held on Monday, January 12, 2015 at 4:00 p.m. in City Hall Conference Room 2A, 420 North Pokegama Avenue, Grand Rapids, Minnesota.**

**CALL OF ROLL: On a call of roll, the following members were present:**

**Present** 5 - Mayor Dale Adams, Councilor Dale Christy, Councilor Ed Zabinski, Councilor Bill Zeige, and Councilor Jon Toivonen

**Others present:**

*Tom Pagel, Chad Sterle, Julie Kennedy, Scott Thompson*

### **Discussion Items**

#### **Conduct swearing in of new City Council Members**

*Clerk Gibeau administered the Oath of Office for Mayor Adams, Councilor Zeige and Councilor Toivonen.*

1. Conference call with Loren Solberg

*Loren Solberg, via landline, discusses current strategy regarding local government aid, trails and recreation and projects at the arena. Mr. Solberg also noted that there is discussion at State level addressing Capital closing and conducting a very abbreviated legislative session in 2016.*

2. Review organizational meeting procedures.

*Mayor Adams discusses the organizational meeting to be conducted at the start of the regular meeting. Staff and Council review commitment and expectations for Boards & Commissions. New Council members indicate that the information gathered at the Newly Elected Officials Conference, attended by both on January 9th and 10th, was very beneficial. Discussed upcoming Comprehensive Plan review meeting and the benefit for all Councilmembers to attend. Closed meeting reminder regarding City Administrator performance review scheduled for Monday, January 26th.*

3. Review Regular meeting agenda and other business as noted.

*Attorney Sterle answered questions regarding item #19, proposed contract with Attorney John Dimich. The contract will be in effect for 5 years at a reduced rate from previous years.*

**ADJOURN**

*There being no further business, the meeting adjourned 4:57 PM.*

Respectfully submitted: Kimberly Gibeau, City Clerk

*Kimberly Gibeau*



# CITY OF GRAND RAPIDS

## Minutes - Final - Draft City Council

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Monday, January 12, 2015

5:00 PM

City Hall Council Chambers

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**5:00 PM CALL TO ORDER: Pursuant to due notice and call thereof a Regular Meeting of the Grand Rapids City Council was held on Monday, January 12, 2015 at 5:00 p.m. in Council Chambers, 420 North Pokegama Avenue, Grand Rapids, Minnesota.**

### CALL OF ROLL

**Present** 5 - Councilor Dale Christy  
Councilor Ed Zabinski  
Mayor Dale Adams  
Councilor Bill Zeige  
Councilor Jon Toivonen

### Others present:

*Tom Pagel, Chad Sterle, Lynn DeGrio, Rob Mattei, Scott Thompson, Barb Baird, Eric Trast, Julie Kennedy, Steve Schaar, Jeff Davies*

### MEETING PROTOCOL POLICY

**5:01 PM ORGANIZATIONAL MEETING**

**A.** Consider appointing the following financial institutions as depository designations for 2015: American Bank, Deerwood Bank, Grand Rapids State Bank, Grand Rapids State Investments, Morgan Stanley, U.S. Bank, and Wells Fargo Bank Minnesota.

**A motion was made by Councilor Dale Christy, seconded by Councilor Ed Zabinski, to appoint specified financial institutions as depository designations for 2015. The motion PASSED by unanimous vote.**

**B.** Designation of Official Newspaper

**A motion was made by Councilor Ed Zabinski, seconded by Councilor Bill Zeige, to designate the Herald Review as the official newspaper for the City of Grand Rapids. The motion PASSED by unanimous vote.**

**C.** Designate Mayor Pro-Tem

**A motion was made by Councilor Dale Christy, seconded by Councilor Jon Toivonen, to appoint Councilor Ed Zabinski as Mayor Pro-Tem for 2015. The motion PASSED by unanimous vote.**



D. 2015 Calendar

**A motion was made by Councilor Ed Zabinski, seconded by Councilor Bill Zeige, to approve the official City meeting calendar as presented. The motion PASSED by unanimous vote.**

E. Appoint Council representatives to Boards & Commissions.

**A motion was made by Councilor Dale Christy, seconded by Councilor Ed Zabinski, to appoint Council representatives to City Boards & Commissions as follows:**

**Public Utilities Commission - Councilor Zabinski  
GREDA & Cable Commission - Councilor Christy  
GREDA & Park, Rec & Civic Center - Councilor Toivonen  
HRA & Airport Advisory Board - Councilor Zeige  
The motion PASSED by unanimous vote.**

F. Appointment of Special Council Representatives to selected agencies.

**A motion was made by Councilor Ed Zabinski, seconded by Councilor Bill Zeige, to appoint Council representatives to selected agencies as follows:  
WMMPB & Joint Powers Gas Board - Councilor Zabinski  
City/County Co-op Committee - Councilor Christy  
Coalition of Greater MN Cities - Councilor Toivonen  
WMMPB & League of MN Cities - Councilor Zeige  
Fire Relief Assoc., Joint Powers Gas Board, City/County Co-op Committee & Arrowhead Regional Dev. Corp. - Mayor Adams  
The motion PASSED by unanimous vote.**

G. Adopt Council By-Laws

**A motion was made by Councilor Bill Zeige, seconded by Councilor Dale Christy, to adopt the Council By-Laws as presented. The motion PASSED by unanimous vote.**

**5:15 PUBLIC FORUM  
PM**

*None.*

**5:20 COUNCIL REPORTS  
PM**

*Mayor Adams remembers former Mayor John Craig who passed away on January 10, 2015.*

*Councilor Zabinski provides review of RAMS and WMMPB in 2014.*

**5:25 APPROVAL OF MINUTES  
PM**

Approve Council minutes for Monday, December 15, 2014 worksession and regular meetings.

**A motion was made by Councilor Dale Christy, seconded by Councilor Ed Zabinski, to approve Council minutes as presented. The motion PASSED by unanimous vote.**

**5:26 CONSENT AGENDA  
PM**

1. Consider allowing the fire department to adopt changes to operating guidelines.  
**Approved by consent roll call**
  
2. Adopt a resolution accepting the donation of Four Digital Voice Recorders from Support Within Reach  
**Adopted Resolution 15-01 by consent roll call**
  
3. Authorize the Police Department to apply for a child safety car seat grant  
**Approved by consent roll call**
  
4. Adopt a resolution to allow the Police Department to accept a donation totaling \$25.00 to be used for the Public Safety Education Fund.  
**Adopted Resolution 15-02 by consent roll call**
  
5. Consider adopting a resolution approving closing Special Assessment Improvement Bond 2005A and transferring the remaining balance of approximately \$115,234 to the General Obligation Refunding Bonds 2013A as of December 31, 2014.  
**Adopted Resolution 15-03 by consent roll call**
  
6. GRSB Land Donation Resolution  
**Adopted Resolution 15-04 consent roll call**
  
7. Amendments to Fire Department job descriptions  
**Approved by consent roll call**
  
8. Wage adjustments for part-time employees at the IRA Civic Center effective January 4, 2015.  
**Approved by consent roll call**
  
9. Consider approving a Supplemental Letter Agreement (SLA) with SEH for \$3000 to complete the FAA closeout report for the 2011 federal grant related to improvements made to the airport.

**Approved by consent roll call****Approval of the Consent Agenda**

**A motion was made by Councilor Zabinski, seconded by Councilor Zeige, to approve the Consent agenda as presented. The motion carried by the following vote**

**Aye** 5 - Councilor Dale Christy  
Councilor Ed Zabinski  
Mayor Dale Adams  
Councilor Bill Zeige  
Councilor Jon Toivonen

**5:30 SETTING OF REGULAR AGENDA  
PM**

**A motion was made by Councilor Dale Christy, seconded by Councilor Ed Zabinski, to approve the Regular agenda as presented. The motion PASSED by unanimous vote.**

**ACKNOWLEDGE BOARDS & COMMISSIONS**

10. Acknowledge the attached minutes for Boards & Commissions.

*Golf Board Minutes: November 18, 2014, December 16, 2014*

*Human Rights Minutes: November 25, 2014*

*Arts & Culture Minutes: December 2, 2014*

*PUC Minutes: November 5, 2014, November 24, 2014*

*HRA Minutes: August 20, 2014, October 15, 2014, September 17, 2014, November 19, 2014*

**5:31 DEPARTMENT HEAD REPORT  
PM**

11. Administration & Human Resources Department Head Report ~ Lynn DeGrio

*Human Resources Director, Lynn DeGrio reviews for the Council:*

*~ Staff and overall responsibilities*

*~ Staff changes within the City, including new hires and retirements*

*~ 2014 Accomplishments*

*~ Looking ahead at plans for 2015 including collaboration & communication improvements.*

**Received and Filed**

**5:40 COMMUNITY DEVELOPMENT  
PM**

12. Consider approval of the Municipal Delegation Agreement with Minnesota Dept. of Labor and Industry (DOLI).

*Mr. Mattei provides background information. The delegation was previously*

*rescinded due to decrease of staff level. Following the promotion of Travis Cole to the position of Building Official and hiring Nate Morlan as inspector, recent audit has resulted in the return of that delegation.*

**A motion was made by Councilor Dale Christy, seconded by Councilor Bill Zeige, to approve Municipal Delegation Agreement with DOLI. The motion PASSED by unanimous vote.**

13. Consider approval of an escrow agreement with Hawkinson Construction Company regarding the initiation of, and payment for costs associated with, the development of an Environmental Assessment Worksheet (EAW) for the mining of nonmetallic aggregate materials within the City of Grand Rapids.

*Mr. Mattei discusses correspondence received from Hawkinson Construction and review of proposed agreement and EAW for mining.*

**A motion was made by Councilor Christy, seconded by Councilor Zabinski, to approve, as presented, escrow agreement and payment for costs for EAW for Hawkinson Construction Company. The motion carried by the following vote.**

**Aye** 5 - Councilor Dale Christy  
Councilor Ed Zabinski  
Mayor Dale Adams  
Councilor Bill Zeige  
Councilor Jon Toivonen

14. Consider authorizing the Community Development Department's issuance of a Request for Proposal (RFP) seeking professional services in connection with the management of the environmental review process and preparation of an EAW for the for the mining of nonmetallic aggregate materials within the City of Grand Rapids, as required by State environmental review procedures, Rule 4410.4300 subpart 12.b.

*Mr. Mattei explains process for seeking consultant to assist with the described project. Cost for EAW and related expenses is covered by the escrow account, funded by petitioner.*

**A motion was made by Councilor Zabinski, seconded by Councilor Zeige, to authorize issuance of RFP related to EAW for mining as presented. The motion carried by the following vote.**

**Aye** 5 - Councilor Dale Christy  
Councilor Ed Zabinski  
Mayor Dale Adams  
Councilor Bill Zeige  
Councilor Jon Toivonen

**5:55 FINANCE DEPARTMENT  
PM**

15. Consider approving computer software service agreements for 2015 with Harris Computer Systems for \$20,325.91.

*Finance Director Baird reviews services covered by proposed contract.*

**A motion was made by Councilor Zabinski, seconded by Councilor Toivonen, to approve agreement with Harris Computer Systems as presented. The motion carried by the following vote.**



**Aye** 5 - Councilor Dale Christy  
Councilor Ed Zabinski  
Mayor Dale Adams  
Councilor Bill Zeige  
Councilor Jon Toivonen

**6:00 ADMINISTRATION DEPARTMENT  
PM**

16. Retirement of Fire Chief A.J. Morse.

*Ms. DeGrio presents retirement notice of Fire Chief Morse from the Grand Rapids Fire Department. Staff is also requesting authorization to begin the process of filling the vacancy as soon as possible.*

**A motion was made by Councilor Dale Christy, seconded by Councilor Bill Zeige, to accept the notice of retirement from Fire Chief AJ Morse, with appreciation, and authorize staff to begin the process of filling the position and any subsequent positions vacated as a result of internal promotions. The motion PASSED by unanimous vote.**

17. Appointment of Will Richter to Firefighter position and Lance Kuschel to Firefighter Trainee position.

*Ms. DeGrio states that Will Richter has met the requirements to move forward as a firefighter and vacating the firefighter trainee position. Lance Kuschel is on the eligibility list and staff is recommending he move into the position of trainee.*

**A motion was made by Councilor Bill Zeige, seconded by Councilor Jon Toivonen, to appoint Will Richter as Firefighter and Lance Kuschel as Firefighter Trainee. The motion PASSED by unanimous vote.**

18. Authorization to begin the process of filling the Facilities Maintenance Manager position.

*Ms. DeGrio reviews the phased out retirement option that Mr. Edminster is currently utilizing. Beginning the process of filling this position will allow for an over-lapping of employment to provide proper training with current staff.*

**A motion was made by Councilor Dale Christy, seconded by Councilor Ed Zabinski, authorizing staff to begin the process of filling the Facilities Maintenance Manager position as requested. The motion PASSED by unanimous vote.**

19. An agreement with John Dimich to provide criminal prosecution.

*The City must retain an independent attorney for criminal prosecution in City matters. The proposed contract allows for five years at a reduced rate from previous years.*

**A motion was made by Councilor Christy, seconded by Councilor Toivonen, to approve the contract with John Dimich for criminal prosecution services. The motion carried by the following vote.**

**Aye** 5 - Councilor Dale Christy  
Councilor Ed Zabinski  
Mayor Dale Adams  
Councilor Bill Zeige  
Councilor Jon Toivonen

20. An amendment to Chapter 70-34 of the Grand Rapids City Code modifying terms of the Public Utilities Commission

*Administrator Pagel discusses background regarding increasing terms from three years to four years per Commission members. This will hopefully stagger appointments to have one expiration per appointment year. Recommendation is to extend the current three year term of Steve Welliver to expire March 1, 2018 and allowing the other terms to expire as is, appointing subsequent terms as four years.*

**A motion was made by Councilor Zabinski, seconded by Councilor Toivonen, to adopt City Ordinance 15-01-01, amending Chapter 70-24 of the City Code and authorize publication in summary form and extend the current term of Steve Welliver by one year, to expire in March 2018. The motion carried by the following vote.**

**Aye** 5 - Councilor Dale Christy  
Councilor Ed Zabinski  
Mayor Dale Adams  
Councilor Bill Zeige  
Councilor Jon Toivonen

**6:25 VERIFIED CLAIMS  
PM**

21. Consider approving the verified claims for the period December 19, 2014 to January 5, 2015 in the total amount of \$524,354.60.

**A motion was made by Councilor Christy, seconded by Councilor Toivonen, to approve the Verified Claims as presented. The motion carried by the following vote.**

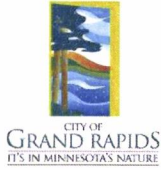
**Aye** 5 - Councilor Dale Christy  
Councilor Ed Zabinski  
Mayor Dale Adams  
Councilor Bill Zeige  
Councilor Jon Toivonen

**6:35 ADJOURNMENT  
PM**

**A motion was made by Councilor Ed Zabinski, seconded by Councilor Jon Toivonen, to adjourn the meeting at 6:15 PM. The motion PASSED by unanimous vote.**

Respectfully submitted: Kimberly Gibeau, City Clerk

*Kimberly Gibeau*



# CITY OF GRAND RAPIDS

## Legislation Details (With Text)

**File #:** 15-1057      **Version:** 1      **Name:** Temporary Liquor for First Fridays  
**Type:** Agenda Item      **Status:** Consent Agenda  
**File created:** 1/15/2015      **In control:** City Council  
**On agenda:** 1/26/2015      **Final action:**  
**Title:** Approve temporary liquor licenses for MacRostie Art Center First Friday Art Walk events on February 6, March 6, April 3, May 1, & June 5, 2015.

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** [MacRostie - Liquor Applications](#)

Date	Ver.	Action By	Action	Result
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Approve temporary liquor licenses for MacRostie Art Center First Friday Art Walk events on February 6, March 6, April 3, May 1, & June 5, 2015.

**Background Information:**

MacRostie Art Center is a non-profit organization requesting temporary liquor licenses for the First Friday art walk events held in Grand Rapids each month. The attached applications cover temporary licenses for February through June, 2015. All insurance requirements have been met.

**Staff Recommendation:**

Approve temporary liquor licenses for MacRostie Art Center.

**Requested City Council Action**

Approve temporary liquor licenses for MacRostie Art Center First Friday Art Walk events on February 6, March 6, April 3, May 1, & June 5, 2015.





Minnesota Department of Public Safety  
Alcohol and Gambling Enforcement Division  
444 Cedar Street, Suite 222, St. Paul, MN 55101  
651-201-7500 Fax 651-297-5259 TTY 651-282-6555

**APPLICATION AND PERMIT FOR A 1 DAY  
TO 4 DAY TEMPORARY ON-SALE LIQUOR LICENSE**

Name of organization		Date organized	Tax exempt number	
MacRostie Art Center		Jan 1, 1970	23-7105948	
Address		City	State	Zip Code
405 NW 1st Avenue		Grand Rapids	Minnesota	55744
Name of person making application		Business phone	Home phone	
Katie Marshall		218-326-2697	218=326-2046	
Date(s) of event	Type of organization			
Friday, February 6, 2015	<input type="checkbox"/> Club <input type="checkbox"/> Charitable <input type="checkbox"/> Religious <input checked="" type="checkbox"/> Other non-profit			
Organization officer's name		City	State	Zip
<input checked="" type="checkbox"/> Steven Loney	Grand Rapids	Minnesota	55744	
<input checked="" type="checkbox"/> Amanda Lamppa	Grand Rapids	Minnesota	55744	
<input checked="" type="checkbox"/> Carmen Haugen	Grand Rapids	Minnesota	55744	
<input checked="" type="checkbox"/> Katie Tierney	Grand Rapids	Minnesota	55744	
<input type="button" value="Add New Officer"/>				

Location where permit will be used. If an outdoor area, describe.  
MacRostie Art Center, 405 NW 1st Avenue, Grand Rapids, MN 55744

If the applicant will contract for intoxicating liquor service give the name and address of the liquor license providing the service.  
N/A

If the applicant will carry liquor liability insurance please provide the carrier's name and amount of coverage.  
The Hartford - \$1,000,000

**APPROVAL**

APPLICATION MUST BE APPROVED BY CITY OR COUNTY BEFORE SUBMITTING TO ALCOHOL AND GAMBLING ENFORCEMENT

_____	_____
City/County	Date Approved
_____	_____
City Fee Amount	Permit Date
_____	
Date Fee Paid	

\_\_\_\_\_  
Signature City Clerk or County Official

\_\_\_\_\_  
Approved Director Alcohol and Gambling Enforcement

NOTE: Submit this form to the city or county 30 days prior to event. Forward application signed by city and/or county to the address above. If the application is approved the Alcohol and Gambling Enforcement Division will return this application to be used as the permit for the event.





Minnesota Department of Public Safety  
 Alcohol and Gambling Enforcement Division  
 444 Cedar Street, Suite 222, St. Paul, MN 55101  
 651-201-7500 Fax 651-297-5259 TTY 651-282-6555  
**APPLICATION AND PERMIT FOR A 1 DAY  
 TO 4 DAY TEMPORARY ON-SALE LIQUOR LICENSE**

Name of organization	Date organized	Tax exempt number	
MacRostie Art Center	Jan 1, 1970	23-7105948	
Address	City	State	Zip Code
405 NW 1st Avenue	Grand Rapids	Minnesota	55744
Name of person making application	Business phone	Home phone	
Katie Marshall	218-326-2697	218=326-2046	
Date(s) of event	Type of organization		
Friday, March 6, 2015	<input type="checkbox"/> Club <input type="checkbox"/> Charitable <input type="checkbox"/> Religious <input checked="" type="checkbox"/> Other non-profit		

Organization officer's name		City	State	Zip
<input checked="" type="checkbox"/>	Steven Loney	Grand Rapids	Minnesota	55744
<input checked="" type="checkbox"/>	Amanda Lamppa	Grand Rapids	Minnesota	55744
<input checked="" type="checkbox"/>	Carmen Haugen	Grand Rapids	Minnesota	55744
<input checked="" type="checkbox"/>	Katie Tierney	Grand Rapids	Minnesota	55744
<input type="button" value="Add New Officer"/>				

Location where permit will be used. If an outdoor area, describe.  
 MacRostie Art Center, 405 NW 1st Avenue, Grand Rapids, MN 55744

If the applicant will contract for intoxicating liquor service give the name and address of the liquor license providing the service.  
 N/A

If the applicant will carry liquor liability insurance please provide the carrier's name and amount of coverage.  
 The Hartford - \$1,000,000

**APPROVAL**

APPLICATION MUST BE APPROVED BY CITY OR COUNTY BEFORE SUBMITTING TO ALCOHOL AND GAMBLING ENFORCEMENT

City/County	Date Approved
City Fee Amount	Permit Date
Date Fee Paid	

Signature City Clerk or County Official

Approved Director Alcohol and Gambling Enforcement

NOTE: Submit this form to the city or county 30 days prior to event. Forward application signed by city and/or county to the address above. If the application is approved the Alcohol and Gambling Enforcement Division will return this application to be used as the permit for the event.



Minnesota Department of Public Safety  
 Alcohol and Gambling Enforcement Division  
 444 Cedar Street, Suite 222, St. Paul, MN 55101  
 651-201-7500 Fax 651-297-5259 TTY 651-282-6555  
**APPLICATION AND PERMIT FOR A 1 DAY  
 TO 4 DAY TEMPORARY ON-SALE LIQUOR LICENSE**

Name of organization	Date organized	Tax exempt number
MacRostie Art Center	Jan 1, 1970	23-7105948

Address	City	State	Zip Code
405 NW 1st Avenue	Grand Rapids	Minnesota	55744

Name of person making application	Business phone	Home phone
Katie Marshall	218-326-2697	218=326-2046

Date(s) of event	Type of organization
Friday, April 3, 2015	<input type="checkbox"/> Club <input type="checkbox"/> Charitable <input type="checkbox"/> Religious <input checked="" type="checkbox"/> Other non-profit

	Organization officer's name	City	State	Zip
X	Steven Loney	Grand Rapids	Minnesota	55744
X	Amanda Lamppa	Grand Rapids	Minnesota	55744
X	Carmen Haugen	Grand Rapids	Minnesota	55744
X	Katie Tierney	Grand Rapids	Minnesota	55744

Location where permit will be used. If an outdoor area, describe.  
 MacRostie Art Center, 405 NW 1st Avenue, Grand Rapids, MN 55744

If the applicant will contract for intoxicating liquor service give the name and address of the liquor license providing the service.  
 N/A

If the applicant will carry liquor liability insurance please provide the carrier's name and amount of coverage.  
 The Hartford - \$1,000,000

**APPROVAL**

APPLICATION MUST BE APPROVED BY CITY OR COUNTY BEFORE SUBMITTING TO ALCOHOL AND GAMBLING ENFORCEMENT

City/County	Date Approved
City Fee Amount	Permit Date
Date Fee Paid	

\_\_\_\_\_  
 Signature City Clerk or County Official

\_\_\_\_\_  
 Approved Director Alcohol and Gambling Enforcement

NOTE: Submit this form to the city or county 30 days prior to event. Forward application signed by city and/or county to the address above. If the application is approved the Alcohol and Gambling Enforcement Division will return this application to be used as the permit for the event.



Minnesota Department of Public Safety  
 Alcohol and Gambling Enforcement Division  
 444 Cedar Street, Suite 222, St. Paul, MN 55101  
 651-201-7500 Fax 651-297-5259 TTY 651-282-6555  
**APPLICATION AND PERMIT FOR A 1 DAY  
 TO 4 DAY TEMPORARY ON-SALE LIQUOR LICENSE**

Name of organization MacRostie Art Center		Date organized Jan 1, 1970	Tax exempt number 23-7105948
Address 405 NW 1st Avenue		City Grand Rapids	State Minnesota
		Zip Code 55744	
Name of person making application Katie Marshall		Business phone 218-326-2697	Home phone 218=326-2046
Date(s) of event Friday, May 1, 2015		Type of organization <input type="checkbox"/> Club <input type="checkbox"/> Charitable <input type="checkbox"/> Religious <input checked="" type="checkbox"/> Other non-profit	

	Organization officer's name	City	State	Zip
X	Steven Loney	Grand Rapids	Minnesota	55744
X	Amanda Lamppa	Grand Rapids	Minnesota	55744
X	Carmen Haugen	Grand Rapids	Minnesota	55744
X	Katie Tierney	Grand Rapids	Minnesota	55744
Add New Officer				

Location where permit will be used. If an outdoor area, describe.  
 MacRostie Art Center, 405 NW 1st Avenue, Grand Rapids, MN 55744

If the applicant will contract for intoxicating liquor service give the name and address of the liquor license providing the service.  
 N/A

If the applicant will carry liquor liability insurance please provide the carrier's name and amount of coverage.  
 The Hartford - \$1,000,000

**APPROVAL**

APPLICATION MUST BE APPROVED BY CITY OR COUNTY BEFORE SUBMITTING TO ALCOHOL AND GAMBLING ENFORCEMENT

City/County	Date Approved
City Fee Amount	Permit Date
Date Fee Paid	

Signature City Clerk or County Official

Approved Director Alcohol and Gambling Enforcement

NOTE: Submit this form to the city or county 30 days prior to event. Forward application signed by city and/or county to the address above. If the application is approved the Alcohol and Gambling Enforcement Division will return this application to be used as the permit for the event.





Minnesota Department of Public Safety  
 Alcohol and Gambling Enforcement Division  
 444 Cedar Street, Suite 222, St. Paul, MN 55101  
 651-201-7500 Fax 651-297-5259 TTY 651-282-6555

**APPLICATION AND PERMIT FOR A 1 DAY  
 TO 4 DAY TEMPORARY ON-SALE LIQUOR LICENSE**

Name of organization	Date organized	Tax exempt number
MacRostie Art Center	Jan 1, 1970	23-7105948

Address	City	State	Zip Code
405 NW 1st Avenue	Grand Rapids	Minnesota	55744

Name of person making application	Business phone	Home phone
Katie Marshall	218-326-2697	218=326-2046

Date(s) of event	Type of organization
Friday, June 5, 2015	<input type="checkbox"/> Club <input type="checkbox"/> Charitable <input type="checkbox"/> Religious <input checked="" type="checkbox"/> Other non-profit

	Organization officer's name	City	State	Zip
X	Steven Loney	Grand Rapids	Minnesota	55744
X	Amanda Lamppa	Grand Rapids	Minnesota	55744
X	Carmen Haugen	Grand Rapids	Minnesota	55744
X	Katie Tierney	Grand Rapids	Minnesota	55744

Add New Officer

Location where permit will be used. If an outdoor area, describe.  
 MacRostie Art Center, 405 NW 1st Avenue, Grand Rapids, MN 55744

If the applicant will contract for intoxicating liquor service give the name and address of the liquor license providing the service.  
 N/A

If the applicant will carry liquor liability insurance please provide the carrier's name and amount of coverage.  
 The Hartford - \$1,000,000

**APPROVAL**

APPLICATION MUST BE APPROVED BY CITY OR COUNTY BEFORE SUBMITTING TO ALCOHOL AND GAMBLING ENFORCEMENT

City/County	Date Approved
City Fee Amount	Permit Date
Date Fee Paid	

Signature City Clerk or County Official \_\_\_\_\_ Approved Director Alcohol and Gambling Enforcement \_\_\_\_\_

NOTE: Submit this form to the city or county 30 days prior to event. Forward application signed by city and/or county to the address above. If the application is approved the Alcohol and Gambling Enforcement Division will return this application to be used as the permit for the event.



21 This **Spectrum Policy** consists of the Declarations, Coverage Forms, Common Policy Conditions and any  
32 other Forms and Endorsements issued to be a part of the Policy. This insurance is provided by the stock  
TN insurance company of The Hartford Insurance Group shown below.  
SBA

**INSURER:** SENTINEL INSURANCE COMPANY, LIMITED  
ONE HARTFORD PLAZA, HARTFORD, CT 06155  
COMPANY CODE: A



**Policy Number:** 41 SBA TN3221 SA

**SPECTRUM POLICY DECLARATIONS** ORIGINAL

**Named Insured and Mailing Address:** MACROSTIE ART CENTER  
(No., Street, Town, State, Zip Code)  
405 NW 1ST AVENUE  
GRAND RAPIDS MN 55744

**Policy Period:** From 07/01/13 To 07/01/14 1 YEAR  
12:01 a.m., Standard time at your mailing address shown above. **Exception:** 12 noon in New Hampshire.

**Name of Agent/Broker:** GREATER INS SVC OF NORTHEASTERN MN  
**Code:** 715617

**Previous Policy Number:** NEW

**Named Insured is:** NON PROFIT

**Audit Period:** NON-AUDITABLE

**Type of Property Coverage:** SPECIAL

**Insurance Provided:** In return for the payment of the premium and subject to all of the terms of this policy, we agree with you to provide insurance as stated in this policy.

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**TOTAL ANNUAL PREMIUM IS:** \$2,043

**MN FIRE SAFETY SURCH:** \$ 9.00

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Countersigned by

*Kathleen Gregerson*  
Authorized Representative

Date

Form SS 00 02 12 06  
Process Date: 07/18/13

Page 001 (CONTINUED ON NEXT PAGE)  
Policy Expiration Date: 07/01/14

INSURED COPY

03247  
\*2500241TN32210101



**SPECTRUM POLICY DECLARATIONS (Continued)**

POLICY NUMBER: 41 SBA TN3221

Location(s), Building(s), Business of Named Insured and Schedule of Coverages for Premises as designated by Number below.

Location: 001      Building: 001

405 NW 1ST AVENUE  
GRAND RAPIDS      MN 55744

Description of Business:  
Art Dealers or Galleries w/ Sale of Art

Deductible: \$ 5,000 PER OCCURRENCE

**BUILDING AND BUSINESS PERSONAL PROPERTY LIMITS OF INSURANCE**

**BUILDING**

REPLACEMENT COST      \$ 1,000,000

**BUSINESS PERSONAL PROPERTY**

REPLACEMENT COST      \$ 36,100

**PERSONAL PROPERTY OF OTHERS**

REPLACEMENT COST      NO COVERAGE

**MONEY AND SECURITIES**

INSIDE THE PREMISES      \$ 10,000  
OUTSIDE THE PREMISES      \$ 5,000

**SPECTRUM POLICY DECLARATIONS (Continued)**

**POLICY NUMBER: 41 SBA TN3221**

Location(s), Building(s), Business of Named Insured and Schedule of Coverages for Premises as designated by Number below.

**Location: 001            Building: 001**

**PROPERTY OPTIONAL COVERAGES APPLICABLE   LIMITS OF INSURANCE  
TO THIS LOCATION**

**SUPER STRETCH FOR BUSINESS SERVICES  
FORM: SS 40 05  
THIS FORM INCLUDES MANY ADDITIONAL  
COVERAGES AND EXTENSIONS OF  
COVERAGES. A SUMMARY OF THE  
COVERAGES LIMITS IS ATTACHED.**

**LIMITED FUNGI, BACTERIA OR VIRUS                          \$    50,000  
COVERAGES:  
FORM SS 40 93  
THIS IS THE MAXIMUM AMOUNT OF  
INSURANCE FOR THIS COVERAGE,  
SUBJECT TO ALL PROPERTY LIMITS  
FOUND ELSEWHERE ON THIS  
DECLARATION.  
INCLUDING BUSINESS INCOME AND EXTRA  
EXPENSE COVERAGE FOR:    30 DAYS**

\*2500241TN32210101 03248



**SPECTRUM POLICY DECLARATIONS (Continued)**

POLICY NUMBER: 41 SBA TN3221

**PROPERTY OPTIONAL COVERAGES APPLICABLE TO ALL LOCATIONS LIMITS OF INSURANCE**

**BUSINESS INCOME AND EXTRA EXPENSE  
COVERAGES  
COVERAGES INCLUDES THE FOLLOWING  
COVERAGES EXTENSIONS:**

12 MONTHS ACTUAL LOSS SUSTAINED

**ACTION OF CIVIL AUTHORITY:  
EXTENDED BUSINESS INCOME:**

30 DAYS  
30 CONSECUTIVE DAYS

**EQUIPMENT BREAKDOWN COVERAGES  
COVERAGES FOR DIRECT PHYSICAL LOSS  
DUE TO:  
MECHANICAL BREAKDOWN,  
ARTIFICIALLY GENERATED CURRENT  
AND STEAM EXPLOSION**

**THIS ADDITIONAL COVERAGES INCLUDES  
THE FOLLOWING EXTENSIONS**

**HAZARDOUS SUBSTANCES  
EXPEDITING EXPENSES**

\$ 50,000  
\$ 50,000

**MECHANICAL BREAKDOWN COVERAGES ONLY  
APPLIES WHEN BUILDING OR BUSINESS  
PERSONAL PROPERTY IS SELECTED ON  
THE POLICY**

**IDENTITY RECOVERY COVERAGES  
FORM SS 41 12**

\$ 15,000



**SPECTRUM POLICY DECLARATIONS (Continued)**

POLICY NUMBER: 41 SBA TN3221

BUSINESS LIABILITY	LIMITS OF INSURANCE
LIABILITY AND MEDICAL EXPENSES	\$1,000,000
MEDICAL EXPENSES - ANY ONE PERSON	\$ 10,000
PERSONAL AND ADVERTISING INJURY	\$1,000,000
DAMAGES TO PREMISES RENTED TO YOU ANY ONE PREMISES	\$1,000,000
AGGREGATE LIMITS	
PRODUCTS-COMPLETED OPERATIONS	\$2,000,000
GENERAL AGGREGATE	\$2,000,000

DESCRIPTION OF SPECIAL EVENT:  
ART EXHIBIT  
JULY

03249  
\*2500241TN32210101



**SPECTRUM POLICY DECLARATIONS (Continued)**

**POLICY NUMBER: 41 SBA TN3221**

**BUSINESS LIABILITY OPTIONAL COVERAGES                      LIMITS OF INSURANCE**  
**(Continued)**

**BUSINESS LIABILITY OPTIONAL  
COVERAGES**

**HIRED/NON-OWNED AUTO LIABILITY                      \$1,000,000**

**UMBRELLA LIABILITY - SEE  
SCHEDULE ATTACHED**

**CYBERFLEX COVERAGE  
FORM SS 40 26**

**SPECTRUM POLICY DECLARATIONS (Continued)**

POLICY NUMBER: 41 SBA TN3221

03250

\*2500241TN32210101



**Form Numbers of Forms and Endorsements that apply:**

SS 00 05 10 08	SS 00 07 07 05	SS 00 08 04 05	SS 84 32 09 07
SS 01 02 07 08	SS 04 15 07 05	SS 04 19 04 09	SS 04 22 07 05
SS 04 30 07 05	SS 04 38 09 09	SS 04 39 07 05	SS 04 41 04 09
SS 04 42 09 07	SS 04 44 07 05	SS 04 45 07 05	SS 04 47 04 09
SS 04 78 07 05	SS 04 80 03 00	SS 04 86 03 00	SS 40 05 09 07
SS 40 18 07 05	SS 40 23 03 00	SS 40 26 06 11	SS 40 93 07 05
SS 41 12 12 07	SS 41 51 10 09	SS 41 62 06 11	SS 41 63 06 11
IH 10 01 09 86	SS 05 47 09 01	SS 05 64 12 10	SS 05 66 03 00
SS 50 94 06 11	SS 50 19 03 12	IH 99 40 04 09	IH 99 41 04 09
SX 80 01 06 97	SS 04 46 10 08	SS 38 25 12 07	SS 83 76 03 12



CITY OF  
GRAND RAPIDS  
IT'S IN MINNESOTA'S NATURE

# CITY OF GRAND RAPIDS

## Legislation Details (With Text)

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**File #:** 15-1064      **Version:** 1      **Name:** Planning Commission Resignation  
**Type:** Agenda Item      **Status:** Consent Agenda  
**File created:** 1/20/2015      **In control:** City Council  
**On agenda:** 1/26/2015      **Final action:**  
**Title:** Accept the resignation of Michael Twite from the Grand Rapids Planning Commission.

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** [Mike Twite - Planning Commission Resignation](#)

Date	Ver.	Action By	Action	Result
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Accept the resignation of Michael Twite from the Grand Rapids Planning Commission.

**Background Information:**

Michael Twite has served on the Grand Rapids Planning Commission since January 2007, when he came on board to fill and unexpired term. Mr. Twite has submitted his resignation effective immediately, with appreciation.

**Staff Recommendation:**

Accept resignation and authorize filling unexpired term for vacated position.

**Requested City Council Action**

Accept the resignation of Michael Twite from the Grand Rapids Planning Commission and authorize filling position.



Eric;

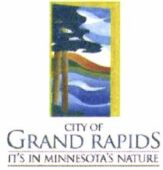
Please accept this email as my formal resignation from the City of Grand Rapids Planning Commission. I learned a great deal in my time with this group, it has been an excellent experience for many years.

Best Regards,

Michael Twite  
Environmental, Land & Government Affairs Manager  
Magnetation, Inc.

Office: (218) 999-5165 ext. 110

Mobile: (218) 259-3795



# CITY OF GRAND RAPIDS

## Legislation Details (With Text)

**File #:** 15-1065      **Version:** 1      **Name:** Adopt a resolution to allow the Police Department to accept a donation totaling \$300.00 to be used towards the purchase of a K-9 behavior shaping device kit

**Type:** Agenda Item      **Status:** Consent Agenda

**File created:** 1/20/2015      **In control:** City Council

**On agenda:** 1/26/2015      **Final action:**

**Title:** Adopt a resolution to allow the Police Department to accept a donation from Hawkinson Construction totaling \$300.00 to be used towards the purchase of a K-9 behavior shaping device kit.

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** [4503\\_001.pdf](#)

Date	Ver.	Action By	Action	Result
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Adopt a resolution to allow the Police Department to accept a donation from Hawkinson Construction totaling \$300.00 to be used towards the purchase of a K-9 behavior shaping device kit.

### **Background Information:**

The Grand Rapids Police Department has received a donation in the following amount of \$300.00 from Hawkinson Construction Co., Inc. This donation will be used towards the purchase of a K-9 behavior shaping device kit, which allows our new K-9 team to better train in the detection of narcotics.

Our K-9 team has to train weekly in the search and detection of narcotics to be a fully functional K-9 team. With this purchase, it will help allow our K-9 team to meet the requirements that they must maintain not only on a monthly basis but throughout the year.

### **Staff Recommendation:**

It is the recommendation of the Police Department that the City Council please consider adopting a resolution to allow the Police Department to accept a donation of \$300.00 to be used towards the purchase of a K-9 behavior shaping device kit.

### **Requested City Council Action**

Please consider adopting a resolution to allow the Police Department to accept a donation from Hawkinson Construction totaling \$300.00 to be used towards the purchase of a K-9 behavior shaping device kit.



**HAWKINSON CONSTRUCTION CO., INC.**

P.O. BOX 278 PH. 218-326-0309  
GRAND RAPIDS, MN 55744-0278  
AN EQUAL OPPORTUNITY EMPLOYER

Wells Fargo Bank, N.A.  
Grand Rapids  
Grand Rapids, MN 55744  
17-1-910


55714

PAY three hundred dollars and zero cents

DATE 01/06/14 CHECK NO. 55714 CHECK AMOUNT \$300.00

TO THE ORDER OF

GRAND RAPIDS POLICE DEPT.  
CITY HALL  
420 POKEGAMA AVENUE NO.  
GRAND RAPIDS, MN 55744-2658

  
AUTHORIZED SIGNATURE

⑈055714⑈ ⑆091000019⑆2220023085⑈

FD Security Features. Details on back.

VENDOR NO.

VENDOR NAME

55714

GRA08

GRAND RAPIDS POLICE DEPT.

TRANSACTION DATE	REFERENCE	GROSS AMOUNT	DEDUCTION	NET AMOUNT
01/06/15	010614	DONATION-K9 UNIT (RADAR)		\$300.00

CHECK DATE	CHECK NO.	TOTAL GROSS	TOTAL DEDUCTIONS	CHECK AMOUNT
01/06/14				\$300.00





# CITY OF GRAND RAPIDS

## Legislation Details (With Text)

**File #:** 15-1070      **Version:** 1      **Name:** CP 2017-1 Resolution Ordering Feasibility Report  
**Type:** Agenda Item      **Status:** Consent Agenda  
**File created:** 1/20/2015      **In control:** City Council  
**On agenda:** 1/26/2015      **Final action:**  
**Title:** Consider adopting a resolution ordering the Feasibility Report for CP 2017-1, 5th St N Roadway and Stormwater Improvements project.

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** [1-26-15 Resolution CP 2017-1 Order Feasibility.pdf](#)  
[1-26-15 Attachment CP 2017-1 2015-2018 STIP Excerpt.pdf](#)

Date	Ver.	Action By	Action	Result
------	------	-----------	--------	--------

Consider adopting a resolution ordering the Feasibility Report for CP 2017-1, 5th St N Roadway and Stormwater Improvements project.

**Background Information:**

Attached is a resolution ordering a Feasibility Report for CP 2017-1, 5th St N Roadway and Stormwater Improvements Project. This project is on the City's Capital Improvement Plan for 2016 since \$500,000 of federal funding has been secured for this project for that year (see attached STIP excerpt). Because of the federal funding, it is necessary to complete a Project Memorandum (PM) that address the environmental, social, and economic impacts of the proposed project. The PM takes several months and needs to started now so as to not delay the project.

**Staff Recommendation:**

Consider adopting a resolution ordering the Feasibility Report for CP 2017-1, 5th St N Roadway and Stormwater Improvements project.

**Requested City Council Action**

Consider adopting a resolution ordering the Feasibility Report for CP 2017-1, 5th St N Roadway and Stormwater Improvements project.

Council member \_\_\_\_\_ introduced the following resolution and moved for its adoption:

RESOLUTION 15 - \_\_

**Resolution Ordering Preparation of Report on Improvement  
5<sup>th</sup> Street North Roadway and Stormwater Improvements  
Project 2017-1**

WHEREAS, it is proposed to improve 5<sup>th</sup> Street North from 17<sup>th</sup> Avenue NW to 6<sup>th</sup> Avenue NE by reconstructing streets, storm sewer, street lights, sidewalks, and associated appurtenances in the limits described above, and to assess the benefited property for all or a portion of the cost of the improvement, pursuant to Minnesota Statutes, Chapter 429.

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

That the proposed improvement be referred to Julie Kennedy, P.E., City Engineer, for study and that she is instructed to report to the council with all convenient speed advising the council in a preliminary way as to whether the proposed improvement is necessary, cost-effective, and feasible and as to whether it should best be made as proposed or in connection with some other improvement, and the estimated cost of the improvement as recommended.

Adopted by the council this 26<sup>th</sup> day of January, 2015.

\_\_\_\_\_  
Dale Adams, Mayor

\_\_\_\_\_  
Kim Johnson-Gibeau, City Clerk

Council member \_\_\_\_\_ seconded the foregoing resolution and the following voted in favor thereof:

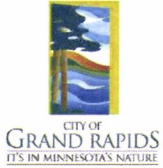
; and the following voted against same:

FY 2015 - FY 2018 STIP

ATP-1

SEQ #	ROUTE SYSTEM	PROJECT NUMBER	YEAR	AGENCY	PROJECT DESCRIPTION	MILES	PROGRAM	TYPE OF WORK	PROPOSED FUNDS	TOTAL	FHWA	AC	FTA	TH	BOND	OTHER
98	MSAS 103	202-103-009	2016	HERMANTOWN	MSAS 103, STEBNER ROAD BETWEEN MAPLE GROVE ROAD AND TH 53, RECONSTRUCTION	1.4	RC	GRADE AND SURFACE	STP	2,500,000	1,600,000	-	-	-	-	900,000
99	MSAS 112	129-112-010	2016	GRAND RAPIDS	MSAS 112, 5TH STREET NORTH FROM 6TH AVENUE NE TO 17TH AVE NW, MILL & OVERLAY	1.7	RS	MILL AND OVERLAY	STP	1,350,000	500,000	-	-	-	-	850,000
100	PED/BIKE	031-591-004	2016	ITASCA COUNTY	**SRTS** INFRA. DEER RIVER SRTS PROJECT, CE AND CONSTRUCTION OF SIDEWALKS AND ROUTE IMPROVEMENTS FOR KING ELEMENTARY AND DEER RIVER HIGH SCHOOL	-	BT	PED/BIKE IMPROVEMENT	TAP	236,950	189,560	-	-	-	-	47,390
101	PED/BIKE	038-591-002	2016	LAKE COUNTY	**SRTS** INFRA. CE AND CONSTRUCTION AT VARIOUS CROSSING LOCATIONS IN TWO HARBORS AND SILVER BAY	-	BT	PED/BIKE IMPROVEMENT	TAP	178,500	142,800	-	-	-	-	35,700
102	PED/BIKE	112-591-001	2016	CLOQUET	**SRTS** INFRA. CLOQUET, CONSTRUCTION OF SIDEWALK IN THE VICINITY OF CHURCHILL ELEMENTARY, CLOQUET MIDDLE, AND WASHINGTON ELEMENTARY SCHOOLS	-	BT	PED/BIKE IMPROVEMENT	TAP	141,755	113,404	-	-	-	-	28,351
103	PED/BIKE	031-060-005	2016	ITASCA COUNTY	**SB** BIGFORK RIVERWALK TRAIL CONSTRUCT 2.3 MI. OF TRAIL, HIGHLIGHT BIG FORK AND RICE RIVERS	-	EN	PED/BIKE IMPROVEMENT	TAP	119,375	95,500	-	-	-	-	23,875
104	PED/BIKE	031-090-008	2016	ITASCA COUNTY	**AC** BIGFORK RIVERWALK TRAIL CONSTRUCT 2.3 MI. OF TRAIL, HIGHLIGHT BIG FORK AND RICE RIVERS. (AC PROJECT PAYBACK IN 2017)	2.3	EN	PED/BIKE IMPROVEMENT	TAP	384,822	275,000	164,288	-	-	-	109,822
105	PED/BIKE	069-090-030	2016	ST LOUIS COUNTY	CONSTRUCTION OF MESABI TRAIL-FROM SOUDAN TO ELY	-	EN	PED/BIKE IMPROVEMENT	TAP	494,000	394,000	-	-	-	-	100,000
106	PED/BIKE	092-090-051	2016	MNDNR	CONSTRUCTION OF GITCHIGAMI TRAIL-BEAVER RIVER BRIDGE & W RD SEGMENT	0.8	EN	PED/BIKE IMPROVEMENT	TAP	840,300	500,000	-	-	-	-	340,300
107	PED/BIKE	118-060-011AC1	2016	DULUTH	**SB**NORTHSHORE SCENIC DRIVE, FROM BRIGHTON BEACH BLVD. TO MCQUADE SAFE HARBOR (NE DULUTH CITY LIMIT), SHOULDER WIDENING AND REHABILITATION (AC PAYBACK 1 OF 2)	4.0	EN	PED/BIKE IMPROVEMENT	TAP	600,000	600,000	-	-	-	-	-
108	PED/BIKE	118-090-018	2016	DULUTH	**MN146** CROSS CITY TRAIL, DULUTH, 30 <sup>TH</sup> AVE WEST TO RECYCLE WAY, CONSTRUCT TRAIL	2.0	BT	PED/BIKE IMPROVEMENT	DEMO	1,334,551	950,551	-	-	-	-	384,000
109	PED/BIKE	129-090-007	2016	GRAND RAPIDS	GRAND RAPIDS MISSISSIPPI RIVERFRONT PEDESTRIAN BRIDGE	0.1	EN	PED/BIKE IMPROVEMENT	TAP	988,985	296,696	-	-	-	-	692,289
110	I 35	5880-186	2016	MNDOT	I 35, OVER THE BNSF RR, 2 MI SO JCT TH 48, NB REPLACE BR # 9784, SB REPLACE BR #9783	0.1	BR	BRIDGE REPLACEMENT	NHPP	6,400,000	5,760,000	-	-	640,000	-	-
111	I 535	6980-59	2016	MNDOT	**PV40M** I 535, IN DULUTH, FROM JCT BLATNIK BRIDGE TO JCT I 35, CPR WORK (TIED TO 6933-92, 6926-52)	1.1	RD	CONCRETE PAVEMENT REHAB	NHPP	400,000	360,000	-	-	40,000	-	-
112	MN 1	3801-18	2016	MNDOT	**TRLF** US FOREST ROUTE 553 TO US FOREST ROUTE 424, RECONSTRUCTION (TRLF PAYBACK 4 OF 10)	5.2	RC	GRADE AND SURFACE	SF	187,000	-	-	-	187,000	-	-
113	MN 1	3801-92	2016	MNDOT	MN 1, FROM 0.2 MI S KAWISHIWI RIVER TO 0.17 MI W T-273 AND FROM 0.63 MI SE JCT CSAH 2 TO JCT NFD-172, MILL AND OVERLAY	17.7	RS	MILL AND OVERLAY	STP	5,700,000	4,560,000	-	-	1,140,000	-	-





# CITY OF GRAND RAPIDS

## Legislation Details (With Text)

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**File #:** 15-1071      **Version:** 2      **Name:**  
**Type:** Agenda Item      **Status:** Consent Agenda  
**File created:** 1/21/2015      **In control:** City Council  
**On agenda:** 1/26/2015      **Final action:**  
**Title:** Outdoor Recreation Grant  
**Sponsors:**  
**Indexes:**  
**Code sections:**  
**Attachments:**

Date	Ver.	Action By	Action	Result
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Outdoor Recreation Grant

**Background Information:**

Referencing the 2014 City of Grand Rapids Parks and Trails Master Plan, one of the priority new actions identified was to improve the facilities at Blandin Beach. The plan calls for demo of the existing Beach House, replacing it with a new handicap accessible bathroom facility and constructing a large pavilion. We estimate total expenditures to be approximately \$200,000. We intend to apply for \$100,000 from the MN DNR Outdoor Recreation Grant Program, which is the maximum grant award.

**Staff Recommendation:**

Allow staff to submit an Outdoor Recreation Grant to the Minnesota DNR for improvements at Blandin Beach.

**Requested City Council Action**

Consider allowing staff to submit an Outdoor Recreation Grant to the Minnesota DNR for improvements at Blandin Beach.





# CITY OF GRAND RAPIDS

## Legislation Details (With Text)

**File #:** 15-1072      **Version:** 1      **Name:** Resignation of Adam Kortekaas from Fire Prevention and Education Officer position.  
**Type:** Agenda Item      **Status:** Consent Agenda  
**File created:** 1/21/2015      **In control:** City Council  
**On agenda:** 1/26/2015      **Final action:**  
**Title:** Resignation of Adam Kortekaas from Fire Prevention and Education Officer position.  
**Sponsors:**  
**Indexes:**  
**Code sections:**  
**Attachments:** [Adam Kortekaas resignation](#)

Date	Ver.	Action By	Action	Result
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Resignation of Adam Kortekaas from Fire Prevention and Education Officer position.

**Background Information:**

Adam Kortekaas was appointed to the position of Fire Prevention and Education Officer on August 1, 2012. On January 17, 2015, Adam submitted a letter of resignation to Fire Chief A.J. Morse. The Fire Chief acknowledged Adam's desire to step down, as well as the time and attention that is required of the position.

**Staff Recommendation:**

Fire Chief A.J. Morse and Human Resources Director Lynn DeGrio are recommending accepting the notice of resignation from Adam Kortekaas effective immediately. We will come back to the City Council at a later date with a recommendation for his replacement.

**Requested City Council Action**

Consider accepting the resignation of Adam Kortekaas from the Fire Prevention and Education Officer position effective January 17, 2015.



**GRAND RAPIDS FIRE  
DEPARTMENT**

**Fire Prevention & Education**

Phone: 218.326.7639

FAX: 218.326.7655

E-mail: [gfire@grandrapidsmn.org](mailto:gfire@grandrapidsmn.org)

Address: 420 North Pokegama Avenue  
Grand Rapids, Minnesota 55744



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January 17, 2015

To: A.J. Morse, Fire Chief

Dear Chief Morse,

Please accept this letter as my formal notification that I will be stepping down as Fire Prevention and Education Officer with the Grand Rapids Fire Department.

I have enjoyed working with the community during my 2 years as fire prevention and education officer. This position has taught me a lot about dealing with the community. Education of our younger community members has been challenging yet rewarding at the same time. There are many great members of the department that I feel would be great at stepping into this position. I make myself available to them at any time help is needed.

Thank you for the opportunities in this position. If you have any questions please don't hesitate to ask.

Best Regards,

Adam Kortekaas



## FIRE DEPARTMENT

Phone: 218.326.7639  
FAX: 218.326.7655  
E-mail: [grfire@grandrapidsmn.org](mailto:grfire@grandrapidsmn.org)  
Address: 420 North Pokegama Avenue  
Grand Rapids, Minnesota 55744



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January 18, 2015

To: Adam Kortekaas  
Re: Public Education Officer

Dear Adam,

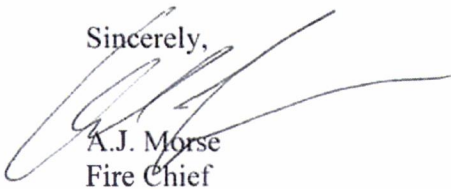
I received your letter date January 17, 2015 in which you have given notification that you will be resigning your position as public education officer.

Please allow this letter to serve a receipt of you resignation of the position and acceptance of your desires to step down.

I understand full well the time and attention that is required having a young family and work responsibilities. I appreciate you decision to step down for the betterment of the department, and consider that you to have acted in good faith.

I will turn this letter over to the human resources department along with you letter to be placed in your personnel file.

Sincerely,



A.J. Morse  
Fire Chief



# CITY OF GRAND RAPIDS

## Legislation Details (With Text)

**File #:** 15-1073      **Version:** 1      **Name:** Flexible Benefits Plan Document Restatement.  
**Type:** Agenda Item      **Status:** Consent Agenda  
**File created:** 1/21/2015      **In control:** City Council  
**On agenda:** 1/26/2015      **Final action:**  
**Title:** Flexible Benefits Plan Document Restatement.

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** [Superior USA Benefits Cafeteria Plan Basic Plan Document](#)  
[Superior USA Corporation Cafeteria Plan Summary Plan Description](#)

Date	Ver.	Action By	Action	Result
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Flexible Benefits Plan Document Restatement.

**Background Information:**

The City of Grand Rapids has utilized Superior USA as its administrator for the cafeteria plan since July 1, 1992. An amendment to the City's Flexible Benefits Plan needs to be adopted with all required health care reform language.

**Staff Recommendation:**

Human Resources Director Lynn DeGrio is recommending the adoption of the Flexible Benefits Plan Document Restatement.

**Requested City Council Action**

Consider adopting a resolution with respect to the amendment and restatement of the City of Grand Rapids Cafeteria Plan and authorize the Mayor to sign the Execution Page and Formal Record of Action.

# **SUPERIORUSA**

**B E N E F I T S**  
Payroll & Third Party Administration

**SUPERIORUSA BENEFITS  
CAFETERIA PLAN  
BASIC PLAN DOCUMENT #125**



SUPERIORUSA BENEFITS  
CAFETERIA PLAN  
BASIC PLAN DOCUMENT  
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ARTICLE 1  
INTRODUCTION

Section 1.01     PLAN

This document ("Basic Plan Document") and its related Adoption Agreement are intended to qualify as a cafeteria plan within the meaning of Code section 125. To the extent provided in the Adoption Agreement, the Plan provides for the pre-tax payment of premiums and contributions to spending accounts that are excludable from gross income under Code section 125, reimbursement of certain medical expenses that are excludable from gross income under Code section 105(b) and reimbursement of certain dependent care expenses that are excludable from gross income under Code section 129, and reimbursement of certain adoption expenses that are excludable from gross income under Code section 137.

Section 1.02     APPLICATION OF PLAN

Except as otherwise specifically provided herein, the provisions of this Plan shall apply to those individuals who are Eligible Employees of the Company on or after the Effective Date. Except as otherwise specifically provided for herein, the rights and benefits, if any, of former Eligible Employees of the Company whose employment terminated prior to the Effective Date, shall be determined under the provisions of the Plan, as in effect from time to time prior to that date.



ARTICLE 2  
DEFINITIONS

"Account" means the balance of a hypothetical account established for each Participant as of the applicable date. "Account" or "Accounts" shall include to the extent provided in the Adoption Agreement, a Premium Conversion Account, a Health Care Reimbursement Account, a Dependent Care Assistance Account, an Adoption Assistance Account and such other account(s) or subaccount(s) as the Plan Administrator, in its discretion, deems appropriate.

"Adoption Agreement" means the document executed in conjunction with this Basic Plan Document that contains the optional features selected by the Plan Sponsor.

"Adoption Assistance Account" means the Account established with respect to the Participant's election to have adoption expenses reimbursed by the Plan pursuant to Section 4.04.

"Code" means the Internal Revenue Code of 1986, as amended from time to time.

"Company" means the Plan Sponsor and any other entity that has adopted the Plan with the approval of the Plan Sponsor.

"Compensation" means the cash wages or salary paid to a Participant. If the Adoption Agreement indicates that the Plan is a simple cafeteria plan as defined in Code section 125(j), "Compensation" shall mean Section 414(s) Compensation (defined below).

"Contract" means an insurance policy, contract or self-funded arrangement under which a Participant is eligible to receive benefits regardless of whether such policy, contract or arrangement is related to any benefit offered hereunder. Contract shall not include any product which is advertised, marketed, or offered as long-term care insurance. As of January 1, 2014, "Contract" may not include any qualified health plan (as defined in section 1301(a) of the Patient Protection and Affordable Care Act) offered through an exchange established under section 1311 of such Act unless the Employee's Employer is a qualified employer (as defined in section 1312(f)(2) of the Patient Protection and Affordable Care Act) offering the Employee the opportunity to enroll through such exchange in a qualified health plan in a group market.

"Dependent Care Assistance Account" means the Account established with respect to the Participant's election to have dependent care expenses reimbursed by the Plan pursuant to Section 4.03.

"Effective Date" shall have the meaning set forth in the Adoption Agreement.

"Eligible Employee" means any Employee employed by the Company, subject to the modifications and exclusions described in the Adoption Agreement. If an individual is subsequently reclassified as, or determined to be, an Employee by a court, the Internal Revenue Service or any other governmental agency or authority, or if the Company is required to reclassify such individual an Employee as a result of such reclassification determination (including any reclassification by the Company in settlement of any claim or action relating to such individual's employment status), such individual shall not become an Eligible Employee by reason of such reclassification or determination.

An individual who becomes employed by the Employer in a transaction between the Employer and another entity that is a stock or asset acquisition, merger, or other similar transaction involving a change in the employer of the employees of the trade or business shall not become eligible to participate in the Plan until the Plan Sponsor specifically authorizes such participation.

"Employee" means any individual who is employed by the Employer. The term "Employee" shall not include: (i) a self-employed individual (including a partner) as defined in Code section 401(c), or (ii) any person who owns (or is considered as owning within the meaning of Code section 318) more than 2 percent of the outstanding stock of an S corporation.

"Employer" means the Company or any other employer required to be aggregated with the Company under Code sections 414(b), (c), (m) or (o); provided, however, that "Employer" shall not include any entity or unincorporated trade or business prior to the date on which such entity, trade or business satisfies the affiliation or control tests described above.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended from time to time.

"FMLA" means the Family and Medical Leave Act of 1993 as amended from time to time.

"Health Care Reimbursement Account" means the Account established with respect to the Participant's election to have medical expenses reimbursed by the Plan pursuant to Section 4.02.

"HIPAA" means the Health Insurance Portability and Accountability Act of 1996, as amended from time to time.

"Participant" means an Eligible Employee who participates in the Plan in accordance with Articles 3 and 4.

"Plan Administrator" means the person(s) designated pursuant to the Adoption Agreement and Section 7.01.

"Plan Sponsor" means the entity described in the Adoption Agreement.

"Plan Year" means the 12-consecutive month period described in the Adoption Agreement.

"Premium Conversion Account" means the Account established with respect to the Participant's election to have premiums reimbursed by the Plan pursuant to Section 4.01.

"Section 414(s) Compensation" means compensation as defined in Code section 414(s) and Treas. Reg. section 1.414(s)-1. The period used to determine an Employee's compensation for a Plan Year must be either the Plan Year or the calendar year ending within the Plan Year. Whichever period is selected by the Plan Administrator must be applied uniformly to determine the compensation of every eligible Employee under the Plan for that Plan Year. The Plan Administrator may, however, limit the period taken into account under either method to that portion of the Plan Year or calendar year in which the Employee was an eligible Employee, provided that this limit is applied uniformly to all eligible.

"Termination" and "Termination of Employment" means any absence from service that ends the employment of the Employee with the Company.



ARTICLE 3  
PARTICIPATION

Section 3.01      PARTICIPATION

Each Eligible Employee as of the Effective Date who was eligible to participate in the Plan immediately prior to the Effective Date shall be a Participant eligible to make benefit elections pursuant to Article 4 on the Effective Date. Each other Eligible Employee who was not a Participant in the Plan prior to the Effective Date shall become a Participant eligible to make benefit elections pursuant to Article 4 on the date specified in the Adoption Agreement; provided that he is an Eligible Employee on such date. Notwithstanding the foregoing, a Participant shall be eligible to make elections only for the Accounts as are specifically authorized in the Adoption Agreement.

Section 3.02      TRANSFERS

If a change in job classification or a transfer results in an individual no longer qualifying as an Eligible Employee, such Employee shall cease to be a Participant for purposes of Article 4 (or shall not become eligible to become a Participant) as of the effective date of such change of job classification or transfer; unless otherwise provided in the Adoption Agreement. Should such Employee again qualify as an Eligible Employee, he shall be eligible to participate as of the first day of the subsequent Plan Year; unless earlier participation is required by applicable law or permitted pursuant to the change of status provisions of Section 4.07(a). If an Employee who was not previously an Eligible Employee becomes an Eligible Employee, he shall be eligible to participate on the first entry date following the later of the effective date of such subsequent change of status or the date the Employee meets the eligibility requirements of this Article 3.

Section 3.03      TERMINATION AND REHIRES

(a)      Participants. If a Participant has a Termination of Employment, such Employee shall cease to be a Participant for purposes of Article 4 as of his Termination of Employment. The Plan Administrator may continue participation for purposes of Article 4.01 until the end of the calendar month coincident with or next following his Termination of Employment or other timeframe according to established Plan Administrator procedures. Unless otherwise provided in the Adoption Agreement, if an individual who has satisfied the applicable eligibility requirements set forth in Article 3 as of his Termination date, and who is subsequently reemployed by the Company as an Eligible Employee, shall resume or become a Participant as of the later of the first day of the subsequent Plan Year or the first entry date following reemployment. Notwithstanding the foregoing and if so provided in the Adoption Agreement, the Plan Administrator shall automatically reinstate benefit elections for Terminated Participants who are rehired within 30 days of Termination and permit new benefit elections for Terminated Participants who are rehired more than 30 days after Termination.

(b)      Non-Participants. An Eligible Employee who has not satisfied the applicable eligibility requirements set forth in Article 3 on his Termination date, and who is subsequently reemployed by the Company as an Eligible Employee, shall be eligible to participate on the first entry date following the later of the effective date of such reemployment or the date the individual meets the eligibility requirements of this Article 3.

Section 3.04      PROCEDURES FOR ADMISSION

The Plan Administrator shall prescribe such forms and may require such data from Participants as are reasonably required to enroll a Participant in the Plan or to effectuate any Participant elections made pursuant to Article 4.



ARTICLE 4  
ACCOUNTS

Section 4.01      PREMIUM CONVERSION ACCOUNTS

(a)      In General. To the extent that the Adoption Agreement authorizes Premium Conversion Accounts, each Participant may choose to receive his or her full Compensation for any Plan Year in cash or to have a portion of such Compensation applied by the Company toward the Premium Conversion Account described in Subsection (b). The amount of such contributions to and the premiums that may be reimbursed from the Premium Conversion Account shall not exceed the employee-paid portion of premiums payable under the Contracts specified in the Adoption Agreement. If a Contract is offered in conjunction with a Company-sponsored benefit plan, a Participant shall be eligible to make contributions to the Premium Conversion Account with respect to that Contract only if he or she is also eligible to participate in the applicable Company-sponsored plan. The Account established under this Section 4.01 is intended to qualify under Code Sections 79 and 106(a) to the extent so indicated in the Adoption Agreement and shall be interpreted in a manner consistent with such Code sections. Elections for Code section 79 coverage shall be made on an after-tax basis to the extent that the premiums relate to coverage in excess of the limit described in Code section 79(a).

(b)      Premium Conversion Account. Each Participant's Premium Conversion Account will be credited with amounts withheld from the Participant's Compensation and amounts paid by the Company pursuant to Section 4.09; and will be debited for amounts applied to employee-paid portion of applicable premiums. However, the Plan Administrator will not direct the Company to pay any premium on a Contract to the extent such payment exceeds the balance of a Participant's Premium Conversion Account.

(c)      Conflicts. In the event of a conflict between the terms of this Plan and the terms of a Contract, the terms of the Contract (or the benefit plan under which it is established) shall control in defining the terms and conditions of coverage including, but not limited to, the persons eligible for coverage, the dates of their eligibility, the conditions which must be satisfied to become covered, if any, the benefits Participants are entitled to and the circumstances under which coverage terminates.

Section 4.02      HEALTH CARE REIMBURSEMENT ACCOUNTS

(a)      In General. To the extent that the Adoption Agreement authorizes Health Care Reimbursement Accounts, each Participant may choose to receive his or her full Compensation for any Plan Year in cash or to have a portion of such Compensation applied by the Company toward the Health Care Reimbursement Account described in Subsection (b). The amount of such salary reduction contributions to the Health Care Reimbursement Account shall not exceed the maximum annual limit described in the Adoption Agreement. The Account established under this Section 4.02 is intended to qualify as a health flexible spending arrangement under Code Sections 105 and 106(a) and shall be interpreted in a manner consistent with such Code sections.

(b)      Health Care Reimbursement Account. Each Participant's Health Care Reimbursement Account will be credited with amounts withheld from the Participant's Compensation and amounts paid by the Company pursuant to Section 4.09; and will be debited for expenses described in Subsection (c). The entire annual amount elected by the Participant on the salary reduction agreement for the Plan Year for the Health Care Reimbursement Account less any reimbursements already disbursed shall be available to the Participant at any time during the Plan Year without regard to the balance in the Health Care Reimbursement Account provided that the amounts elected in the salary reduction agreement have been paid as provided in the salary reduction agreement.

(c)      Eligible Expenses. Except as otherwise provided in the Adoption Agreement, a Participant may be reimbursed from his or her Health Care Reimbursement Account for expenses that are: (i) incurred in the Plan Year (except as provided in Section 4.05(c)), (ii) incurred while the Participant participates in the Plan, and (iii) excludable under Code section 105(b); provided that such expenses that are not covered, paid or reimbursed from any other source.



(1) For purposes of Code section 105(b), unless otherwise provided in the Adoption Agreement, dependents shall also include students who have not attained the age of 24 for whom coverage is required under Code section 9813; provided, that treatment as a dependent due to a medically necessary leave of absence under Code section 9813 shall not extend beyond a period of one year.

(2) For purposes of Code section 105(b), unless otherwise provided in the Adoption Agreement, expenses for a child (as defined in section 152(f)(1)) of the Participant may be covered until his or her 26th birthday although the Plan Administrator may extend coverage until the end of the calendar year in which the child turns age 26.

(3) Effective January 1, 2011, reimbursement for expenses incurred for a medicine or a drug shall be treated as a reimbursement for medical expenses under Code section 105(b) only if such medicine or drug is a prescribed drug (determined without regard to whether such drug is available without a prescription) or is insulin.

(d) **Qualified Reservist Distributions.**

(1) If the Plan allows Qualified Reservist Distributions, a Participant may receive a distribution of the portion of his Health Care Reimbursement Account specified in the Adoption Agreement provided that such amount was in existence on or after June 18, 2008. The distribution will only be made if: (i) such Participant was a member of a reserve component ordered or called to active duty for a period in excess of 179 days or for an indefinite period and (ii) such distribution is made during the period beginning on the date of such order or call and ending on the last date that reimbursements could otherwise be made under the Plan for the Plan Year which includes the date of such order or call. A Participant ordered or called to active duty before June 18, 2008 is eligible for a Qualified Reservist Distribution if the Participant's period of active duty continues after June 18, 2008 and meets the duration requirements of IRS Notice 2008-82. A Qualified Reservist Distribution may not be made based on an order or call to active duty of any individual other than the Participant, including the spouse of the Participant.

(2) The Plan shall permit a Participant to submit Health Care Reimbursement Account claims for medical expenses incurred before the date a Qualified Reservist Distribution is requested. The Participant shall not have the right to submit claims for medical expenses incurred after the date such Qualified Reservist Distribution is requested. The Company shall pay the Qualified Reservist Distribution to the Participant within a reasonable time, but not more than sixty days after the request for a Qualified Reservist Distribution has been made.

(3) This Subsection shall be construed in accordance with IRS Notice 2008-82 and any superseding guidance.

Section 4.03      DEPENDENT CARE ASSISTANCE ACCOUNTS

(a) **In General.** To the extent that the Adoption Agreement authorizes Dependent Care Assistance Accounts, each Participant may choose to receive his or her full Compensation for any Plan Year in cash or to have a portion of such Compensation applied by the Company toward the Dependent Care Assistance Account described in Subsection (b). The Account established under this Section 4.03 is intended to qualify as a dependent care assistance program under Code Section 129 and shall be interpreted in a manner consistent with such Code section which provisions are incorporated herein by reference.

(b) **Dependent Care Assistance Account.** Each Participant's Dependent Care Assistance Account will be credited with amounts withheld from the Participant's Compensation and amounts paid by the Company pursuant to Section 4.09; and will be debited for expenses described in Subsection (c). However, the Plan Administrator will not direct the Company to reimburse such expenses to the extent the reimbursement exceeds the balance of a Participant's Dependent Care Assistance Account.

(c) **Eligible Expenses.**

(1) **In General.** A Participant may be reimbursed from his or her Dependent Care Assistance Account to the extent that such reimbursement: (i) is incurred in the Plan Year (except as provided in Section



4.05(c), (ii) is incurred while the Participant participates in the Plan, and (iii) qualifies as dependent care expenses; provided that such expenses that are not covered, paid or reimbursed from any other source and the Participant does not claim a tax benefit for the same expenses.

(2) **Dependent Care Expenses.** Dependent care expenses are defined as expenses incurred for the care of a qualifying individual. A qualifying individual is either: (i) a dependent who is under age 13, or (ii) the Participant's spouse or dependent who lives with the Participant and is physically or mentally incapable of caring for himself/herself. However, these expenses are dependent care expenses only if they allow the Participant to be gainfully employed. Dependent care expenses include expenses for household services and expenses for the care of a qualifying individual. Such term shall not include any amount paid for services outside the Participant's household at a camp where the qualifying individual stays overnight. Expenses described in this Subsection which are incurred for services outside the Participant's household are not taken into account if they are incurred on behalf of the Participant's spouse or dependent who is physically or mentally incapable of caring for himself/herself unless such individual lives at least 8 hours per day in the Participant household. Expenses incurred at a dependent care center are taken into account only if such center complies with all applicable laws and regulations of a state or local government, the center provides care for more than six individuals, and the center receives a fee, payment, or grant for providing services for any of the individuals.

(3) **Limits.** The maximum amount of expense that may be contributed/reimbursed in any taxable year for the Dependent Care Assistance Account is \$5,000 (\$2,500 if the Participant is married and filing a separate return). The amount payable may also not be greater than the amount of the Participant's earned income or the earned income of his or her spouse. In the case of a spouse who is a student or a qualifying individual, Code section 21(d)(2) shall apply in determining earned income.

(d) If the Plan allows Employees that cease to be Participants in the plan to spend down unused Dependent Care Assistance Account expenses, Employees that cease to Participate in the Plan (due to Termination or any other reason) may be reimbursed for unused benefits through the end of the Plan Year in which the Termination of Participation occurs (or grace period if provided in the Plan) to the extent the claims do not exceed the balance of the Dependent Care Assistance Account.

#### Section 4.04 ADOPTION ASSISTANCE ACCOUNTS

(a) **In General.** To the extent that the Adoption Agreement authorizes Adoption Assistance Accounts, each Participant may choose to receive his or her full Compensation for any Plan Year in cash or to have a portion of such Compensation applied by the Company toward the Adoption Assistance Account described in Subsection (b). The Account established under this Section 4.04 is intended to qualify as an adoption assistance program under Code Section 137 and shall be interpreted in a manner consistent with such Code section which provisions are incorporated herein by reference.

(b) **Adoption Assistance Account.** Each Participant's Adoption Assistance Account will be credited with amounts withheld from the Participant's Compensation and amounts paid by the Company pursuant to Section 4.09; and will be debited for reimbursements described in Subsection (c). However, the Plan Administrator will not direct the Company to reimburse such expenses to the extent the reimbursement exceeds the balance of a Participant's Adoption Assistance Account.

(c) **Eligible Expenses.**

(1) **In General.** A Participant may be reimbursed from his or her Adoption Assistance Account to the extent that such reimbursement is (i) incurred in the Plan Year (except as provided in Section 4.05(c)), (ii) incurred while the Participant participates in the Plan, and (iii) qualifies as adoption assistance; provided that such expenses that are not covered, paid or reimbursed from any other source and the Participant does not claim a tax benefit for the same expenses.

(2) **Adoption Assistance.** Adoption assistance is defined as reasonable and necessary adoption fees, court costs, attorney fees and other expenses which are (i) directly related to the legal adoption of an eligible child by the Participant and (ii) not incurred in violation of state or federal law or in carrying out any



surrogate parenting arrangement. An eligible child includes a child under age 18 or a child who is physically or mentally incapable of caring for himself/herself. However, an eligible child does not include a child of the Participant's spouse. In the case of an adoption of a child who is not a citizen or resident of the United States, any adoption expense with respect to such adoption is not reimbursable until such adoption becomes final.

(3) Limits. The maximum amount of expense that may be contributed/reimbursed for the Adoption Assistance Account for any Plan Year beginning in a calendar year is the maximum amount permitted by federal tax law for that calendar year. The annual limit shall be reduced for adoption assistance expenses incurred any prior Plan Year.

#### Section 4.05 FORFEITURES/TRANSFERS

(a) Forfeitures. Any balance remaining in a Participant's Account at the end of any Plan Year that is above the carryover amount limit to the extent a carryover applies to the Plan (or after the grace period if Subsection (c) applies) shall be forfeited and shall remain the property of the Company. Except as expressly provided herein, any balance remaining in a Participant's Account on his date of Termination shall be forfeited and shall remain the property of the Company. However, no forfeiture shall occur until all payments and reimbursements hereunder have been made on claims submitted within the time period specified in Section 6.01(b).

(b) Transfers. Amounts may not be transferred between Accounts.

(c) Grace Period. If the Adoption Agreement provides for a 2-1/2 month grace period, effective for grace periods beginning on or after the date specified in the Adoption Agreement and notwithstanding anything to the contrary in the Plan, the unused contributions that remain in a Participant's Account at the end of a Plan Year may be used to reimburse expenses that are incurred during the grace period. The grace period shall commence on the first day of the subsequent Plan Year and shall end on the fifteenth day of the third calendar month of the subsequent Plan Year. Unless otherwise provided in the Adoption Agreement, the grace period shall apply to all Accounts in which the Participant is eligible to Participate. Payment or reimbursement of unused benefits shall be subject to the following terms and conditions:

(1) Same Account. Unused contributions remaining at the end of a Plan Year relating to a particular Account may only be used to reimburse expenses incurred with respect to that Account.

(2) No Cash Out. Unused contributions remaining at the end of a Plan Year may not be cashed-out or converted to any other taxable or nontaxable benefit.

(3) No Carryforward. Except as provided in Section 4.05(d), any unused contributions remaining at the end of a Plan Year that exceed the expenses for a particular Account that are incurred during the grace period may not be carried forward to any subsequent period (including any subsequent Plan Year) and shall be forfeited.

(4) Construction. This Section 4.05(c) is to be construed in accordance with IRS Notice 2005-42 and any superseding guidance.

(d) Carryovers. To the extent selected in the Adoption Agreement, the Plan will carry over to the immediately following Plan Year up to \$500 of any amount remaining unused as of the end of the Plan Year in a Participant's Health Care Reimbursement Account. The amount remaining unused as of the end of the Plan Year is the amount unused in the Health Care Reimbursement Account after all eligible Health Care Reimbursement Account expenses have been reimbursed and the claims deadline for the Plan Year has passed. The carryover amount may be used to pay or reimburse eligible Health Care Reimbursement Account expenses incurred during the entire Plan Year to which it is carried over. Any unused amount remaining in the Health Care Reimbursement Account in excess of \$500 (or a lower amount specified in the Adoption Agreement) is forfeited.

#### Section 4.06 ELECTIONS



(a) New Participants. The Plan Administrator shall provide, where possible, an election form to a Participant before such Participant meets the eligibility requirements of Article 3. In order to participate in the Plan in the initial Plan Year, the Participant must return the completed election form to the Plan Administrator on or before such date as specified by the Plan Administrator. However, any election shall not be effective until a pay period following the later of such Participant's effective date of participation pursuant to Article 3 or the date of the receipt of the election form by the Plan Administrator and shall be limited to the expenses incurred after the effective date of the election.

(b) Continuing Participants. Prior to the commencement of each Plan Year, the Plan Administrator shall provide an election form to each Participant and to each other individual who is expected to become a Participant at the beginning of such Plan Year. In order to participate in the Plan in the applicable Plan Year, the Participant must return the completed election form to the Plan Administrator on or before such date specified in the Adoption Agreement, which date shall be no later than the beginning of the first pay period for which the individual's Compensation reduction agreement will apply.

(c) Failure to Return Election Form. The failure of a Participant described in Subsection (a) to return a completed election form to the Plan Administrator on or before the specified due date shall constitute an election to receive his or her full Compensation in cash for the remainder of the Plan Year. The failure of a Participant described in Subsection (b) to return a completed election form to the Plan Administrator on or before the specified due date shall constitute an election not to participate for the applicable Plan Year unless a default election is otherwise specified in the Adoption Agreement or under Subsection (d).

(d) Premium Conversion Special Election Rules. If elected in the Adoption Agreement, a Participant shall be deemed to elect to contribute the entire amount of any premiums payable by the Participant for the benefits described in Section 4.01 unless he or she affirmatively elects otherwise before such date specified by the Plan Administrator. If elected in the Adoption Agreement, a Participant's election for benefits described in Section 4.01 shall be automatically adjusted for any change in the cost of premiums pursuant to the terms of Treas. Reg. 1.125-4.

(e) Form of Elections. All elections shall be made in written form unless the Plan Administrator provides procedures for such elections to be made in electronic and/or telephonic format to the extent that such alternative format is permitted under applicable law.

(f) Leave of Absence/FMLA/USERRA. If the Plan is subject to FMLA or the Plan Administrator determines that the Plan is subject to FMLA, the Plan Administrator shall permit a Participant taking unpaid leave under the FMLA to continue medical benefits under such applicable law unless otherwise specified in the Adoption Agreement. To the extent provided in the Adoption Agreement, the Plan Administrator shall also permit a Participant taking unpaid Non-FMLA leave to continue the benefits specified in the Adoption Agreement. Participants continuing participation pursuant to the foregoing shall pay for such coverage (on a pre-tax or after-tax basis) under a method as determined by the Plan Administrator satisfying Treas. Reg. 1.125-3 Q&A-3. Any Participant on FMLA leave who revoked coverage shall be reinstated to the extent required by Treas. Reg. 1.125-3. If the Participant's coverage under the Plan terminates while the Participant is on FMLA leave, the Participant is not entitled to receive reimbursements for claims incurred during the period when the coverage is terminated. Upon reinstatement into the Plan upon return from FMLA leave, the Participant has the right to (i) resume coverage at the level in effect before the FMLA leave and make up the unpaid premium payments, or (ii) resume coverage at a level that is reduced by the amount of unpaid premiums and resume premium payments at the level in effect before the FMLA leave. The Plan Administrator shall also permit Participants to continue benefit elections as required under the Uniformed Services Employment and Reemployment Rights Act and shall provide such reinstatement rights as required by such law. The Plan Administrator shall also permit Participants to continue benefit elections as required under any other applicable state law to the extent that such law is not pre-empted by federal law.

(g) COBRA. If the Plan is subject to COBRA (Code section 4980B and other applicable state law) or the Plan Administrator determines that the Plan is subject to COBRA, a Participant shall be entitled to continuation coverage as prescribed in Code Section 4980B (and the regulations thereunder) or such applicable state statutes.

(h) Procedures. A Participant shall make the elections described in this Section in such form and manner as may be prescribed by the Plan Administrator and at such time in advance as the Plan Administrator may



require. Such procedures may include, without limitation, a minimum annual and per-pay period contribution amount, a maximum contribution per pay-period amount consistent with applicable annual limits, and the ability of a Participant to make after-tax contributions to the Plan.

Section 4.07      REVOCAION OF ELECTIONS

(a)      By Participant. Any election made under this Article 4 shall be irrevocable by the Participant during the Plan Year unless revocation is required by the provisions of the Federal Family and Medical Leave Act or other applicable law and is permitted under Treas. Reg. 1.125-4, IRS Notice 2014-55 and the provisions of the Adoption Agreement.

(b)      If the Adoption Agreement provides that elections may be modified at any time permitted under Treas. Reg. section 1.125-4, elections may be modified upon the occurrence of any of the following events:

(1)      HIPAA Special Enrollment Rights. Participant may revoke an election for coverage under a group health plan during a period of coverage and make a new election that corresponds with the special enrollment rights provided in Code section 9801(f).

(2)      Change in Status. A Participant may revoke an election during a period of coverage with respect to a qualified benefits plan (as defined in Treas. Reg. 1.125-4(i)(8)) and make a new election for the remaining portion of the period if, under the facts and circumstances: (i) a change in status described in Subsections (A)-(F) occurs; and (ii) the election change is on account of and corresponds with a change in status that affects eligibility for coverage under a qualified benefits plan.

(A)      Legal Marital Status. Events that change a Participant's legal marital status, including the following: marriage; death of spouse; divorce; legal separation; and annulment.

(B)      Number of Dependents. Events that change a Participant's number of dependents, including the following: birth; death; adoption; and placement for adoption.

(C)      Employment Status. Any of the following events that change the employment status of the Participant, the Participant's spouse, or the Participant's dependent: a termination or commencement of employment; a strike or lockout; a commencement of or return from an unpaid leave of absence; a change in worksite and, the extent permitted in Treas. Reg. 1.125-4 and Section 3.03, change in employment status resulting in gaining or losing eligibility under the Plan.

(D)      Dependent Satisfies or Ceases to Satisfy Eligibility Requirements. Events that cause a Participant's dependent to satisfy or cease to satisfy eligibility requirements for coverage on account of attainment of age, student status, or any similar circumstance.

(E)      Residence. A change in the place of residence of the Participant, spouse, or dependent.

(F)      Adoption Assistance. For purposes of adoption assistance provided through Section 4.04 of the Plan, the commencement or termination of an adoption proceeding.

(3)      Judgment, Decree, or Order. A Participant may modify an election pursuant to a judgment, decree, or order resulting from a divorce, legal separation, annulment, or change in legal custody (including a qualified medical child support order as defined in ERISA section 609) that requires accident or health coverage for a Participant's child or for a foster child who is a dependent of the Participant; provided that the modification:

(A)      changes the Participant's election to provide coverage for the child if the order requires coverage for the child under the Plan; or

(B) cancels coverage for the child if the order requires the spouse, former spouse, or other individual to provide coverage for the child; and that coverage is, in fact, provided.

(4) Entitlement to Medicare or Medicaid. A Participant may modify an election for benefits attributable to a Company-sponsored accident or health plan if the Participant, spouse, or dependent becomes entitled to coverage under Medicare or Medicaid (other than coverage consisting solely of benefits under the program for distribution of pediatric vaccines). The Participant may make a prospective election change to cancel or reduce coverage of that Participant, spouse, or dependent under the accident or health plan. Corresponding rights to commence or increase benefits under the accident or health plan shall be granted in the case of loss of coverage under Medicare or Medicaid.

(5) Significant Cost or Coverage Changes. A Participant may modify an election for benefits, other than those provided in Section 4.02, as a result of changes in cost or coverage pursuant to Treas. Reg. section 1.125-4.

(6) FMLA. A Participant taking leave under the FMLA may revoke an existing election of accident or health plan coverage and make such other election for the remaining portion of the period of coverage as may be provided for under the FMLA.

(c) If the Adoption Agreement permits Participants to revoke an election of coverage under a group health plan due to reduction in hours of service, the following conditions must be met:

(1) The Participant must have been in an employment status under which the Participant was reasonably expected to average at least 30 hours of service per week and there is a change in the Participant's status so that the employee will reasonably be expected to average less than 30 hours of service per week after the change, even if that reduction does not result in the Participant ceasing to be eligible under a group health plan; and

(2) The revocation of the election of coverage under the group health plan corresponds to the intended enrollment of the Participant, and any related individuals who cease coverage due to the revocation, in another plan that provides minimum essential coverage with the new coverage effective no later than the first day of the second month following the month that includes the date the original coverage is revoked. The Plan Administrator may rely on the reasonable representation of the Participant that the Participant has enrolled or intends to enroll in the other plan.

This Section shall be interpreted consistent with IRS Notice 2014-55 and any superseding guidance.

(d) If the Adoption Agreement permits Participants to revoke an election of coverage under a group health plan due to enrollment in a qualified health plan offered through a marketplace established under Code section 1311, the following conditions must be met:

(1) The Participant is eligible for a special enrollment period to enroll in a qualified health plan through the marketplace pursuant to guidance issued by the Department of Health and Human Services and any other applicable guidance, or the Participant seeks to enroll in a qualified health plan through a marketplace during the marketplace's annual enrollment period; and

(2) The revocation of the election of coverage under the group health plan corresponds to the intended enrollment of the Participant and any related individuals who cease coverage due to the revocation in a qualified health plan through a marketplace for new coverage that is effective no later than the day immediately following the last day of the original coverage that is revoked. The Plan Administrator may rely on the reasonable representation of the Participant that the Participant has enrolled or intends to enroll in the other qualified health plan.

This Section shall be interpreted consistent with IRS Notice 2014-55 and any superseding guidance.

(e) By Plan Administrator. If the Plan Administrator determines that the Plan may fail to satisfy any nondiscrimination requirement or any limitation imposed by the Code, the Plan Administrator may modify any election in order to assure compliance with such requirements or limitations. Any act taken by the Plan Administrator under this Subsection shall be carried out in a uniform and non-discriminatory manner.

(f) Automatic Termination of Election. Any election made under this Section shall automatically terminate on the date specified in Sections 3.02 or 3.03.

(g) Plan Administrator Discretion. The Plan Administrator reserves the right to determine whether a Participant has experienced an event that would permit an election change under this Section 4.07 and whether the Participant's requested election change is consistent with such event.



Section 4.08      HEALTH SAVINGS ACCOUNTS SPECIAL RULES

(a)      In General. Notwithstanding anything in the Plan to the contrary, this Section 4.08 shall apply to the extent that the Adoption Agreement allows the Plan to fund Health Savings Accounts within the meaning of Code section 223 ("HSA Contributions").

(b)      HSA Account. The Plan Administrator shall establish an HSA Account to separately account for contributions/payments used to fund Health Savings Accounts. Each Participant's HSA Account will be credited with amounts withheld from the Participant's Compensation and amounts paid by the Company pursuant to Section 4.09; and will be debited for payments to the applicable Health Savings Account.

(c)      No Forfeitures. Any balance remaining in a Participant's HSA Account at the end of any Plan Year shall be carried forward and used to fund such benefits in any subsequent Plan Year.

(d)      Benefit Limited to Account Balance. The Plan Administrator shall not direct the Company to fund a Health Savings Account to the extent the payment exceeds the balance of a Participant's HSA Account.

(e)      Period of Coverage. The mandatory twelve month period of coverage shall not apply to HSA Contributions.

(f)      Modifications of Elections. A Participant who elects to make HSA Contributions may start or stop the election or increase or decrease the election at any time as long as the change is effective prospectively (i.e., after the request for the change is received). The Plan Administrator may place additional restrictions on the election of HSA Contributions; provided, however, that the same restrictions shall apply to all Participants.

(g)      HSA Comparability Rules. Any contribution to an HSA from the Plan shall comply with Treas. Reg. section 54.4980G-5 and any superseding guidance.

Section 4.09      EMPLOYER CONTRIBUTIONS

The Company may contribute to the Plan to the extent provided in the Adoption Agreement. Such contributions shall be credited to the applicable Account at such time as determined by the Company.

ARTICLE 5  
LIMITATIONS ON CONTRIBUTIONS

Section 5.01      NONDISCRIMINATION

If the Adoption Agreement indicates this Plan is intended to be a simple cafeteria plan and the requirements of Code section 125(j) are met for any year, the following nondiscrimination requirements of Code sections 125(b), 79(d), 105(h) and 129(d)(2), (3), (4), and (8) shall be treated as met during such year.

(a) Cafeteria Plan. The Plan may not discriminate in favor of highly compensated employees (within the meaning of Code section 125(e)) as to benefits provided or eligibility to participate.

(b) Group Term Life. The Plan may not discriminate in favor of key employees (within the meaning of Code section 416(i)(1)) as to benefits provided or eligibility to participate with respect to any group term life insurance offered pursuant to Section 4.01.

(c) Health Care Reimbursement Accounts. The Plan may not discriminate in favor of highly compensated employees (within the meaning of Code section 105(h)(5)) as to benefits provided or eligibility to participate with respect to the Account described in Section 4.02.

(d) Dependent Care Assistance Accounts. The Plan may not discriminate in favor of highly compensated employees (within the meaning of Code section 414(q)) as to benefits provided or eligibility to participate with respect to the Account described in Section 4.03.

(e) Adoption Assistance Accounts. The Plan may not discriminate in favor of highly compensated employees (within the meaning of Code section 414(q)) as to benefits provided or eligibility to participate with respect to the Account described in Section 4.04.

Section 5.02      LIMITATIONS ON CONTRIBUTIONS

(a) Cafeteria Plan. Key employees (within the meaning of Code section 416(i)(1)) may not receive more than 25% of the aggregate benefits provided for all employees under the Plan.

(b) Dependent Care Assistance Accounts. Shareholders or owners owning more than 5% of the capital or profits interest of the Employer may not receive more than 25% of the aggregate benefits provided for all employees under the Plan with respect to the Account described in Section 4.03. The average benefits provided under Section 4.03 to Participants who are not highly compensated employees must be at least 55 percent of the average benefits provided to highly compensated employees of the Company.

(c) Adoption Assistance Accounts. Shareholders or owners owning more than 5% of the capital or profits interest of the Employer may not receive more than 5% of the aggregate benefits provided for all employees under the Plan with respect to the Account described in Section 4.04.



ARTICLE 6  
REIMBURSEMENTS

Section 6.01     PROCEDURES FOR REIMBURSEMENT

(a)     Benefits Provided by Contracts. All claims for benefits that are provided under Contracts shall be made by the Participant to the company issuing such contract.

(b)     Timing of Claims. Reimbursements and/or payments shall only be made for expenses incurred in the applicable Plan Year while the Participant participates in the Plan. Except as otherwise expressly provided herein, no reimbursement and/or payment shall be made for any expenses relating to services rendered before participation or after Termination of Employment for any reason. All claims for reimbursement and/or payment must be made within the time periods specified in the Adoption Agreement.

(c)     Documentation. A Participant or any other person entitled to benefits from the Plan (a "Claimant") may apply for such benefits by completing and filing a claim with the Plan Administrator. Any such claim shall include all information and evidence that the Plan Administrator deems necessary to properly evaluate the merit of and to make any necessary determinations on a claim for benefits. The Plan Administrator may request any additional information necessary to evaluate the claim.

(d)     Payment. To the extent that the Plan Administrator approves the claim, the Company shall: (i) reimburse the Claimant, or (ii) at the option of the Plan Administrator, pay the service provider directly for any amounts payable from the Accounts established hereunder. The Plan Administrator shall establish a schedule, not less frequently than monthly, for the payment of claims. The Plan Administrator may provide that payments/reimbursements of less than a certain amount may be carried forward and aggregated with future claims until the reimbursable amount is greater than such minimum, provided, however, that the entire amount of payments/reimbursements outstanding at the end of the Plan Year shall be reimbursed without regard to the minimum payment amount.

(e)     Coordination with HRA. A Participant who is also eligible to participate in a Code section 105 health reimbursement arrangement ("HRA") sponsored by the Company shall not be entitled to payment/reimbursement under the Health Care Reimbursement Account for expenses that are reimbursable under both the Health Care Reimbursement Account and the HRA until the Participant has received his or her maximum reimbursement under the HRA. Notwithstanding the foregoing, a Participant shall be entitled to payment/reimbursement under the Health Care Reimbursement Account if before the Plan Year begins, the plan document for the HRA specifies that coverage under the HRA is available only after expenses exceeding the applicable dollar amounts in the Health Care Reimbursement Account have been paid.

(f)     Death. If a Participant dies, his beneficiaries or his estate may submit claims for expenses or benefits for the portion of the Plan Year preceding the date of the Participant's death. A Participant may designate a specific beneficiary for this purpose. If no such beneficiary is specified, the Plan Administrator may pay any amount due hereunder to the Participant's spouse, one or more of his or her dependents or a representative of the Participant's estate. Such payment shall fully discharge the Plan Administrator and the Company from further liability on account thereof.

(g)     Form of Claim/Notice. All claims and notices shall be made in written form unless the Plan Administrator provides procedures for such claims and notices to be made in electronic and/or telephonic format to the extent that such alternative format is permitted under applicable law.

(h)     Refunds/Indemnification. If the Plan Administrator determines that any Claimant has directly or indirectly received excess payments/reimbursements or has received payments/reimbursements that are taxable to the Claimant, the Plan Administrator shall notify the Claimant and the Claimant shall repay such excess amount (or at the option of the Plan Administrator, the Claimant shall repay the amount that should have been withheld or paid as payroll or withholding taxes) as soon as possible, but in no event later than 30 days after the date of notification. A Claimant shall indemnify and reimburse the Company for any liability the Company may incur for making such



payments, including but not limited to failure to withhold or pay payroll or withholding taxes from such payments or reimbursements. If the Claimant fails to timely repay an excess amount and/or make sufficient indemnification, the Plan Administrator may: (i) to the extent permitted by applicable law, offset the Claimant's salary or wages, and/or (ii) offset other benefits payable hereunder.

(i) Debit, Credit or Other Stored Value Cards. To the extent provided in the Adoption Agreement, the Company may enter into an agreement with a financial institution to provide a Participant with a debit, credit or other stored value card to provide immediate payment of reimbursements available under Section 4.02 and/or Section 4.03 provided that the use of such card complies with IRS Revenue Ruling 2003-43 (to the extent not superseded by IRS Notice 2006-69), IRS Notice 2006-69, IRS Notice 2007-2, IRS Notice 2008-104, IRS Notice 2010-59, IRS Notice 2011-5 and any superseding guidance. A Participant may obtain benefits under Sections 4.02 and 4.03 without the use of the card.

(j) HSA Coordination. Except as otherwise provided in the Adoption Agreement, benefits under this Plan shall not be coordinated with coverage in a high deductible health plan to facilitate participation in Health Savings Accounts.

(k) Plan Administrator Procedures. The Plan Administrator may establish procedures regarding the documentation to be submitted in a claim for reimbursement and/or payment and may also establish any other procedures regarding claims for reimbursement and/or payment provided that the procedures do not violate ERISA section 503 if the Adoption Agreement indicates the plan is subject to ERISA. Such procedures may include, without limitation, requirements to submit claims periodically throughout the Plan Year.

#### Section 6.02 CLAIMS PROCEDURE FOR HEALTH CARE REIMBURSEMENT ACCOUNT

(a) A request for benefits is a "claim" subject to this Section only if it is filed by the Participant or the Participant's authorized representative in accordance with the Plan's claim filing guidelines. In general, claims must be filed in writing. Any claim that does not relate to a specific benefit under the Plan (for example, a general eligibility claim or a dispute involving a mid-year election change) must be filed with the Plan Administrator. A request for prior approval of a benefit or service where prior approval is not required under the Plan is not a "claim" under these rules. Similarly, a casual inquiry about benefits or the circumstances under which benefits might be paid under the Plan is not a "claim" under these rules, unless it is determined that your inquiry is an attempt to file a claim. If a claim is received, but there is not enough information to process the claim, the Participant will be given an opportunity to provide the missing information. Participants may designate an authorized representative if written notice of such designation is provided.

(b) This Section 6.02(b) shall apply for any claim for benefits under the Health Care Reimbursement Account.

(1) Timing of Notice of Denied Claim. The Plan Administrator shall notify the Claimant of any adverse benefit determination within a reasonable period of time, but not later than 30 days after receipt of the claim. This period may be extended one time by the Plan for up to 15 days, provided that the Plan Administrator both determines that such an extension is necessary due to matters beyond the control of the Plan and notifies the Claimant, prior to the expiration of the initial 30-day period, of the circumstances requiring the extension of time and the date by which the Plan expects to render a decision. If such an extension is necessary due to a failure of the Claimant to submit the information necessary to decide the claim, the notice of extension shall specifically describe the required information, and the Claimant shall be afforded at least 45 days from receipt of the notice within which to provide the specified information.

(2) Content of Notice of Denied Claim. If a claim is wholly or partially denied, the Plan Administrator shall provide the Claimant with a notice identifying (A) the reason or reasons for such denial, (B) the pertinent Plan provisions on which the denial is based, (C) any material or information needed to grant the claim and an explanation of why the additional information is necessary, (D) an explanation of the steps that the Claimant must take if he wishes to appeal the denial including a statement that the Claimant may bring a civil action under ERISA, and (E): (I) If an internal rule, guideline, protocol, or other similar criterion was relied upon in making the adverse determination, either the specific rule, guideline, protocol, or other similar criterion; or a statement that such a rule,



guideline, protocol, or other similar criterion was relied upon in making the adverse determination and that a copy of such rule, guideline, protocol, or other criterion will be provided free of charge to the Claimant upon request; or (II) if the adverse benefit determination is based on a medical necessity or experimental treatment or similar exclusion or limit, either an explanation of the scientific or clinical judgment for the determination, applying the terms of the Plan to the Claimant's medical circumstances, or a statement that such explanation will be provided free of charge upon request.

(3) **Appeal of Denied Claim.** If a Claimant wishes to appeal the denial of a claim, he shall file an appeal with the Plan Administrator on or before the 180th day after he receives the Plan Administrator's notice that the claim has been wholly or partially denied. The appeal shall identify both the grounds and specific Plan provisions upon which the appeal is based. The Claimant shall be provided, upon request and free of charge, documents and other information relevant to his claim. An appeal may also include any comments, statements or documents that the Claimant may desire to provide. The Plan Administrator shall consider the merits of the Claimant's presentations, the merits of any facts or evidence in support of the denial of benefits, and such other facts and circumstances as the Plan Administrator may deem relevant. In considering the appeal, the Plan Administrator shall:

(A) Provide for a review that does not afford deference to the initial adverse benefit determination and that is conducted by an appropriate named fiduciary of the Plan who is neither the individual who made the adverse benefit determination that is the subject of the appeal, nor the subordinate of such individual;

(B) Provide that, in deciding an appeal of any adverse benefit determination that is based in whole or in part on a medical judgment, including determinations with regard to whether a particular treatment, drug, or other item is experimental, investigational, or not medically necessary or appropriate, the appropriate named fiduciary shall consult with a health care professional who has appropriate training and experience in the field of medicine involved in the medical judgment;

(C) Provide for the identification of medical or vocational experts whose advice was obtained on behalf of the Plan in connection with a Claimant's adverse benefit determination, without regard to whether the advice was relied upon in making the benefit determination; and

(D) Provide that the health care professional engaged for purposes of a consultation under Subsection (B) shall be an individual who is neither an individual who was consulted in connection with the adverse benefit determination that is the subject of the appeal, nor the subordinate of any such individual.

The Plan Administrator shall notify the Claimant of the Plan's benefit determination on review within 60 days after receipt by the Plan of the Claimant's request for review of an adverse benefit determination. The Claimant shall lose the right to appeal if the appeal is not timely made.

(4) **Denial of Appeal.** If an appeal is wholly or partially denied, the Plan Administrator shall provide the Claimant with a notice identifying (1) the reason or reasons for such denial, (2) the pertinent Plan provisions on which the denial is based, (3) a statement that the Claimant is entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to the Claimant's claim for benefits, and (4) a statement describing the Claimant's right to bring an action under section 502(a) of ERISA. The determination rendered by the Plan Administrator shall be binding upon all parties.

(5) **Exhaustion of Remedies.** Before a suit can be filed in federal court, claims must exhaust internal remedies.

(c) **Additional Internal and External Claims Procedure for Health Care Reimbursement Account.**

(1) **Applicability.** This Section shall apply for any claim for benefits under the Health Care Reimbursement Account if (A) the Plan constitutes a group health plan as defined in Treas. Reg. section 54.9801-2 or if the Plan Administrator determines that the Plan is subject to HIPAA portability rules and (B) the Plan is not a grandfathered health plan under the Patient Protection and Affordable Care Act.



(2) Effective Date. This Section shall be effective the later of the first plan year beginning after September 23, 2010 or the date the Plan is no longer a grandfathered health plan under the Patient Protection and Affordable Care Act.

(3) Internal Claims Process. The requirements under Section 6.02(b) shall apply as the internal appeals process except as modified below. This section is intended to satisfy the requirements of DOL Reg. 2590.715-2719 and any superseding guidance.

(A) Adverse Benefit Determination. An adverse benefit determination means an adverse benefit determination as defined in DOL Reg. 2560.503-1, as well as any rescission of coverage, as described in DOL Reg. 2590.715-2712(a)(2).

(B) Full and Fair Review. A Claimant must be allowed to review the file and present evidence and testimony as part of the internal appeals process. Claimants must be provided, free of charge, with any new or additional evidence considered relied upon or generated by the Plan in connection with the claim sufficiently in advance of the final adverse benefit determination to give the Claimant a reasonable opportunity to respond prior to that date. The Plan must also meet the conflict of interest requirements under DOL Reg. 2590.715-2712(b)(2)(D).

(C) Notice. A description of available internal and external claims processes and information regarding how to initiate an appeal must be provided. Notices of adverse benefit determinations must include the information required under DOL Reg. 2590.715-2719(b)(2)(ii)(E) as applicable. The final notice of internal adverse benefit determination must include a discussion of the decision. Notice must be provided in a linguistically appropriate manner as provided under DOL Reg. 2590.715-2719(e). The Plan must disclose the contact information for any applicable office of health insurance consumer assistance or ombudsman established under PHS Act section 2793.

(4) Deemed Exhaustion of Internal Claims Process. If the Plan fails to adhere to the requirements of DOL Reg. 2590.715-2719(b)(2), except as provided under DOL Reg. 2590.715-2719(b)(2)(ii)(F)(2), the claimant may initiate an external review under Section 6.02(c)(5) or may bring an action under section 502(a) of ERISA as provided in DOL Reg. 2590.715-2719(b)(2)(ii)(F) and any superseding guidance.

(5) External Claims Process.

(A) State External Claims Process. If the Adoption Agreement specifies that the Plan is not subject to ERISA and the State external claims process includes at a minimum the consumer protections in the NAIC Uniform Model Act then the plan must comply with the applicable State claims review process.

(B) Federal External Claims Process. The plan must comply with the Federal external claims process of DOL Reg. section 2590.715-2719(d) and any superseding guidance if Subsection (c)(5)(A) above is not applicable.

(d) Notwithstanding anything to the contrary, if the Adoption Agreement specifies that (1) the Plan is not subject to ERISA and (2) the Plan does not constitute a group health plan as defined in Treas. Reg. section 54.9801-2 or the Plan is a grandfathered health plan under the Patient Protection and Affordable Care Act, claims procedures shall be established by the policies and procedures of the Plan Administrator and/or Company and any other applicable law.

#### Section 6.03 CLAIMS PROCEDURES FOR NON-HEALTH BENEFITS

(a) This Section 6.03 shall apply for any claim for benefits under Accounts other than the Health Care Reimbursement Account.

(b) Timing of Notice of Denied Claim. The Plan Administrator shall notify the Claimant of any adverse benefit determination within a reasonable period of time, but not later than 90 days after receipt of the claim. This period may be extended one time by the Plan for up to 90 days, provided that the Plan Administrator both determines that such an extension is necessary due to matters beyond the control of the Plan and notifies the

Claimant, prior to the expiration of the initial 90-day period, of the circumstances requiring the extension of time and the date by which the Plan expects to render a decision.

(c) **Content of Notice of Denied Claim.** If a claim is wholly or partially denied, the Plan Administrator shall provide the Claimant with a written notice identifying (1) the reason or reasons for such denial, (2) the pertinent Plan provisions on which the denial is based, (3) any material or information needed to grant the claim and an explanation of why the additional information is necessary, and (4) an explanation of the steps that the Claimant must take if he wishes to appeal the denial including a statement that the Claimant may bring a civil action under ERISA.

(d) **Appeal of Denied Claim.** If a Claimant wishes to appeal the denial of a claim, he shall file a written appeal with the Plan Administrator on or before the 60th day after he receives the Plan Administrator's written notice that the claim has been wholly or partially denied. The written appeal shall identify both the grounds and specific Plan provisions upon which the appeal is based. The Claimant shall be provided, upon request and free of charge, documents and other information relevant to his claim. A written appeal may also include any comments, statements or documents that the Claimant may desire to provide. The Plan Administrator shall consider the merits of the Claimant's written presentations, the merits of any facts or evidence in support of the denial of benefits, and such other facts and circumstances as the Plan Administrator may deem relevant. The Claimant shall lose the right to appeal if the appeal is not timely made. The Plan Administrator shall ordinarily rule on an appeal within 60 days. However, if special circumstances require an extension and the Plan Administrator furnishes the Claimant with a written extension notice during the initial period, the Plan Administrator may take up to 120 days to rule on an appeal.

(e) **Denial of Appeal.** If an appeal is wholly or partially denied, the Plan Administrator shall provide the Claimant with a notice identifying (1) the reason or reasons for such denial, (2) the pertinent Plan provisions on which the denial is based, (3) a statement that the Claimant is entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to the Claimant's claim for benefits, and (4) a statement describing the Claimant's right to bring an action under section 502(a) of ERISA. The determination rendered by the Plan Administrator shall be binding upon all parties.

(f) Notwithstanding anything to the contrary, if the Adoption Agreement specifies that the Plan is not subject to ERISA, claims procedures shall be established by the policies and procedures of the Plan Administrator and/or Company and any other applicable law.

#### Section 6.04      MINOR OR LEGALLY INCOMPETENT PAYEE

If a distribution is to be made to an individual who is either a minor or legally incompetent, the Plan Administrator may direct that such distribution be paid to the legal guardian. If a distribution is to be made to a minor and there is no legal guardian, payment may be made to a parent of such minor or a responsible adult with whom the minor maintains his residence, or to the custodian for such minor under the Uniform Transfer to Minors Act, if such is permitted by the laws of the state in which such minor resides. Such payment shall fully discharge the Plan Administrator and the Company from further liability on account thereof.

#### Section 6.05      MISSING PAYEE

If the Plan Administrator is unable to make payment to any Participant or other person to whom a payment is due under the Plan because it cannot ascertain the identity or whereabouts of such Participants or other person after reasonable efforts have been made to identify or locate such person, such payment and all subsequent payments otherwise due to such Participant or other person shall be forfeited one year after the date any such payment first became due.



ARTICLE 7  
PLAN ADMINISTRATION

Section 7.01      PLAN ADMINISTRATOR

(a)      Designation. The Plan Administrator shall be specified in the Adoption Agreement. In the absence of a designation in the Adoption Agreement, the Plan Sponsor shall be the Plan Administrator. If a Committee is designated as the Plan Administrator, the Committee shall consist of one or more individuals who may be Employees appointed by the Plan Sponsor and the Committee shall elect a chairman and may adopt such rules and procedures as it deems desirable. The Committee may also take action with or without formal meetings and may authorize one or more individuals, who may or may not be members of the Committee, to execute documents in its behalf.

(b)      Authority and Responsibility of the Plan Administrator. The Plan Administrator shall be the Plan "administrator" as such term is defined in section 3(16) of ERISA (if the Adoption Agreement provides that the Plan is subject to ERISA), and as such shall have total and complete discretionary power and authority:

(i)      to make factual determinations, to construe and interpret the provisions of the Plan, to correct defects and resolve ambiguities and inconsistencies therein and to supply omissions thereto. Any construction, interpretation or application of the Plan by the Plan Administrator shall be final, conclusive and binding;

(ii)      to determine the amount, form or timing of benefits payable hereunder and the recipient thereof and to resolve any claim for benefits in accordance with Article 6;

(iii)      to determine the amount and manner of any allocations hereunder;

(iv)      to maintain and preserve records relating to the Plan;

(v)      to prepare and furnish all information and notices required under applicable law or the provisions of this Plan;

(vi)      to prepare and file or publish with the Secretary of Labor, the Secretary of the Treasury, their delegates and all other appropriate government officials all reports and other information required under law to be so filed or published;

(vii)      to hire such professional assistants and consultants as it, in its sole discretion, deems necessary or advisable; and shall be entitled, to the extent permitted by law, to rely conclusively on all tables, valuations, certificates, opinions and reports which are furnished by same;

(viii)      to determine all questions of the eligibility of Employees and of the status of rights of Participants;

(ix)      to adjust Accounts in order to correct errors or omissions;

(x)      to determine the validity of any judicial order;

(xi)      to retain records on elections and waivers by Participants;

(xii)      to supply such information to any person as may be required;

(xiii)      to perform such other functions and duties as are set forth in the Plan that are not specifically given to any other fiduciary or other person.



(c) **Procedures.** The Plan Administrator may adopt such rules and procedures as it deems necessary, desirable, or appropriate for the administration of the Plan. When making a determination or calculation, the Plan Administrator shall be entitled to rely upon information furnished to it. The Plan Administrator's decisions shall be binding and conclusive as to all parties.

(d) **Allocation of Duties and Responsibilities.** The Plan Administrator may designate other persons to carry out any of his duties and responsibilities under the Plan.

(e) **Compensation.** The Plan Administrator shall serve without compensation for its services.

(f) **Expenses.** All direct expenses of the Plan, the Plan Administrator and any other person in furtherance of their duties hereunder shall be paid or reimbursed by the Company.

(g) **Allocation of Fiduciary Duties.** A Plan fiduciary shall have only those specific powers, duties, responsibilities and obligations as are explicitly given him under the Plan. It is intended that each fiduciary shall not be responsible for any act or failure to act of another fiduciary. A fiduciary may serve in more than one fiduciary capacity with respect to the Plan.

#### Section 7.02      INDEMNIFICATION

Unless otherwise provided in the Adoption Agreement, the Company shall indemnify and hold harmless any person serving as the Plan Administrator (and its delegate) from all claims, liabilities, losses, damages and expenses, including reasonable attorneys' fees and expenses, incurred by such persons in connection with their duties hereunder to the extent not covered by insurance, except when the same is due to such person's own gross negligence, willful misconduct, lack of good faith, or breach of its fiduciary duties under this Plan or ERISA to the extent that the Adoption Agreement provides the Plan is subject to ERISA.

#### Section 7.03      HIPAA PRIVACY RULES

(a) **Application.** This Section 7.03 shall only apply in the event that this Plan constitutes a group health plan as defined in section 2791(a)(2) of the Public Health Service Act or if the Plan Administrator determines that the Plan is subject to the HIPAA privacy rules.

(b) **Privacy Policy.** The Plan shall adopt a HIPAA privacy policy, the terms of which are incorporated herein by reference.

(c) **Business Associate Agreement.** The Plan will enter into a business associate agreement with any persons as may be required by applicable law as determined by the Plan Administrator.

(d) **Notice of Privacy Practices.** The Plan will provide each Participant with a notice of privacy practices to the extent required by applicable law.

(e) **Disclosure to the Company.**

(1) **In General.** This Subsection permits the Plan to disclose protected health information ("PHI"), as defined in the HIPAA privacy rules, to the Company to the extent that such PHI is necessary for the Company to carry out its administrative functions related to the Plan.

(2) **Permitted Disclosure.** The Plan may disclose the PHI to the Company that is necessary for the Company to carry out the following administrative functions related to the Plan: eligibility determinations, enrollment and disenrollment activities, and Plan amendments or termination. The Company may use and disclose the PHI provided to it from the Plan only for the administrative purposes described in this Subsection.

(3) **Limitations.** The Company agrees to the following limitations and requirements related to its use and disclosure of PHI received from the Plan:

(A) Use and Further Disclosure. The Company shall not use or further disclose PHI other than as permitted or required by the Plan document or as required by all applicable law, including but not limited to the HIPAA privacy rules. When using or disclosing PHI or when requesting PHI from the Plan, the Company shall make reasonable efforts to limit the PHI to the minimum amount necessary to accomplish the intended purpose of the use, disclosure or request.

(B) Agents and Subcontractors. The Company shall require any agents, including subcontractors, to whom it provides PHI received from the Plan to agree to the same restrictions and conditions that apply to the Company with respect to such information.

(C) Employment-Related Actions. Except as permitted by the HIPAA privacy rules and other applicable federal and state privacy laws, the Company shall not use PHI for employment-related actions and decisions, or in connection with any other employee benefit plan of the Company.

(D) Reporting of Improper Use or Disclosure. The Company shall promptly report to the Plan any improper use or disclosure of PHI of which it becomes aware.

(E) Adequate Protection. The Company shall provide adequate protection of PHI and separation between the Plan and the Company by: (i) ensuring that only those employees who work in the human resources department of the Company on issues related to the healthcare components of the Plan will have access to the PHI provided by the Plan; (ii) restricting access to and use of PHI to only the employees identified in clause (i) above and only for the administrative functions performed by the Company on behalf of the Plan that are described herein; (iii) requiring any agents of the Plan who receive PHI to abide by the Plan's privacy rules; and (iv) using the Company's established disciplinary procedures to resolve issues of noncompliance by the employees identified in clause (i) above.

(F) Return or Destruction of PHI. If feasible, the Company shall return or destroy all PHI received from the Plan that the Company maintains in any form, and retain no copies of such information when no longer needed for the purpose for which disclosure was made. If such return or destruction is not feasible, the Company shall limit further uses and disclosures to those purposes that make the return or destruction of the information infeasible.

(G) Participant Rights. The Company shall provide Participants with the following rights: (i) the right to access to their PHI in accordance with 45 C.F.R. §164.524; (ii) the right to amend their PHI upon request (or the Company will explain to the Participant in writing why the requested amendment was denied) and incorporate any such amendment into a Participant's PHI in accordance with 45 C.F.R. §164.526; and (iii) the right to an accounting of all disclosures of their PHI in accordance with 45 C.F.R. §164.528.

(H) Cooperation with HHS. The Company shall make its books, records, and internal practices relating to the use and disclosure of PHI received from the Plan available to HHS for verification of the Plan's compliance with the HIPAA privacy rules.

(4) Certification. By executing the accompanying Adoption Agreement, the Company hereby certifies that the Plan documents have been amended in accordance with 45 C.F.R. §164.504(f), and that the Company shall protect the PHI as described in Subsection 3 herein.

(5) Security Standards Requirement. To comply with the Security Standards regulations that were published on February 21, 2003, the Company must:

(A) implement administrative, physical and technical safeguards that reasonably and appropriately protect the confidentiality, integrity and availability of the electronic PHI that it creates, receives, maintains or transmits on behalf of the Plan;

(B) ensure that the adequate separation required by 45 C.F.R. 164.504(f)(2)(iii) is supported by reasonable and appropriate security measures;



(C) ensure that any agent, including a subcontractor, to whom it provides this information agrees to implement reasonable and appropriate security measures to protect the information; and

(D) report to the Plan any security incident of which it becomes aware.

(6) Amendment. Notwithstanding any other provision of the Plan, this Section may be amended in any way and at any time by the Privacy Officer.

(7) Effective Dates. Subsections (1) – (4) and Subsection (6) apply to the Plan no later than April 14, 2003, or such other date that the HIPAA Privacy Regulations apply to the Plan. Section (5) applies to the Plan no later than April 20, 2005, or such other date that the HIPAA Security Regulations apply to the Plan.

#### Section 7.04      MEDICAL CHILD SUPPORT ORDERS

In the event the Plan Administrator receives a medical child support order (within the meaning of ERISA section 609(a)(2)(B)), the Plan Administrator shall notify the affected Participant and any alternate recipient identified in the order of the receipt of the order and the Plan's procedures for determining whether such an order is a qualified medical child support order (within the meaning of ERISA section 609(a)(2)(A)). Within a reasonable period the Plan Administrator shall determine whether the order is a qualified medical child support order and shall notify the Participant and alternate recipient of such determination.

If the plan is not subject to ERISA any applicable law related to qualified medical child support orders or National Medical Support Notices shall apply and the Plan Administrator shall follow any required procedures under such law.

#### Section 7.05      HIPAA PORTABILITY RULES

In the event the Plan constitutes a group health plan as defined in Treas. Reg. section 54.9801-2 or if the Plan Administrator determines that the Plan is subject to HIPAA portability rules, the Plan shall comply with the requirements of Code section 9801 et. Seq. including the requirement to cover children until the attainment of age 26 if the Plan makes dependent coverage of children available. The Plan Administrator shall only provide a certificate of creditable coverage if the Plan constitutes a group health plan as defined in Treas. Reg. section 54.9801-2.



ARTICLE 8  
AMENDMENT AND TERMINATION

Section 8.01      AMENDMENT

The provisions of the Plan may be amended in writing at any time and from time to time by the Plan Sponsor.

Section 8.02      TERMINATION

(a)      It is the intention of the Plan Sponsor that this Plan will be permanent. However, the Plan Sponsor reserves the right to terminate the Plan at any time for any reason.

(b)      Each entity constituting the Company reserves the right to terminate its participation in this Plan. Each such entity constituting the Company shall be deemed to terminate its participation in the Plan if: (i) it is a party to a merger in which it is not the surviving entity and the surviving entity is not an affiliate of another entity constituting the Company, or (ii) it sells all or substantially all of its assets to an entity that is not an affiliate of another entity constituting the Company.

ARTICLE 9  
MISCELLANEOUS

Section 9.01      NONALIENATION OF BENEFITS

No Participant or Beneficiary shall have the right to alienate, anticipate, commute, pledge, encumber or assign any of the benefits or payments which he may expect to receive, contingently or otherwise, under the Plan.

Section 9.02      NO RIGHT TO EMPLOYMENT

Nothing contained in this Plan shall be construed as a contract of employment between the Company and the Participant, or as a right of any Employee to continue in the employment of the Company, or as a limitation of the right of the Company to discharge any of its Employees, with or without cause.

Section 9.03      NO FUNDING REQUIRED

Except as otherwise required by law:

(a) Any amount contributed by a Participant and/or the Company to provide benefits hereunder shall remain part of the general assets of the Company and all payments of benefits under the Plan shall be made solely out of the general assets of the Company.

(b) The Company shall have no obligation to set aside any funds, establish a trust, or segregate any amounts for the purpose of making any benefit payments under this Plan. However, the Company may in its sole discretion, set aside funds, establish a trust, or segregate amounts for the purpose of making any benefit payments under this Plan.

(c) No person shall have any rights to, or interest in, any Account other than as expressly authorized in the Plan.

Section 9.04      GOVERNING LAW

(a) The Plan shall be construed in accordance with and governed by the laws of the state or commonwealth of organization of the Plan Sponsor to the extent not preempted by Federal law.

(b) The Plan hereby incorporates by reference any provisions required by state law to the extent not preempted by Federal law.

Section 9.05      TAX EFFECT

The Company does not represent or guarantee that any particular federal, state or local income, payroll, personal property or other tax consequence will result from participation in this Plan. A Participant should consult with professional tax advisors to determine the tax consequences of his or her participation.

Section 9.06      SEVERABILITY OF PROVISIONS

If any provision of the Plan shall be held invalid or unenforceable, such invalidity or unenforceability shall not affect any other provisions hereof, and the Plan shall be construed and enforced as if such provisions had not been included.

Section 9.07      HEADINGS AND CAPTIONS

The headings and captions herein are provided for reference and convenience only, shall not be considered part of the Plan, and shall not be employed in the construction of the Plan.

Section 9.08      GENDER AND NUMBER

Except where otherwise clearly indicated by context, the masculine and the neuter shall include the feminine and the neuter, the singular shall include the plural, and vice-versa.



- iii.  Other amount: \_\_\_\_\_ (not exceeding the entire amount elected for the Health Care Reimbursement Account for the Plan Year minus reimbursements).

**Plan Administrator**

- 7a. Designation of Plan Administrator (Section 7.01):  
i.  Plan Sponsor  
ii.  Committee appointed by Plan Sponsor  
iii.  Other
- 7b. If D.7a.iii is selected, Name of Plan Administrator: \_\_\_\_\_
- 8a. Type of indemnification for the Plan Administrator (Section 7.02):  
i.  None - the Company will not indemnify the Plan Administrator.  
ii.  Standard as provided in Section 7.02.  
iii.  Custom.
- 8b. If D.7a.iii (Custom) is selected, indemnification for the Plan Administrator is provided pursuant to an Addendum to the Adoption Agreement.

**State Law Rules**

- 10a. If A.5 is "No" (non-ERISA Plan), is the Plan subject to other state law rules?:  
 Yes  No
- 10b. If A.5 is "No" (non-ERISA Plan) and D.10a is "Yes," enter any state law rules that apply to the Plan: \_\_\_\_\_

**E. EFFECTIVE DATES**

Use this Section to provide any effective dates for Plan provisions other than the Effective Date specified in A.3.

**F. EXECUTION PAGE**

Failure to properly fill out the Adoption Agreement may result in the failure of the Plan to achieve its intended tax consequences.

The Plan shall consist of this Adoption Agreement, its related Basic Plan Document #125 and any related Appendix and Addendum to the Adoption Agreement.

Additional participating employers may be specified in an addendum to the Adoption Agreement.

The undersigned agree to be bound by the terms of this Adoption Agreement and Basic Plan Document and acknowledge receipt of same.

The Plan Sponsor caused this Plan to be executed this \_\_\_\_\_ day of \_\_\_\_\_, 2014.

**CITY OF GRAND RAPIDS:**

Signature: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title/Position: \_\_\_\_\_

**CITY OF GRAND RAPIDS  
FORMAL RECORD OF ACTION**

The following is a formal record of action taken by the governing body of City of Grand Rapids (the "Company").

With respect to the amendment and restatement of the City of Grand Rapids Cafeteria Plan (the "Plan"), the following resolutions are hereby adopted:

**RESOLVED:** That the Plan be amended and restated in the form attached hereto, which Plan is hereby adopted and approved;

**RESOLVED FURTHER:** That the appropriate officers of the Company be, and they hereby are, authorized and directed to execute the Plan on behalf of the Company;

**RESOLVED FURTHER:** That the officers of the Company be, and they hereby are, authorized and directed to take any and all actions and execute and deliver such documents as they may deem necessary, appropriate or convenient to effect the foregoing resolutions including, without limitation, causing to be prepared and filed such reports, documents or other information as may be required under applicable law.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2014.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**ADOPTION AGREEMENT  
CAFETERIA PLAN**

The undersigned adopting employer hereby adopts this Plan. The Plan is intended to qualify as a cafeteria plan under Code section 125. The Plan shall consist of this Adoption Agreement, its related Basic Plan Document and any related Appendix and Addendum to the Adoption Agreement. Unless otherwise indicated, all Section references are to Sections in the Basic Plan Document.

**COMPANY INFORMATION**

1. Name of adopting employer (Plan Sponsor): City of Grand Rapids
2. Address: 420 N Pokegama Avenue,
3. City: Grand Rapids 4.State: MN 5. Zip: 55744
6. Phone number: 218-326-7617 7. Fax number: \_\_\_\_\_ - \_\_\_\_\_
8. Plan Sponsor EIN: 41-6005201
9. Plan Sponsor fiscal year end: December 32
- 10a. Plan Sponsor entity type:
  - i.  C Corporation
  - ii.  S Corporation
  - iii.  Non Profit Organization
  - iv.  Partnership
  - v.  Limited Liability Company
  - vi.  Limited Liability Partnership
  - vii.  Sole Proprietorship
  - viii.  Union
  - ix.  Government Agency
  - x.  Other: \_\_\_\_\_
- 10b. If 10a.viii (Union) is selected, enter name of the representative of the parties who established or maintain the Plan:  
\_\_\_\_\_
11. State of organization of Plan Sponsor: Minnesota
- 12a. The Plan Sponsor is a member of an affiliated service group:  
 Yes  No
- 12b. If 12a is "Yes", list all members of the group (other than the Plan Sponsor): \_\_\_\_\_
- 13a. The Plan Sponsor is a member of a controlled group:  
 Yes  No
- 13b. If 13a is "Yes", list all members of the group (other than the Plan Sponsor): \_\_\_\_\_

**PLAN INFORMATION**

**A. GENERAL INFORMATION.**

1. Plan Number: 201
2. Plan name:
  - a. City of Grand Rapids
  - b. Cafeteria Plan
3. Effective Date:
  - 3a. Original effective date of Plan: July 1, 1992
  - 3b. Is this a restatement of a previously-adopted plan?  
 Yes  No
  - 3c. If A.3b is "Yes", effective date of Plan restatement: January 1, 2015  
**NOTE:** If A.3b is "No", the Effective Date shall be the date specified in A.3a, otherwise the date specified in A.3c; provided, however, that when a provision of the Plan states another effective date, such stated specific effective date shall apply as to that provision.



- 4a. **Plan Year** means each 12-consecutive month period ending on **December 31** (e.g. December 31). If the Plan Year changes, any special provisions regarding a short Plan Year should be placed in the Addendum to the Adoption Agreement.
- 4b. The Plan has a short plan year:  
 Yes  No
- 4c. If A.4b is "Yes", the short plan year begins \_\_\_\_\_ and ends on \_\_\_\_\_.
5. Is the Plan Subject to ERISA?  
 Yes  No

#### Plan Features

- 10a. **Premium Conversion Account.** Contributions to fund a Premium Conversion Account are permitted (Section 4.01) (If "No", questions regarding Premium Conversion Accounts are disregarded.):  
 Yes  No
- 10b. If A.10a is "Yes", select the types of Contracts for which a Participant may seek reimbursement under Section 4.01:  
 i.  Employer Group Medical  
 ii.  Employer Dental  
 iii.  Employer Vision  
 iv.  Employer Disability  
 v.  Employer Group Term Life  
 vi.  Individually - Owned Dental  
 vii.  Individually - Owned Vision  
 viii.  Individually - Owned Disability  
 ix.  Other
- 10c. If A.10a is "Yes" and A.10b.ix (other contracts) is selected, describe other types of Contracts: **Other eligible Group Ancillary or Voluntary coverages.**
- 11a. **Health Care Reimbursement Account.** Contributions to fund a Health Care Reimbursement Account are permitted (Section 4.02) (If "No", questions regarding Health Care Reimbursement Accounts are disregarded.):  
 Yes  No
- 11b. **HSA Account.** Contributions to fund an HSA Account are permitted (Section 4.08):  
 Yes  No
12. **Dependent Care Assistance Account.** Contributions to fund a Dependent Care Assistance Account are permitted (Section 4.03) (If "No", questions regarding Dependent Care Assistance Accounts are disregarded.):  
 Yes  No  
**NOTE:** The maximum amount of expense that may be contributed/reimbursed in any Plan Year for the Dependent Care Assistance Account is the maximum amount permitted by federal tax law (\$5,000 or \$2,500 if the Participant is married and filing a separate federal tax return).
13. **Adoption Assistance Account.** Contributions to fund an Adoption Assistance Account are permitted. (Section 4.04) (If "No", questions regarding Adoption Assistance Accounts are disregarded.):  
 Yes  No  
**NOTE:** The maximum amount of expense that may be contributed/reimbursed for the Adoption Assistance Account is the maximum amount permitted by federal tax law for the prior year (\$10,960 for Plan Years beginning in 2006). The annual limit shall be reduced for adoption assistance expenses incurred any prior Plan Year.

#### Simple Cafeteria Plan

15. **Is the Plan a simple cafeteria plan as defined in Code section 125(j):**  
 Yes  No  
**NOTE:** In order to be a simple cafeteria plan, the Employer must be an eligible employer (as defined in Code section 125(j)(5)) and the Plan must meet certain contribution, eligibility and participation requirements.

#### B. ELIGIBILITY.

#### Exclusions/Modifications

The term "Eligible Employee" shall not include (Check items **B.1 - B.5a** as appropriate):

**NOTE:** If **A.15** is "Yes" (the Plan is a simple cafeteria plan), **B.2** may not be selected and **B.4** and **B.5a** may be selected only to the extent that the provisions do not violate the requirements on Code section 125(j).

1.  **Union.** Any Employee who is included in a unit of Employees covered by a collective bargaining agreement, if benefits were the subject of good faith bargaining, and if the collective bargaining agreement does not provide for participation in this Plan.
2.  Any **leased employee.**
3.  **Non-Resident Alien.** Any Employee who is a non-resident alien who received no earned income (within the meaning of Code section 911(d)(2)) which constitutes income from services performed within the United States (within the meaning of Code section 861(a)(3)).
4.  **Part-time.** Any Employee who is expected to work less than \_\_\_\_\_ hours per week.
- 5a.  **Other.** Other Employees described in **B.5b** (any exclusion must satisfy Code section 125(g) and the requirements under Section 5.01).
- 5b. If **B.5a** is selected, describe other Employees excluded from definition of Eligible Employee: \_\_\_\_\_.
- 6a. Allow immediate participation for all Eligible Employees employed on the date specified in **B.6b**:  
 Yes  No
- 6b. If **B.6a** is "Yes", all Eligible Employees employed on \_\_\_\_\_ shall become eligible to participate in the Plan as of such date.
7. If **A.10a** is "Yes", (Contributions to fund a Premium Conversion Account are permitted), an Employee shall be an Eligible Employee with respect to the Premium Conversion Account if the Employee is eligible to participate in the benefit plans described in **A.10b**:  
 Yes  No
- 8a. Indicate whether the Plan will make any other revisions to the term "Eligible Employee":  
 Yes  No
- 8b. If **B.8a** is "Yes", describe any further modifications to the term "Eligible Employee": **An Employee shall only be an Eligible Employee for all purposes if the Employee is eligible to participate in the Employer Group Medical plan.**

#### Service Requirements

10. Minimum age requirement for an Eligible Employee to become eligible to be a Participant in the Plan: **None**  
**NOTE:** If **A.15** is "Yes" (the Plan is a simple cafeteria plan), **B.10** may not exceed 21.
11. Minimum service requirement for an Eligible Employee to become eligible to be a Participant in the Plan:
  - i.  None.
  - ii.  Completion of \_\_\_\_\_ hours of service.
  - iii.  Completion of \_\_\_\_\_ days of service.
  - iv.  Completion of \_\_\_\_\_ months of service.
  - v.  Completion of \_\_\_\_\_ years of service.**NOTE:** If **A.15** is "Yes" (the Plan is a simple cafeteria plan), **B.11** may not exceed 1,000 hours of service or one year of service.
- 12a. Frequency of entry dates:
  - i.  An Eligible Employee shall become a Participant in the Plan as soon as administratively feasible upon meeting the requirements of **B.10** and **B.11**.
  - ii.  first day of each calendar month
  - iii.  first day of each plan quarter
  - iv.  first day of the first month and seventh month of the Plan Year
  - v.  first day of the Plan Year
- 12b. If **B.12.a.i** (immediate entry) is not selected, an Eligible Employee shall become a Participant in the Plan on the entry date selected in **B.12a** that is:
  - i.  coincident with or next following
  - ii.  next followingthe date the requirements of **B.10** and **B.11** are met.



13. If **A.10a** is "Yes", (Contributions to fund a Premium Conversion Account are permitted), an Eligible Employee shall become eligible to become a Participant in the Plan with respect to the Premium Conversion Account at the same date as he or she becomes eligible to participate in the Contracts(s) described in **A.10b**:  
 Yes  No
- 14a. Indicate whether the Plan will make any other revisions to the eligibility rules specified in **B.10 - B.13**:  
 Yes  No  
**NOTE:** If **A.15** is "Yes" (the Plan is a simple cafeteria plan), **B.14a** may only be "Yes" if the modifications in **B.14b** do not violate any requirements of Code section 125(j).
- 14b. If **B.14a** is "Yes", describe any further modifications to the eligibility rules specified in **B.10 - B.13**: \_\_\_\_\_.

#### Transfers/Rehires

15. Permit Participants who are no longer Eligible Employees (for reasons other than Termination) to continue to participate in the Plan until the end of the Plan Year (Section 3.02):  
 Yes  No  
**NOTE:** If "No" is selected, a Participant who has a change in job classification or a transfer that results in the Participant no longer qualifying as an Eligible Employee shall cease to be a Participant as of the effective date of such change of job classification or transfer.
16. Automatically reinstate benefit elections for Terminated Participants who are rehired within 30 days of Termination and permit new benefit elections for Terminated Participants who are rehired more than 30 days after Termination (Section 3.03(a)):  
 Yes  No  
**NOTE:** If "No" is selected, a Terminated Participant shall not be able to Participate in the Plan until the later of the first day of the subsequent Plan Year or the first entry date following reemployment.

#### C. BENEFITS

##### Premium Conversion

- 1a. If **A.10a** is "Yes" (Contributions to fund a Premium Conversion Account are permitted), provide for automatic enrollment for the Premium Conversion Account:  
 Yes  No  
**NOTE:** If **C.1a** is "Yes", a Participant shall be deemed to elect to contribute the entire amount of any premiums payable by the Participant for the benefit plans described in **A.10b**.
- 1b. If **A.10a** is "Yes" (Contributions to fund a Premium Conversion Account are permitted), provide for automatic adjustment of Participant elections for changes in the cost of Contracts pursuant to the terms of Treas. Reg. 1.125-4:  
 Yes  No

##### Health Care Reimbursement

- 2a. If **A.11** is "Yes" (Contributions to fund a Health Care Reimbursement Account are permitted), select the maximum salary reduction amount that can be contributed to a Health Care Reimbursement Account in any Plan Year:  
i.  The maximum amount permitted under Code section 125(i)  
ii.  Other amount specified in **C.2b**  
**NOTE:** If **C.2a.i** is selected effective prior to 2013, the maximum amount shall be \$2,500.
- 2b. If **C.2a** is "Other amount specified in **C.2b**", enter the maximum salary reduction amount that can be contributed to a Health Care Reimbursement Account in any Plan Year: \_\_\_\_\_.  
**NOTE:** As of January 1, 2013, **C.2** may not exceed the maximum permitted under Code section 125(i) (\$2,500 in 2013).
3. If **A.11** is "Yes" (Contributions to fund a Health Care Reimbursement Account are permitted), specify whether a Participant shall continue making contributions after Termination of employment for the remainder of the Plan Year:  
i.  Yes - Continue contributions on an after-tax basis and reimbursements will be allowed for the remainder of the Plan Year.



- ii.  No - Contributions shall cease upon Termination and reimbursements will be allowed only for expenses incurred prior to Termination.

**NOTE:** Any required COBRA elections described in Section 4.06 shall supersede this C.3.

- 4a. If A.11 is "Yes" (Contributions to fund a Health Care Reimbursement Account are permitted), indicate whether a Participant may revise a Health Care Reimbursement Account election upon a change of status:

- i.  Yes - without limitation  
ii.  Yes - but no decrease to the extent that new annual contribution amount would be less than the amount previously reimbursed at the time of the election change  
iii.  Yes - a Participant may only increase an election upon a change of status  
iv.  Yes - with limitations described in C.4b.  
v.  No

**NOTE:** The rules regarding the revision of Health Care Reimbursement Account elections in this C.4 are also subject to the conditions and limitations provided in C.12.

- 4b. If A.11 is "Yes" and if C.4a.iv is selected (Yes - with limitations described in C.4b), describe the limitations: \_\_\_\_\_.

#### Health Care Reimbursement - Eligible Expenses

- 5a. **Excepted Benefits.** Indicate the method of maintaining the Health Care Reimbursement Account as excepted benefits (only applicable if A.11 is "Yes"):
- i.  **Other Group Health Coverage and Maximum Benefit Payable** within the meaning of Treas. Reg. section 54.9831-1(c)(3)(v)  
ii.  **Limited-scope benefits** within the meaning of Treas. Reg. section 54.9831-1(c)(3)(i)-(ii) (dental and vision)  
iii.  **Other:** \_\_\_\_\_.

**NOTE:** If C.5a.i is selected, any employer contribution entered in C.9 shall not exceed the maximum benefits payable under Treas. Reg. section 54.9831-1(c)(3)(v).

**NOTE:** If C.5a.ii is selected, limited scope benefits may not include Long-term care insurance or any other benefits that are nonqualified benefits under Prop. Treas. Reg. section 1.125-1(q). **5b.** If A.11 is "Yes" (Contributions to fund a Health Care Reimbursement Account are permitted), exclude coverage for other expenses described in C.5c:

Yes  No

- 5c. If A.11 is "Yes" and C.5b is "Yes", describe other expenses that are not eligible for reimbursement: \_\_\_\_\_.

#### Health Care Reimbursement - Eligible Expenses

- 6a. If A.11 is "Yes" (Contributions to fund a Health Care Reimbursement Account are permitted), a Participant may only be reimbursed from his or her Health Care Reimbursement Account for expenses that are incurred by:
- i.  **Participant, spouse and dependents.** The Participant, his or her spouse and all dependents within the meaning of Code section 152 as modified by Code section 105(b), and any child (as defined in section 152(f)(1)) of the Participant until his or her 26th birthday.  
ii.  **Persons covered under Company medical plan.** The Participant, his or her spouse and all dependents within the meaning of Code section 152 as modified by Code section 105(b), and any child (as defined in section 152(f)(1)) of the Participant until his or her 26th birthday, but only if such persons are also covered under the Company-sponsored benefit plan specified in C.6b.  
iii.  **Participants Only.** No spousal or dependent coverage.  
iv.  **Other.** The persons described in C.6c.

**NOTE:** The Plan Administrator may extend coverage for children until the end of the calendar year in which a child turns age 26.

- 6b. If C.6a is "Persons covered under Company medical plan", indicate the name of the Company-sponsored benefit plan:

- 6c. If C.6a is "Other", indicate who must incur expenses that can be reimbursed from a Participant's Health Care Reimbursement Account: \_\_\_\_\_.

**NOTE:** The definition in C.6c may not include anyone other than the Participant, his or her spouse and all dependents within the meaning of Code section 152 as modified by Code section 105(b), and any child (as defined in section 152(f)(1)) of the Participant until his or her 26th birthday.

**NOTE:** If **A.11** is "Yes" (Contributions to fund a Health Care Reimbursement Account are permitted), reimbursements may be made for any expense that qualifies for exclusion from income under Code section 105(b) (other than certain long term care expenses and insurance premiums), except as provided in **C.5 - C.6**.

- 7a. Health Savings Accounts.** If **A.11** is "Yes" (Contributions to fund a Health Care Reimbursement Account are permitted), describe method to coordinate coverage in the Plan with Health Savings Accounts (Section 6.01(j)):
- None.** Coverage in the Plan is not limited or the Plan is not used in conjunction with a Health Savings Account.
  - Permitted Coverage.** Coverage in the Plan is only provided for permitted insurance and other specified coverage (e.g., coverage for accidents, disability, dental care, vision care or preventive care within the meaning of Code section 223(c)(1) and Rev. Rul. 2004-45 (but not through insurance or for long-term care services).
  - Post Deductible Coverage.** The Plan will not pay or reimburse any medical expense incurred before the minimum annual deductible under Code section 223(c)(2)(A)(i) is satisfied.
  - Both Permitted and Post Deductible Coverage.** Until the minimum annual deductible under Code section 223(c)(2)(A)(i) is satisfied, coverage in the Plan is only provided for permitted insurance and other specified coverage (e.g., coverage for accidents, disability, dental care, vision care or preventive care within the meaning of Code section 223(c)(1) and Rev. Rul. 2004-45 (but not through insurance or for long-term care services). The Plan will pay or reimburse all medical expenses otherwise allowed by the Plan incurred after the minimum annual deductible under Code section 223(c)(2)(A)(i) is satisfied.
- 7b.** If **A.11** is "Yes", **C.7a** is not "None" and **D.3a** is "Yes" (grace period allowed), indicate period when the limitations described in **C.7a** apply:
- Entire Plan Year.
  - Only during the grace period described in **D.3**.
- NOTE:** If no grace period is allowed in **D.3a**, the limitations in **C.7a** shall apply for the entire Plan Year.
- 7c.** If **A.11** is "Yes" and **C.7a** is not "None", the limitations shall apply to:
- All Participants.
  - Only Participants who are also eligible to participate in the high deductible health plan.
  - Only Participants who are also enrolled in the high deductible health plan.
- NOTE:** If **C.7a** is "None" or **C.7c** is not "All Participants", eligibility for a Health Savings Account may be limited.
- 8. HRA.** If **A.11** is "Yes" (Contributions to fund a Health Care Reimbursement Account are permitted), describe method to coordinate coverage in the Plan with a Company-sponsored health reimbursement arrangement ("HRA") for expenses that are reimbursable under both this Plan and the HRA (Section 6.01(e)):
- None.** Plan is not used in conjunction with a Company-sponsored HRA.
  - HRA first.** A Participant shall not be entitled to payment/reimbursement under the Health Care Reimbursement Account until the Participant has received his or her maximum reimbursement under the HRA.
  - Cafeteria plan first.** A Participant shall not be entitled to payment/reimbursement under the HRA until the Participant has received his or her maximum reimbursement under the Health Care Reimbursement Account.

#### Company Contributions

- 9a.** Indicate whether the Company may contribute to the Plan (Section 4.09):
- Yes - in Company's sole discretion.
  - Yes - 2% of Compensation.
  - Yes - the lesser of 6% of Compensation or 100% match of a Participant's salary reduction contribution.
  - Yes - pursuant to the method described in **C.9b**.
  - No.
- NOTE:** If **A.15** is "Yes" (the Plan is a simple cafeteria plan), **C.9a.ii**, **C.9a.iii** or **C.9a.iv** must be selected.
- 9b.** If **C.9a** is "Yes - pursuant to the method described in **C.9b**", describe how the contributions are determined and allocated: \_\_\_\_\_.
- NOTE:** If **A.15** is "Yes" (the Plan is a simple cafeteria plan), **C.9b** must equal or exceed the formulas under options **C.9a.ii** or **C.9a.iii**.
- 9c.** If **C.9a** is not "No", indicate whether the Plan permits Participants to elect cash in lieu of benefits:
- No.
  - Yes - with limitation.
  - Yes - without limitation.



9d. If C.9a is not "No" and C.9c is "Yes - with limitation", describe any limitations: \_\_\_\_\_.

#### Elections

**NOTE:** The Plan Administrator may establish a minimum dollar amount or percentage of Compensation for all elections provided that such minimum is non-discriminatory.

10. When may continuing Participants **make** elections regarding contributions (Section 4.06(b)):

- i.  The \_\_\_\_\_ day period ending prior to the beginning of the Plan Year
- ii.  Pursuant to Plan Administrator procedures.

**NOTE:** If C.10.i is selected, the Plan Administrator may require that elections be made no later than a certain number of days prior to the beginning of the Plan Year. See Section 4.06(a) for procedures regarding new Participants.

11. The election for a continuing Participant who fails to make an election within the period described in C.10 shall be determined in accordance with the following (Section 4.06(c)-(d)):

- i.  **Election not to participate.** The Participant shall be treated as having elected not to participate in the Plan.
- ii.  **Continue same election.** Elections for the applicable Plan Year shall be the same as the elections made in the prior Plan Year.
- iii.  **Continue same election for the Premium Conversion Account.** Elections for the applicable Plan Year shall be the same as the elections made in the prior Plan Year but only with respect to the Premium Conversion Account. The Participant shall be treated as having elected not to participate in the Plan with respect to any other Accounts.

12a. When may Participants **modify** elections regarding contributions (Section 4.07(b)):

- i.  At any time permitted under Treas. Reg. section 1.125-4.
- ii.  Pursuant to Plan Administrator procedures.

12b. Permit Participants to revoke an election of coverage under a group health plan:

- i.  due to reduction in hours of service (Section 4.07(c))
- ii.  due to enrollment in a qualified health plan offered through a marketplace established under Code section 1311 (Section 4.07(d))

**NOTE:** The group health plan may not be a health FSA and must provide minimum essential coverage (as defined in Code section 5000A(f)(1)).

13a. A Participant may elect to continue coverage on a pre-tax or after tax basis for non medical benefits when on leave of absence under the FMLA (Section 4.06(f)):

- i.  Yes - A Participant may continue coverage for all benefits to which he is entitled when on FMLA leave.
- ii.  No - A Participant may continue coverage for Premium Conversion Accounts and Health Care Reimbursement Accounts only.

13b. A Participant may elect to continue coverage on a pre-tax or after tax basis pursuant to C.13a when on a leave of absence other than a leave of absence under the FMLA:

- i.  Yes.
- ii.  Yes - but subject to the conditions and limitations described in C.13c.
- iii.  No.

13c. If C.13b is "Yes - but subject to conditions and limitations", describe the conditions and/or limitations: \_\_\_\_\_.

#### Dependent Care Spend Down

15a. Indicate whether Employees that cease to Participate in the cafeteria plan may continue to be reimbursed for eligible dependent care expenses through the end of the Plan Year (or grace period if applicable):

Yes  No

15b. If C.15a is "Yes", enter the effective date: August 6, 2007 (must be on or after August 6, 2007. Please note that under the proposed cafeteria plan regulations, amendments must be effective on the later of the adoption date or effective date of the amendment).

#### D. PLAN OPERATIONS

##### Claims



1. Claims for reimbursement for an active Participant must be filed with the Plan Administrator (Section 6.01):
- within **90** days following the last day of each Plan Year.
  - by \_\_\_\_\_.
- 2a. The Plan provides for an earlier deadline for claims submission for Terminated Participants:  
 Yes  No
- 2b. If **D.2a** is Yes, claims for reimbursement for a Terminated Participant must be filed with the Plan Administrator (Section 6.01):
- within \_\_\_\_\_ days following Termination of employment.
  - by \_\_\_\_\_.
- 3a. **Grace Period.** The Plan provides for a 2-1/2 month grace period described in IRS Notice 2005-42 immediately following the end of each Plan Year (Section 4.05(c)):
- Yes.
  - Yes - but limited to the Accounts described in **D.3c**.
  - No.
- 3b. If **D.3a** is not "No", enter the first day of the first Plan Year for which the grace period will apply: \_\_\_\_\_.
- 3c. If **D.3a** is "Yes - but limited to certain Accounts", enter the Accounts that are eligible for the grace period: \_\_\_\_\_.
- 3d. If **D.3a** is not "No" and **D.1.i** is selected (claims are due within a number of days after the end of the Plan Year), will the same number of days apply to the end of the grace period?
- Yes.
  - No - same due date applies for grace period claims.
  - No - claims incurred during the grace period are due: \_\_\_\_\_.
- 4a. **Carryover.** Indicate whether the Plan will carryover unused Health Care Reimbursement Account balances at the end of the Plan Year as permitted in IRS Notice 2013-71.
- Yes - balances up to \$\_\_\_\_\_ may be carried over (may not exceed \$500)
  - No
- NOTE:** If carryover is selected (**D.4a** is not "No"), the Plan may not provide for a grace period for the Health Care Reimbursement Account (**D.3a.i** may not be selected and **D.3a.ii** must be restricted to accounts other than the Health Care Reimbursement Account). In addition, the Plan may not provide for a grace period in the year to which the carryover amount is applied.
- 4b. Effective date of the carryover option: \_\_\_\_\_.
- 4c. Describe any limitations on the carryover provision: \_\_\_\_\_
- NOTE:** The same carryover limit must apply to all Participants. Unused amounts may not be cashed out or converted to any other taxable or nontaxable benefit.
- NOTE:** In addition to any limitations on carryover described above, the Plan Administrator may prescribe procedures for the carryover including, but not limited to, establishing a minimum amount for carryover and requiring a contribution to use the rollover in the following year provided that any such procedure is non-discriminatory.
5. Indicate whether the Company will provide debit, credit, and/or other stored-value cards for Health Care Reimbursement Accounts and/or Dependent Care Assistance Accounts (Section 6.01(i)):  
 Yes  No

**Qualified Reservist Distributions (HEART Act)**

- 6a. Permit Qualified Reservist Distributions:  
 Yes  No
- 6b. If **D.6a** is "Yes", enter the effective date: \_\_\_\_\_ (must be on or after June 18, 2008. Please note that under the proposed cafeteria plan regulations, amendments must be effective on the later of the adoption date or effective date of the amendment).
- 6c. If **D.6a** is "Yes", the amount available as a Qualified Reservist Distribution will be:
- The entire amount elected for the Health Care Reimbursement Account for the Plan Year minus Health Care Reimbursement Account reimbursements received as of the date of the Qualified Reservist Distribution request.
  - The amount contributed to the Health Care Reimbursement Account as of the date of the Qualified Reservist Distribution request minus Health Care Reimbursement Account reimbursements received as of the date of the Qualified Reservist Distribution request.

- iii.  Other amount: \_\_\_\_\_ (not exceeding the entire amount elected for the Health Care Reimbursement Account for the Plan Year minus reimbursements).

**Plan Administrator**

- 7a. Designation of Plan Administrator (Section 7.01):
- i.  Plan Sponsor
  - ii.  Committee appointed by Plan Sponsor
  - iii.  Other
- 7b. If D.7a.iii is selected, Name of Plan Administrator: \_\_\_\_\_
- 8a. Type of indemnification for the Plan Administrator (Section 7.02):
- i.  None - the Company will not indemnify the Plan Administrator.
  - ii.  Standard as provided in Section 7.02.
  - iii.  Custom.
- 8b. If D.7a.iii (Custom) is selected, indemnification for the Plan Administrator is provided pursuant to an Addendum to the Adoption Agreement.

**State Law Rules**

- 10a. If A.5 is "No" (non-ERISA Plan), is the Plan subject to other state law rules?:  
 Yes  No
- 10b. If A.5 is "No" (non-ERISA Plan) and D.10a is "Yes," enter any state law rules that apply to the Plan: \_\_\_\_\_

**E. EFFECTIVE DATES**

Use this Section to provide any effective dates for Plan provisions other than the Effective Date specified in A.3.

**F. EXECUTION PAGE**

Failure to properly fill out the Adoption Agreement may result in the failure of the Plan to achieve its intended tax consequences.

The Plan shall consist of this Adoption Agreement, its related Basic Plan Document #125 and any related Appendix and Addendum to the Adoption Agreement.

Additional participating employers may be specified in an addendum to the Adoption Agreement.

The undersigned agree to be bound by the terms of this Adoption Agreement and Basic Plan Document and acknowledge receipt of same.

The Plan Sponsor caused this Plan to be executed this \_\_\_\_\_ day of \_\_\_\_\_, 2014.

**CITY OF GRAND RAPIDS:**

Signature: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title/Position: \_\_\_\_\_

**CITY OF GRAND RAPIDS**  
**CAFETERIA PLAN**  
**SUMMARY PLAN DESCRIPTION**

January 1, 2015

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SuperiorUSA Corporation



CITY OF GRAND RAPIDS  
CAFETERIA PLAN  
SUMMARY PLAN DESCRIPTION

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## **INTRODUCTION**

City of Grand Rapids (the "Company") established the City of Grand Rapids Cafeteria Plan (the "Plan") effective July 1, 1992. This Summary Plan Description describes the Plan as amended and restated effective January 1, 2015.

This revised Summary Plan Description supersedes all previous Summary Plan Descriptions. Although the purpose of this document is to summarize the more significant provisions of the Plan, the Plan document will prevail in the event of any inconsistency.

## **ELIGIBILITY FOR PARTICIPATION**

### Eligible Employee

You are an "Eligible Employee" if you are employed by City of Grand Rapids or any affiliate who has adopted the Plan.

The term "Eligible Employee" is further modified as follows: An Employee shall only be an Eligible Employee for all purposes if the Employee is eligible to participate in the Employer Group Medical plan.

You are an "Eligible Employee" for purposes of the Premium Conversion Account on the date you become eligible to receive benefits from the contracts described for Premium Conversion Accounts in the Section titled "BENEFITS" below.

### Date of Participation

You will become a Participant eligible to receive benefits from the Plan on the first day of the calendar month coincident with or next following the date you first perform an hour of service as an Eligible Employee.

However, you will become a Participant eligible to make contributions and receive benefits from the Premium Conversion Account on the date you become eligible to receive benefits from the contracts described for Premium Conversion Accounts in the Section titled "BENEFITS" below.

You will stop being a participant eligible to receive benefits from the Plan on the date you are no longer an Eligible Employee or the date you terminate employment with the Company.

## **ELECTIONS**

### In General



When you become eligible to participate in the Plan, you may begin contributing to the Plan. All contributions will be credited to an account established in your behalf. Your contributions to the Plan are not subject to federal income tax or social security taxes.

Please note that while you may enjoy certain tax benefits, there may be some drawbacks to participation in the Plan. For instance, participation in the Plan may lower your social security benefits. You should consult with your professional tax/financial advisor to determine the consequences of your participation in this Plan.

### Election Procedures

When you are first eligible to participate in the Plan, you must return a completed election form to the Plan Administrator on or before the date specified by the Plan Administrator.

After you are first eligible to participate in the Plan you will generally only be able to change your elections as of the beginning of each Plan Year. Prior to the start of each Plan Year, the Plan Administrator will provide an election form to you. In order to participate in the Plan for the next Plan Year, you must return the completed election form to the Plan Administrator on or before the date specified by the Plan Administrator. However, see "Modification of Elections" below for situations where you may modify elections at a time other than the beginning of a Plan Year.

If, as of the start of a Plan Year, you have not returned an election form by its due date, you will be deemed to have elected not to participate in the Plan for that Plan Year.

As of the start of every Plan Year, you are deemed to elect to contribute the entire amount of any participant-paid premiums for the Premium Conversion Account unless you otherwise elect in writing.

### Modification of Elections

Generally speaking, you may only revise your elections as of the start of a Plan Year. However, in certain situations you may modify your elections upon a "change in status". A brief listing of events that constitute a change in status follows. Please note that there are several conditions and/or limitations that apply to the events listed below. Please contact the Plan Administrator if you have any questions or believe that you may qualify for an election change. A change in status includes:

Change in your marital status.

Change in the number of your dependents.

Change in employment status.

A dependent satisfies or ceases to satisfy eligibility requirements.

Change in your place of residence.

Commencement or termination of an adoption proceeding.

Court judgment, decree, or order.

Entitlement to Medicare or Medicaid.

Significant cost or other coverage changes.

You take leave under the FMLA

If you have a change in status, you may modify an election in your Health Care Reimbursement Account but your new annual contribution amount may not be less than the amount previously reimbursed at the time of the election change.

In addition, your election for your premiums will be automatically adjusted for any change in the cost of contracts as permitted by applicable law.

HSA Special Rules. You may modify your election to contribute the HSA Account at any time as long as the change is effective prospectively (i.e., after the request for the change is received). The Plan Administrator may place additional restrictions on the election of HSA contributions.

## **BENEFITS**

### Premium Conversion Account

When you become eligible to participate in the Plan, the Plan will establish a Premium Conversion Account in your name. This Account will be credited with your contributions and will be reduced by any payments made on your behalf. This account may be used to pay premiums on the contracts listed below:

Employer Group Medical

Employer Dental

Employer Vision

Employer Group Term Life

Other eligible Group Ancillary or Voluntary coverages

If a contract is offered in conjunction with a Company-sponsored benefit plan, you will be eligible to make contributions to the Premium Conversion Account only if you are also



eligible to participate in the applicable Company-sponsored plan, it is described above and you are eligible to participate in this Plan.

---

In the event of a conflict between the terms of this Plan and the terms of a contract, the terms of the contract (or the benefit plan under which it is established) will control.

#### Health Care Reimbursement Account

When you become eligible to participate in the Plan, the Plan will establish a Health Care Reimbursement Account in your name. This Account will be credited with your contributions and will be reduced by any payments made on your behalf. You will be entitled to receive reimbursement from this account for eligible expenses incurred by you, your spouse and dependents, if any. A dependent is generally someone who you may claim as a dependent on your federal tax return and also includes a child who is under the age of 27 through the end of the calendar year. You may receive reimbursement for eligible expenses incurred at a time when you are actively participating in the Plan.

The entire annual amount you elect to contribute for the Plan Year for the Health Care Reimbursement Account less any reimbursements already disbursed will be available for reimbursement. The maximum amount you may contribute each year is the maximum amount permitted (\$2,550 for 2015).

Please note that this Plan works in coordination with a high deductible health plan which allows you to participate in a Health Savings Account. As a result, coverage in the Plan is only provided for benefits that are not considered as being provided by a health plan within the meaning of the federal tax law such as coverage for accidents, disability, dental care, vision care or preventive care. This limitation only applies to Participants who are enrolled in the high deductible health plan.

After the limitations in the preceding paragraph are met, the Plan will reimburse eligible expenses. Eligible expenses generally include all medical expenses that you may deduct on your federal income tax return, although health insurance premiums are not an eligible expense for the Health Care Reimbursement Account. Medicines or drugs are eligible expenses only if such medicine or drug is a prescribed drug (determined without regard to whether such drug is available without a prescription) or is insulin (unless otherwise excluded). You will not be reimbursed for any expenses that are (i) not incurred in the Plan Year, (ii) incurred before or after you are eligible to participate in the Plan, (iii) attributable to a tax deduction you take in a prior taxable year, or (iv) covered, paid or reimbursed from any other source.

#### Health Savings Accounts

In addition, the Plan will establish an HSA Account. This Account will be credited with your contributions and will be reduced by any payments made on your behalf. The balance in the HSA Account may be used to fund a Health Savings Account that is established in your name.



## Dependent Care Assistance Account

When you become eligible to participate in the Plan, the Plan will establish a Dependent Care Assistance Account in your name. This Account will be credited with your contributions and will be reduced by any payments made on your behalf. You will be entitled to receive reimbursement from this account for dependent care assistance. Dependent care assistance is defined as expenses you incur for the care of a qualifying individual. A qualifying individual is a dependent who is under age 13 or a spouse or dependent who lives with you and is physically or mentally incapable of caring for himself/herself. However, these expenses only qualify if they allow you to be gainfully employed.

Not all expenses qualify as dependent care assistance. Only expenses that are excludable from income under federal tax may qualify as dependent care assistance. Some examples of expenses that qualify are:

Before and after school programs

Care in your home or someone else's home (as long as the care giver is not your spouse or dependent and is age 19 or older)

Licensed child care center

Nursery school or pre-school

Summer day care (not overnight)

Please contact the Plan Administrator before enrolling in the Plan to confirm that the expenses for which you will seek reimbursement will qualify as dependent care assistance.

You will not be reimbursed for any expenses that are (i) not incurred in the Plan Year, (ii) incurred before or after you are eligible to participate in the Plan, (iii) attributable to a tax credit you take for the same expenses, or (iv) covered, paid or reimbursed from any other source.

The maximum amount of expense that may be contributed/reimbursed in any Plan Year is \$5,000 (\$2,500 if you are married and filing a separate return). The amount payable may also not be greater than the amount of your earned income or the earned income of your spouse. Special rules apply in the case of a spouse who is a student or incapable of caring for himself/herself.

You generally must file a Form 2441 to determine whether any part of your Dependent Care Assistance Account is taxable. Please note that participation in the Plan may prevent you from taking a tax credit for the same expenses. You should consult with your professional tax/financial advisor to determine the consequences of your participation in this Plan.

### Coordination with Other Plans

All claims for benefits that are covered by an insurance policy must be made to the insurance company issuing such insurance policy.

### Limits on Certain Employees

If you are a highly paid employee or an owner of the Company, federal law may impose limits on your eligibility to participate in the Plan and/or the benefits you may receive from the Plan.

## **FORFEITURES**

### Plan Year/Termination

Except as provided below, any amounts remaining in your account at the end of the Plan Year will be forfeited after all claims are paid. In addition, except as described below for dependent care expenses, any balance remaining in your account on the date you terminate employment with the Company will be forfeited after all claims are paid.

Any balance remaining in your HSA Account at the end of any Plan Year will be carried forward and used to fund such benefits in any subsequent Plan Year.

Effective August 6, 2007, if you cease to be participant in the cafeteria plan (because of termination of employment or other reason) you may continue to be reimbursed for eligible dependent care expenses through the end of the Plan Year (or grace period if applicable).

## **CLAIMS**

### Deadlines

You must submit claims for reimbursement within 90 days after the end of the Plan Year.

### Documentation of Claims

Any claim for benefits must include all information and evidence that the Plan Administrator deems necessary to properly evaluate the merits of the claim. The Plan Administrator may request any additional information necessary to evaluate the claim.

### Method and Timing of Payment

To the extent that the Plan Administrator approves a claim, the Company may either (i) reimburse you, or (ii) pay the service provider directly. The Plan Administrator will pay claims at least once per year. The Plan Administrator may provide that payments/reimbursements of less than a certain amount will be carried forward and aggregated with future claims until the reimbursable amount is greater than a minimum amount. In any event, the entire amount of



payments/reimbursements outstanding at the end of the Plan Year will be reimbursed without regard to the minimum payment amount.

#### Where to Submit Claims

All claims must be submitted to SuperiorUSA Benefits (the Plan's Third Party Administrator) at Attn: Flex Services, 525 Lake Avenue South, Suite 410, Duluth, MN 55802, via email at flexservices@superiorusa.com, or via fax at 218-725-9161 or 877-422-5192. The telephone number is 218-519-2477 or toll-free 877-529-2477.

#### Refunds/Indemnification

You must immediately repay any excess payments/reimbursements. You must reimburse the Company for any liability the Company may incur for making such payments, including but not limited to, failure to withhold or pay payroll or withholding taxes from such payments or reimbursements. If you fail to timely repay an excess amount and/or make adequate indemnification, the Plan Administrator may: (i) to the extent permitted by applicable law, offset your salary or wages, and/or (ii) offset other benefits payable under this Plan.

#### Beneficiary

If you die, your beneficiaries or your estate may submit claims for Eligible Expenses for the portion of the Plan Year preceding the date of your death. You may designate a specific beneficiary for this purpose. If you do not name a beneficiary, the Plan Administrator may pay any amount to your spouse, one or more of your dependents or a representative of your estate.

### **CONTINUATION RIGHTS**

#### Military Service

If you serve in the United States Armed Forces and must miss work as a result of such service, you may be eligible to continue to receive benefits with respect to any qualified military service.

#### COBRA

Under Federal law, you, your spouse, and your dependents may be entitled to COBRA continuation coverage in certain circumstances. Please see the "COBRA NOTICE" that is attached to the end of this Summary Plan Description for important information about your right to COBRA continuation coverage, which is a temporary extension of coverage under the Plan. The COBRA NOTICE generally explains COBRA continuation coverage and when it may become available to you. The Plan Administrator will inform you of these rights, if any, when you terminate employment.



## FMLA

If you go on unpaid leave that qualifies as family leave under the Family and Medical Leave Act you may be able to continue receiving health care benefits.

You may elect to continue coverage on a pre-tax or after tax basis for non medical benefits when on leave of absence under the FMLA.

## Non FMLA Leave

In addition, you may elect to continue coverage on a pre-tax or after tax basis when on leave of absence **other** than the FMLA.

## **YOUR RIGHTS**

As a participant in this Plan, you are entitled to certain rights and protections. You have the right to:

Continue health care coverage for yourself, spouse or dependents if there is a loss of coverage under the plan as a result of a qualifying event. You or your dependents may have to pay for such coverage. Review this Summary Plan Description and the documents governing the plan on the rules governing your COBRA continuation coverage rights.

## **MISCELLANEOUS**

### Qualified Medical Child Support Orders

In certain circumstances you may be able to enroll a child in the Plan if the Plan receives a Qualified Medical Child Support Order (QMCSO) and/or National Medical Support Notice. You may obtain a copy of the medical child support procedures from the Plan Administrator, free of charge.

### Loss of Benefit

You may lose all or part of your account if the unused balance is forfeited at the end of a Plan Year and if we cannot locate you when your benefit becomes payable to you.

You may not alienate, anticipate, commute, pledge, encumber or assign any of the benefits or payments which you may expect to receive, contingently or otherwise, under the Plan, except that you may designate a Beneficiary.

### Amendment and Termination

The Company may amend, terminate or merge the Plan at any time.

### Administrator Discretion

The Plan Administrator has the authority to make factual determinations, to construe and interpret the provisions of the Plan, to correct defects and resolve ambiguities in the Plan and to supply omissions to the Plan. Any construction, interpretation or application of the Plan by the Plan Administrator is final, conclusive and binding.

### Taxation

The Company intends that all benefits provided under the Plan will not be taxable to you under federal tax law. However, the Company does not represent or guarantee that any particular federal, state or local income, payroll, personal property or other tax consequence will result from participation in this Plan. You should consult with your professional tax advisor to determine the tax consequences of your participation in this Plan.

### Privacy

The Plan is required under federal law to take sufficient steps to protect any individually identifiable health information to the extent that such information must be kept confidential. The Plan Administrator will provide you with more information about the Plan's privacy practices.

## **ADMINISTRATIVE INFORMATION**

1. The Plan Sponsor and Plan Administrator is City of Grand Rapids.  
Its address is 420 N Pokegama Avenue, , Grand Rapids, MN 55744.  
Its telephone number is 218-326-7617.  
Its Employer Identification Number is 41-6005201.
2. The Plan is a welfare benefit plan which has been designated by the sponsor as its plan number 201.
3. The Plan's designated agent for service of legal process is the chief officer of the entity named in paragraph 1. Any legal papers should be delivered to him or her at the address listed in paragraph 1. However, service may also be made upon the Plan Administrator.
4. The Company's fiscal year ends on December 32 and the plan year ends on December 31.

## COBRA NOTICE

### Introduction

You're getting this notice because you recently gained coverage under a group health plan (the Plan). This notice has important information about your right to COBRA continuation coverage, which is a temporary extension of coverage under the Plan. **This notice explains COBRA continuation coverage, when it may become available to you and your family, and what you need to do to protect your right to get it.** When you become eligible for COBRA, you may also become eligible for other coverage options that may cost less than COBRA continuation coverage.

The right to COBRA continuation coverage was created by a federal law, the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA). COBRA continuation coverage can become available to you and other members of your family when group health coverage would otherwise end. For more information about your rights and obligations under the Plan and under federal law, you should review the Plan's Summary Plan Description or contact the Plan Administrator.

**You may have other options available to you when you lose group health coverage.** For example, you may be eligible to buy an individual plan through the Health Insurance Marketplace. By enrolling in coverage through the Marketplace, you may qualify for lower costs on your monthly premiums and lower out-of-pocket costs. Additionally, you may qualify for a 30-day special enrollment period for another group health plan for which you are eligible (such as a spouse's plan), even if that plan generally doesn't accept late enrollees.

### What is COBRA Continuation Coverage?

COBRA continuation coverage is a continuation of Plan coverage when it would otherwise end because of a life event. This is also called a "qualifying event." Specific qualifying events are listed later in this notice. After a qualifying event, COBRA continuation coverage must be offered to each person who is a "qualified beneficiary." You, your spouse, and your dependent children could become qualified beneficiaries if coverage under the Plan is lost because of the qualifying event. Under the Plan, qualified beneficiaries who elect COBRA continuation coverage must pay for COBRA continuation coverage.

If you're an employee, you'll become a qualified beneficiary if you lose your coverage under the Plan because of the following qualifying events:

- Your hours of employment are reduced, or
- Your employment ends for any reason other than your gross misconduct.

If you're the spouse of an employee, you'll become a qualified beneficiary if you lose your coverage under the Plan because of the following qualifying events:

- Your spouse dies;
- Your spouse's hours of employment are reduced;
- Your spouse's employment ends for any reason other than his or her gross misconduct;
- Your spouse becomes entitled to Medicare benefits (under Part A, Part B, or both); or
- You become divorced or legally separated from your spouse.

Your dependent children will become qualified beneficiaries if they lose coverage under the Plan because of the following qualifying events:

- The parent-employee dies;



- The parent-employee's hours of employment are reduced;
- The parent-employee's employment ends for any reason other than his or her gross misconduct;
- The parent-employee becomes entitled to Medicare benefits (Part A, Part B, or both);
- The parents become divorced or legally separated; or
- The child stops being eligible for coverage under the plan as a "dependent child."

#### **When is COBRA Continuation Coverage Available?**

The Plan will offer COBRA continuation coverage to qualified beneficiaries only after the Plan Administrator has been notified that a qualifying event has occurred. The employer must notify the Plan Administrator of the following qualifying events:

The end of employment or reduction of hours of employment; Death of the employee; The employee's becoming entitled to Medicare benefits (under Part A, Part B, or both).

**For all other qualifying events (divorce or legal separation of the employee and spouse or a dependent child's losing eligibility for coverage as a dependent child), you must notify the Plan Administrator within 60 days after the qualifying event occurs. You must provide this notice to the Company at 420 N Pokegama Avenue, Grand Rapids, MN 55744. The Company's telephone number is 218-326-7617.**

#### **How is COBRA Continuation Coverage Provided?**

Once the Plan Administrator receives notice that a qualifying event has occurred, COBRA continuation coverage will be offered to each of the qualified beneficiaries. Each qualified beneficiary will have an independent right to elect COBRA continuation coverage. Covered employees may elect COBRA continuation coverage on behalf of their spouses, and parents may elect COBRA continuation coverage on behalf of their children.

#### **Are there other coverage options besides COBRA Continuation Coverage?**

Yes. Instead of enrolling in COBRA continuation coverage, there may be other coverage options for you and your family through the Health Insurance Marketplace, Medicaid, or other group health plan coverage options (such as payment to maintain coverage for the remainder of that plan year spouse's plan) through what is called a "special enrollment period." Some of these options may cost less than COBRA continuation coverage. You can learn more about many of these options at [www.healthcare.gov](http://www.healthcare.gov).

The COBRA continuation coverage lasts only until the end of the plan year in which the qualifying event occurs. COBRA continuation coverage may only be elected under this plan if, as of the date of the qualifying event, the maximum benefit available under the plan for the remainder of the plan year is more than the maximum amount that the Plan could require as payment to maintain coverage for the remainder of that plan year.

#### **If You Have Questions**

Questions concerning your Plan or your COBRA continuation coverage rights should be addressed to the contact or contacts identified below. For more information about your rights under the Employee Retirement Income Security Act (ERISA), including COBRA, the Patient Protection and Affordable Care Act, and other laws affecting group health plans, contact the nearest Regional or District Office of the U.S. Department of Labor's Employee Benefits Security Administration (EBSA) in your area or visit [www.dol.gov/ebsa](http://www.dol.gov/ebsa). (Addresses and phone numbers of Regional and District EBSA Offices are available through EBSA's website.) For more information about the Marketplace, visit [www.HealthCare.gov](http://www.HealthCare.gov).

Keep Your Plan Informed of Address Changes

To protect your family's rights, let the Plan Administrator know about any changes in the addresses of family members. You should also keep a copy, for your records, of any notices you send to the Plan Administrator.

Plan Contact Information

Plan Administrator  
420 N Pokegama Avenue,  
Grand Rapids, MN 55744  
218-326-7617.

V-3.00



# CITY OF GRAND RAPIDS

## Legislation Details (With Text)

**File #:** 15-1074      **Version:** 1      **Name:** GRAHA Gambling Permit  
**Type:** Agenda Item      **Status:** Consent Agenda  
**File created:** 1/21/2015      **In control:** City Council  
**On agenda:** 1/26/2015      **Final action:**  
**Title:** Adopt a resolution approving LG230 Application to Conduct Off-Site Gambling for Grand Rapids Amateur Hockey Association (GRAHA).

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** [14 - GRAHA Off-Site Gambling Permit](#)  
[2015 GRAHA Off-Site Gambling Applicatoin](#)

Date	Ver.	Action By	Action	Result
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Adopt a resolution approving LG230 Application to Conduct Off-Site Gambling for Grand Rapids Amateur Hockey Association (GRAHA).

**Background Information:**

Off site gambling requires approval by adoption of a City resolution. Grand Rapids Amateur Hockey Association (GRAHA) has submitted an application requesting authorization to conduct off-site gambling at the IRA Civic Center during the calendar year 2015. State of Minnesota requires the City Council approve the application through adoption by resolution.

**Staff Recommendation:**

Authorize off-site gambling for GRAHA by adoption of the attached resolution.

**Requested City Council Action**

Adopt a resolution approving LG230 Application to Conduct Off-Site Gambling for Grand Rapids Amateur Hockey Association.



Councilor introduced the following resolution and moved for its adoption:

RESOLUTION NO. 15 -

RESOLUTION APPROVING GRAND RAPIDS AMATEUR HOCKEY ASSOCIATION OFF-SITE GAMBLING

WHEREAS, the Grand Rapids Amateur Hockey Association has presented the City Council of Grand Rapids an application to conduct off-site gambling at the Grand Rapids IRA Civic Center, Hwy 38 and 14<sup>th</sup> Street, Grand Rapids; and

WHEREAS, the Gambling Control Board may not issue an off-site gambling permit without City Council approval.

NOW THEREFORE, BE IT RESOLVED, that the City Council of the City of Grand Rapids approves the LG230 Application to Conduct Off-Site Gambling for the Grand Rapids Amateur Hockey Association at the IRA Civic Center located at the intersection of Highway 38 and 14<sup>th</sup> Street, Grand Rapids, Minnesota for the 2015 calendar year.

Adopted by the City Council this 26<sup>th</sup> day of January 2015.

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Dale Adams, Mayor

ATTEST:

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Kimberly Gibeau, City Clerk

Councilor seconded the foregoing resolution and the following voted in favor thereof: ; and the following voted against same: None, whereby the resolution was declared duly passed and adopted.

# LG230 Application to Conduct Off-site Gambling

## No Fee

### Organization Information

Organization name Grand Rapids Amateur Hockey Association License number 02682  
 Address PO Box 467 City Grand Rapids **MN** Zip code 55744  
 County Itasca  
 Gambling manager name Dale Christy Daytime phone 218-259-4668

### Gambling Activity

1. Twelve off-site events are allowed each calendar year not to exceed a total of 36 days.  
 from 1/1/15 to 12/31/15

2. Check the type of games that will be conducted.  
 raffle     pull-tabs     bingo     tipboards     paddlewheel

### Gambling Premises

3. Name of location where gambling activity will be conducted IRA Civic Center

4. County [where gambling activity will be conducted] Itasca

5. Street address and city [or township] Hwy 38 and 14th Street Zip code 55744  
 • Do not use a post office box.  
 • If no street address, write in road designations. Example: 3 miles east of Hwy 63 on County Road 42.

6. Does your organization own the gambling premises?  
 **Yes** If yes, a lease is not required.  
 **No** If no, the lease agreement below must be completed, and signed by the lessor.

### Lease Agreement for Off-site Activity      A lease agreement is not required for raffles.

7. Rent to be paid for the leased area 0 If none, write "0."

8. All obligations and agreements between the organization and the lessor are listed below or attached.  
 • Any attachments must be dated and signed by both the lessor and lessee.  
 • This lease and any attachments is the total and only agreement between the lessor and the organization conducting lawful gambling activities.  
 • Other terms, if any \_\_\_\_\_

9. Lessor's signature *Tom Paygel* Date 12/16/14  
 Print lessor's name Tom Paygel

CONTINUE TO PAGE 2



# LG230 Application to Conduct Off-site Gambling

## Acknowledgment by Local Unit of Government: Approval by Resolution

CITY APPROVAL for a gambling premises located within city limits.	COUNTY APPROVAL for a gambling premises located in a township
City name _____ Date approved by city council _____ Resolution number (if none, provide meeting minutes) _____ Signature of city personnel _____  Title _____ Date Signed _____	County name _____ Date approved by county board _____ Resolution number (if none, provide meeting minutes) _____ Signature of county personnel _____  Title _____ Date Signed _____

### Chief Executive Officer [CEO] Acknowledgment

- 10. The person signing this application must be your organization's CEO and have their name on file with the Gambling Control Board. If the CEO has changed and the current CEO has not filed a LG200B Organization Officers Affidavit with the Gambling Control Board, he or she must do so at this time.
- 11. I have read this application, and all information is true, accurate, and complete, and if applicable, agree to the lease terms as stated in this application.  
  
 CEO signature \_\_\_\_\_ Date \_\_\_\_\_
- 12. Print CEO name \_\_\_\_\_ Daytime phone \_\_\_\_\_

### Mail or fax to:

**No attachments required.**

Gambling Control Board  
 1711 West County Road B, Suite 300 South  
 Roseville, MN 55113  
**FAX: 651-639-4032**

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

**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 your organization's 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.





# CITY OF GRAND RAPIDS

8A

## Text File

File Number: 15-1054

Agenda Date: 1/26/2015

Version: 1

Status: Agenda Ready

In Control: City Council

File Type: Agenda Item

Approval of the 2015-2017 Police Sergeants Bargaining Agreement.

### **Background Information:**

We have concluded labor negotiations with the Police Sergeant represented employees, and we have tentatively agreed with the attached proposal. The essential components of the agreements are:

#### WAGES

2015 - 1.5% wage increase

2016 - 2.5% wage increase

2017 - 3.0% wage increase

Step 1 (6 month probationary period) - 8% above highest base wage on the wage schedule (non-longevity schedule) for Police Officer in effect for 2015-2017.

Step 2 (after 6 month probationary period) -

2015 - 10.50% above highest base wage on the wage schedule (non-longevity schedule) for Police Officer in effect for 2015.

2016 - 12.00% above highest base wage on the wage schedule (non-longevity schedule) for Police Officer in effect for 2016.

2017 - 13.50% above highest base wage on the wage schedule (non-longevity schedule) for Police Officer in effect for 2017.

#### CITY'S CONTRIBUTION TO EMPLOYEE GROUP INSURANCE PREMIUM (City Plan)

2015 - 80% Family/90% Single

2016 - 80% Family/90% Single

2017 - 80% Family/90% Single

#### HOLIDAYS

add Day after Thanksgiving

### **Staff Recommendation:**

City Administrator Tom Pagel and Human Resources Director Lynn DeGrio are recommending the approval of the 2015-2017 Police Sergeants Bargaining Agreement.

### **Requested City Council Action**

Consider approving the Collective Bargaining Agreement By and Between the City of Grand Rapids and Law Enforcement Labor Services, Inc. Local No. 345 (Police Sergeants Union) and authorize the Mayor and City Administrator to execute the agreement.



# CITY OF GRAND RAPIDS

## Legislation Details (With Text)

**File #:** 15-1076      **Version:** 1      **Name:** Board & Commission minutes  
**Type:** Minutes      **Status:** Approved  
**File created:** 1/21/2015      **In control:** City Council  
**On agenda:** 1/26/2015      **Final action:**  
**Title:** Acknowledge minutes for Boards & Commissions as presented.  
**Sponsors:**  
**Indexes:**  
**Code sections:**  
**Attachments:** [November 12, 2014 Library Board Minutes](#)  
[September 25, 2014 GREDA Minutes](#)  
[October 9, 2014 GREDA Minutes](#)  
[November 13, 2014 GREDA Minutes](#)

Date	Ver.	Action By	Action	Result
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Acknowledge minutes for Boards & Commissions as presented.

**Grand Rapids Area Library  
Regular Board Meeting  
November 12, 2014**

**Call to Order:** The monthly board meeting was called to order at 5:04 PM by Secretary Abby Kuschel.

**Roll Call:**

- ***Members Present:*** Janet Neurauter, David Yankowiak, Max Peters, Abby Kuschel, John Soll, and Jean MacDonell
- ***Members Absent:*** Dennis Jerome, Shannon Benolken, and Mary Helen Haarklau
- ***Staff Present:*** Assistant Director Amy Dettmer

**Public Comment:**

**Agenda:** Max Peters moved to approve the agenda. A second was made by John Soll. The motion passed unanimously.

**Minutes:** Jean MacDonell moved to approve the minutes from the October 10, 2014 board meeting. A second was made by David Yankowiak. The motion passed unanimously.

**Communications:**

1. **Minnesota Foundation Statement:** Every year, in March, the library receives some money from the Endowment fund held by the Minnesota Community Foundation. This year, it amounted to \$1284.



## Financial Report:

### The Grand Rapids Area Library Bill List Invoices Due On/Before November 12, 2014

<b>NAME</b>	<b>AMOUNT DUE</b>
AMAZON.COM	187.81
AMERIPRIDE LINEN & APPAREL	41.86
ANDERSON GLASS	67.50
ARROWHEAD LIBRARY SYSTEM	50.06
BAKER & TAYLOR, INC	2,767.06
BLACKSTONE AUDIO, INC	521.67
BLUE CROSS & BLUE SHIELD OF MN	4,699.00
BUSY BEES QUALITY CLEANING	1,700.00
CDW GOVERNMENT INC	826.37
COLE HARDWARE INC	1.20
DELTA DENTAL OF MINNESOTA	216.75
DEMCO	665.24
DIVERSE MEDIA INC	32.87
FIDELITY SECURITY LIFE INS CO	11.92
GARTNER REFRIGERATION CO	2,055.00
GAYLORD BROTHERS	41.52
GRAND RAPIDS CITY PAYROLL	53,524.55
JUNIOR LIBRARY GUILD	91.00
LEARNING OPPORTUNITIES INC	2,121.57
LEXIS NEXIS	162.00
LINCOLN NATIONAL LIFE	211.40
LINCOLN REPUBLIC INSURANCE CO	20.50
MINNESOTA ENERGY RESOURCES	39.49
MINNESOTA REVENUE	34.62
NEXTERA COMMUNICATIONS LLC	97.18
NORTHERN BUSINESS PRODUCTS INC	308.27
PAUL BUNYAN COMMUNICATIONS	488.08
PERSONNEL DYNAMICS LLC	72.92
PIZZA WORKS	9.99
P.U.C.	2,651.34
SHOWCASES	130.19
SIM SUPPLY INC	97.22
TRU NORTH ELECTRIC LLC	336.39
TUMBLEWEED PRESS INC	499.00
UNIQUE MANAGMENT SERVICES	375.90

VERIZON WIRELESS	112.43
VIKING ELECTRIC SUPPLY INC	26.41
THE VILLAGE BOOK STORE	178.81
VISA	372.66
WASTE MANAGEMENT	492.67
XEROX CORPORATION	213.54
JESSICA ZIKRI	300.00

**TOTAL ALL VENDORS :** 76,853.96

Max Peters moved to approve the financial report. A second was made by John Soll. On a roll call vote the motion passed unanimously.

### Staff Reports:

- ***Director's Report:*** Assistant Director Amy Dettmer noted that the library is saving approximately \$13 a day with the new energy-saving lights. This pleasantly surprised the board members.
- ***Assistant Director's Report:*** Amy Dettmer reported that the Anime club has been well received. An eighth grader who attends the meetings told a librarian the he "found his people".
- ***Children's Library:***

### Old Business:

#### **Suggestions for new Board members (Deadline is November 17):**

Amy Dettmer stated that Randy McCarney is interested in the soon-opening township position. Amy also noted that the opening has been posted in the paper. David Yankowiak suggested that the position be posted somewhere in the library. Most members agreed, but no action was taken. Amy explained that if nobody comes forward before the deadline, board members can recommend and the City Council can appoint a new person for the open spot at any time during the year.

### New Business:

- ***Consent Agenda:***
  1. **Approve payment of late bills**  
(none)
  2. **Approve Contracts**
    - a. Foster \$200 writing characters workshop November 12
    - b. Simar \$200 writing characters workshop November 12
  3. **Approve Resolution 2014 - 11 Accepting Donations**
    - a. \$380 from Friends of the St. Paul Library for David Treuer appearance (MNBA)
    - b. \$26.75 from Grand Rapids Library Foundation for Book Sale printing

Jean MacDonell moved to approve the consent agenda. A second was made by Janet Neurauter. On a roll call vote the motion passed unanimously.

- ***Regular Agenda:***

1. **Discuss Holiday-related closures under negotiation (Easter Saturday and Thanksgiving Friday)**

The library union has had a meeting about the current holiday policy. There are two options possible for the 2015 calendar: Option A: Close Thursday and Friday of Thanksgiving week, adding 1/2 day floater holiday; Option B: Keeping the library open on the Friday after Thanksgiving and adding 1 1/2 days floater holiday. Some board members wondered if it was worth it to stay open on the Saturday after Thanksgiving, because the library would only be open for four hours. Discussion arose.

Jean MacDonell moved to approve Option A in which the library will be closed the Friday after Thanksgiving and open the Saturday before Easter, staying open on the Saturday after Thanksgiving. Max Peters seconded. On a roll call vote the motion passed unanimously.

2. **Approve Resolution 2014-12 setting 2015 Library Calendar**

Amy Dettmer pointed out to the members of the board that the November 2015 board meeting would fall on November 11<sup>th</sup>, Veteran's Day. Since no business is to be conducted on that day, Amy suggested that the November 11, 2015 board meeting be moved to Thursday, November 12, 2015. The board members agreed.

Jean MacDonell moved to approve resolution setting the 2015 holiday calendar including Option A from regular agenda Item One, closing the library on December 26, 2015 and staying open on January 2, 2016. A second was made by Max Peters. On a roll call vote the motion passed unanimously.

3. **Discuss policies**

16. Code of Ethics

17. Confidentiality of Library Records

18. Policy on consultation with the city of Grand Rapids to maintain consistent personnel policies

David Yankowiak moved to approve policies 16, 17, and 18. A second was made by Max Peters. On a roll call vote the motion passed unanimously.

**Adjourn:** The monthly board meeting was adjourned at 5:39 PM by Abby Kuschel.



**GRAND RAPIDS ECONOMIC DEVELOPMENT AUTHORITY  
REGULAR MEETING  
THURSDAY, SEPTEMBER 25, 2014  
4:00 P.M.  
GRAND RAPIDS CITY HALL – CONFERENCE ROOM 2A  
420 NORTH POKEGAMA AVE., GRAND RAPIDS, MINNESOTA**

**CALL TO ORDER:** Pursuant to due notice and call thereof, a Regular Meeting of the Grand Rapids Economic Development Authority (GREDA) was called to order on Thursday, September 25, 2014 at 4:04 p.m. in Conference Room 2A of City Hall, 420 North Pokegama Avenue, Grand Rapids, Minnesota.

**CALL OF ROLL:** On a Call of Roll the following members were present: Commissioners: Dale Christy, Mike Przytarski, Chris Lynch, Sholom Blake, Michael Stefan, Joe Chandler. Absent: Cory Jackson.

**SETTING OF REGULAR AGENDA:** **Approved with Deletion.**

- **Remove agenda item 9 considering the approval of the Miller-Dunwidde proposal for architectural services associated with the Central School Building and Grounds Assessment.**

**MOTION BY COMMISSIONER LYNCH, SECOND BY COMMISSIONER STEFAN TO APPROVE THE AMENDED AGENDA. The following voted in favor thereof: Przytarski, Lynch, Christy, Blake, Stefan, Chandler. Opposed: None, passed unanimously.**

**APPROVAL OF MINUTES:**

**MOTION BY COMMISSIONER CHANDLER, SECOND BY COMMISSIONER CHRISTY TO APPROVE THE MINUTES OF THE AUGUST 28, 2014 REGULAR MEETING. The following voted in favor thereof: Stefan, Lynch, Christy, Przytarski, Blake, Chandler. Opposed: None, passed unanimously.**

**APPROVAL OF CLAIMS:**

**MOTION BY COMMISSIONER CHANDLER, SECOND BY COMMISSIONER STEFAN TO APPROVE CLAIMS IN THE AMOUNT OF \$15,552.50.**

Itasca County Recorder	\$46.00	Itasca Economic Development	\$10,000
Kennedy & Graven	\$2,534.50	SEH-RCM	\$1,760.00
The Northspan Group Inc	\$1,500.00		

**The following voted in favor thereof: Christy, Stefan, Blake, Chandler, Przytarski, Lynch. Opposed: None, passed unanimously.**

Consider approval of Commercial Building Improvement Loans for:

- a. Dan & Jean Anderson for improvements to their building at 1405 NW 4<sup>th</sup> Street.
- b. Dennis & Anita Madden for improvements to their building at 702 NW 4<sup>th</sup> Street.
- c. Bret & Sandy Wagner for improvements to their building at 1301 NW 4<sup>th</sup> Street.

These projects have been approved by GREDA for the Small Cities Development Program. The CBIL review committee met with staff and gave a favorable recommendation.

**MOTION BY COMMISSIONER CHANDLER, SECOND BY COMMISSIONER LYNCH TO APPROVE CBIL LOANS TO DAN & JEAN ANDERSON, DENNIS & ANITA MADDEN AND BRET & SANDY WAGNER. The following voted in favor thereof: Lynch, Przytarski, Chandler, Blake, Stefan, Christy. Opposed: None, passed unanimously.**

Review and discuss a request from Visit Grand Rapids for a funding contribution toward the Itasca County Regional Tourism Study project.

Visit Grand Rapids submitted a request for funding for the completion of a new regional tourism study to serve as an updated guide for their tourism marketing strategy. The Commissioners would like more information on this study before they commit to a funding contribution.

**MOTION BY COMMISSIONER CHANDLER, SECOND BY COMMISSIONER PRZYTARSKI TO TABLE. The following voted in favor thereof: Christy, Stefan, Blake, Chandler, Przytarski, Lynch. Opposed: None, passed unanimously.**

Consider a request from Central School tenants for advertising support.

Cathy LaDoux represented the tenants from Central School. The tenants are requesting \$1500.00 for advertising because they are hoping to hold an open house. The Commissioners would like to see a proposal from the tenants before they make any decisions.

There being no further business the meeting adjourned at 4:33 p.m.

Respectfully submitted:

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Aurimy Groom, Recorder



**GRAND RAPIDS ECONOMIC DEVELOPMENT AUTHORITY  
REGULAR MEETING  
THURSDAY, OCTOBER 9, 2014  
4:00 P.M.**

**GRAND RAPIDS CITY HALL – CONFERENCE ROOM 2A  
420 NORTH POKEGAMA AVE., GRAND RAPIDS, MINNESOTA**

**CALL TO ORDER:** Pursuant to due notice and call thereof, a Regular Meeting of the Grand Rapids Economic Development Authority (GREDA) was called to order on Thursday, October 9, 2014 at 4:00 p.m. in Conference Room 2A of City Hall, 420 North Pokegama Avenue, Grand Rapids, Minnesota.

**CALL OF ROLL:** On a Call of Roll the following members were present: Commissioners: Dale Christy, Mike Przytarski, Chris Lynch, Sholom Blake, Joe Chandler. Absent: Cory Jackson, Michael Stefan.

**SETTING OF REGULAR AGENDA:** **Approved without addition.**

**APPROVAL OF MINUTES:**

**MOTION BY COMMISSIONER CHANDLER, SECOND BY COMMISSIONER CHRISTY TO APPROVE THE MINUTES OF THE THURSDAY SEPTEMBER 25, 2014 REGULAR MEETING. The following voted in favor thereof: Lynch, Christy, Przytarski, Blake, Chandler. Opposed: None, passed unanimously.**

**APPROVAL OF CLAIMS:**

**MOTION BY COMMISSIONER CHRISTY, SECOND BY COMMISSIONER LYNCH TO APPROVE CLAIMS IN THE AMOUNT OF \$236.00.**

Kennedy & Graven      \$236.00

**The following voted in favor thereof: Christy, Blake, Chandler, Przytarski, Lynch. Opposed: None, passed unanimously.**

Consider approval of the Miller-Dunwiddie proposal for architectural services associated with the Central School Building and Grounds Assessment and authorize Phase 1 of the project.

Pending approval the project/proposal is structured in two phases. Phase 1 which is primarily the development of concepts for a restaurant use would begin immediately. Phase 2 which would be funded if approved by a grant from the Blandin Foundation would look at building infrastructure, accessibility issues and parking improvements.

**MOTION BY COMMISSIONER CHANDLER, SECOND BY COMMISSIONER PRZYTARSKI TO APPROVE THE PROPOSAL FOR ARCHITETCURAL SERVICES ASSOCIATED WITH THE CENTRAL SCHOOL BUILDING AND GROUNDS ASSESSMENT. The following voted in favor thereof: Christy, Chandler, Blake, Przytarski. Opposed: Lynch, motion passed.**



Review and discuss a request from Visit Grand Rapids for a funding contribution toward the Itasca County Regional Tourism Study project-Megan Christianson.

**MOTION BY COMMISSIONER PRZYTARSKI, SECOND BY COMMISSIONER JACKSON TO CONTRIBUTE \$2,500.00 TO VISIT GRAND RAPIDS FOR THE ITASCA COUNTY REGIONAL TOURISM STUDY PROJECT. The following voted in favor thereof: Przytarski, Blake, Chandler, Lynch, Christy. Opposed: None, passed unanimously.**

There being no further business the meeting adjourned at 4:46 p.m.

Respectfully submitted:

\_\_\_\_\_  
Aurimy Groom, Recorder

**GRAND RAPIDS ECONOMIC DEVELOPMENT AUTHORITY  
REGULAR MEETING  
THURSDAY, NOVEMBER 13, 2014  
4:00 P.M.  
GRAND RAPIDS CITY HALL – CONFERENCE ROOM 2A  
420 NORTH POKEGAMA AVE., GRAND RAPIDS, MINNESOTA**

**CALL TO ORDER:** Pursuant to due notice and call thereof, a Regular Meeting of the Grand Rapids Economic Development Authority (GREDA) was called to order on Thursday, November 13, 2014 at 4:12 p.m. in Conference Room 2A of City Hall, 420 North Pokegama Avenue, Grand Rapids, Minnesota.

**CALL OF ROLL:** On a Call of Roll the following members were present: Commissioners: Dale Christy, Chris Lynch, Sholom Blake, Cory Jackson. Absent: Michael Stefan, Mike Przytarski, Joe Chandler.

**SETTING OF REGULAR AGENDA:** **Approved without addition**

**MOTION BY COMMISSIONER CHRISTY, SECOND BY COMMISSIONER LYNCH TO APPROVE THE AGENDA. The following voted in favor thereof: Lynch, Christy, Blake, Jackson. Opposed: None, passed unanimously.**

**APPROVAL OF MINUTES:**

**MOTION BY COMMISSIONER JACKSON, SECOND BY COMMISSIONER LYNCH TO APPROVE THE MINUTES OF THE OCTOBER 9, 2014 REGULAR MEETING. The following voted in favor thereof: Lynch, Christy, Jackson, Blake. Opposed: None, passed unanimously.**

**APPROVAL OF CLAIMS:**

**MOTION BY COMMISSIONER LYNCH, SECOND BY COMMISSIONER CHRISTY TO APPROVE CLAIMS IN THE AMOUNT OF \$9000.00.**

Wellson Group                      \$9000.00

**The following voted in favor thereof: Christy, Blake, Jackson, Lynch. Opposed: None, passed unanimously.**

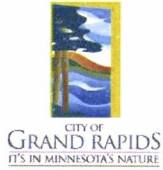
2015 Work Plan Development.

President Blake and Community Development Director Mattei reviewed the 2014 Work Plan with the Commissioners. Mr. Mattei would like the Commissioners to have a list of potential work items for the 2015 Work Plan at the next meeting. The next regular meeting is November 25, 2014 due to the Thanksgiving Holiday

There being no further business the meeting adjourned at 4:32 p.m.

Respectfully submitted:

Aurimy Groom, Recorder



# CITY OF GRAND RAPIDS

## Legislation Details (With Text)

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**File #:** 15-1041      **Version:** 1      **Name:** Engineering Dept Head  
**Type:** Agenda Item      **Status:** Department Head Report  
**File created:** 1/8/2015      **In control:** City Council  
**On agenda:** 1/26/2015      **Final action:**  
**Title:** Engineering Department Head Report ~ Julie Kennedy

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:**

Date	Ver.	Action By	Action	Result
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Engineering Department Head Report ~ Julie Kennedy





CITY OF  
GRAND RAPIDS  
IT'S IN MINNESOTA'S NATURE

# CITY OF GRAND RAPIDS

## Legislation Details (With Text)

<b>File #:</b>	15-1081	<b>Version:</b>	1	<b>Name:</b>	
<b>Type:</b>	Agenda Item	<b>Status:</b>		Community Development	
<b>File created:</b>	1/22/2015	<b>In control:</b>		City Council	
<b>On agenda:</b>	1/26/2015	<b>Final action:</b>			
<b>Title:</b>	Consider approval of a 60 month lease agreement for an HP Plotter and associated maintenance plan with VAR Resources.				
<b>Sponsors:</b>					
<b>Indexes:</b>					
<b>Code sections:</b>					
<b>Attachments:</b>	<a href="#">Plotter Lease</a>				

Date	Ver.	Action By	Action	Result
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Consider approval of a 60 month lease agreement for an HP Plotter and associated maintenance plan with VAR Resources.

### **Background Information:**

The Engineering and Community Development departments have shared the use of a large format plotter ever since the introduction of electronic plans (late 1980s). The current plotter, which was purchased in 2007, has been in a non-operational state since late last year. Two attempts have been made to repair the plotter without success, and the machine's depreciated value doesn't support any further investment in repairs.

The Community Development department continues to find a need for a large format plotter, particularly when large maps are needed for economic development projects, but also to print electronic plans in a larger scale for review.

The selected plotter, the HP Designjet T920, is designed for lower output, but has increased print resolution over the current machine. Because higher volume printing is no longer needed for our purposes, the selected plotter is better suited and less expensive than one that is the current equivalent to our existing machine.

The proposed lease would be for a 60 month term with an option to buy the machine at fair market value at the end of the term or roll over into a new lease. The annual lease payment, which does include a 5 year service agreement, would be \$1,614.12 and would be funded out of a line item in the Community Development Department operations budget. Although this lease payment was not anticipated in the 2015 Community Development budget, we'll look to balance this expenditure, as needed, with reductions in other areas or with additional revenue.

### **Requested City Council Action**

Consider approval of a 60 month lease agreement for an HP Plotter and associated maintenance plan with VAR Resources.

January 21, 2015

Erik Scott  
CITY OF GRAND RAPIDS, MINNESOTA  
420 N Pokegama Ave  
Grand Rapids, MN 55744-2658

RE: Application # 20183523

Dear Erik Scott:

Thank you for the opportunity to provide leasing/financing to CITY OF GRAND RAPIDS, MINNESOTA. Enclosed are the lease documents for the equipment and/or software that you wish to acquire from CDW.

Please sign and **overnight** the enclosed documents (See #7 below) to 2330 Interstate 30, Mesquite, TX 75150. **Please do not fill in the commencement date on Exhibit A. This date is determined when the lease funds.**

Please use the following as your checklist:

1. All "Lease Documents" **MUST** be signed and initialed where applicable by:
  - a. **Corporations:** Corporate Level, President, VP, Corporate Secretary/Treasurer, Controller, Director of Finance, Director of IT, Director of Operations
  - b. **Limited Liability Company:** Managing Member/ Managing Director
  - c. **Partnership:** Partner/General Partner
  - d. **Limited Partnership:** General Partner/ Managing Partner/ Managing Member
  - e. **Sole Proprietorship:** Owner
2. **Copy of Drivers License(s)** - Please provide a copy of the drivers' license for the document signer - for the purpose of signature verification. The same person must sign all the documents
3. **A check payable to VAR Resources, Inc. from the account of CITY OF GRAND RAPIDS, MINNESOTA in the amount of \$1,614.12.**
4. **The Federal Tax ID No. for CITY OF GRAND RAPIDS, MINNESOTA is [REDACTED].**
5. **Evidence of property insurance covering the leased equipment** and naming VAR Resources, Inc., its successors and assigns, as loss payee and additional insured. An insurance authorization letter is attached. Please provide us with your agent information and return with the documents.
6. **PLEASE DO NOT USE WHITE-OUT or MAKE ANY CROSS OUTS ON ANY DOCUMENT. ELECTRONIC OR STAMPED SIGNATURES WILL NOT BE ACCEPTED. WE CANNOT ACCEPT DOUBLE SIDED DOCUMENTS. Please print each page of the document set as a single page.**
7. **Please reply to this email with a copy of your scanned signed documents so that we can check your documents before you overnight them. PLEASE DO NOT SEND YOUR DOCUMENTS VIA THE US POSTAL SERVICE. ONCE WE RECEIVE A COPY OF YOUR SCANNED DOCUMENTS WE WILL EMAIL A UPS LABEL TO YOU SO THAT YOU CAN RETURN THE ORIGINALS TO US. If you cannot scan the documents please fax a signed copy to fax # 972-755-8210.**
8. **ACH Required X**

If you have any questions, please feel free to call me at (800) 347-0628.

Sincerely,  
Travis Burnett  
National Account Manager  
VAR Resources, Inc.



# Addendum to Purchase Order and Conditions of Credit Approval

To: CITY OF GRAND RAPIDS, MINNESOTA

From: VAR Resources, Inc.

Approval Date: 01/08/15

Expiration Date: 03/09/15

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Approval Amount: \$6,339.67

CITY OF GRAND RAPIDS, MINNESOTA ("Customer") understands and agrees that VAR Resources, Inc. ("Lessor") will issue a Purchase Order(s) to the vendor(s) listed below for the product described in the lease or any schedule(s) attached to the lease (the "Product") pursuant to Customer's specific request. If for any reason within 10 days from the date of delivery by Vendor(s) of the product covered by the Purchase Order (the "Product") Customer: (i) fails to execute any required lease documents; (ii) does not provide Lessor with (a) written notice of acceptance of the delivered Product, (b) notice that it has returned some or all of the delivered Product only after Vendor(s) has provided written approval in advance of the return or (c) instructions to pay Vendor(s) for the Product; (iii) for any reason decides not to proceed with the lease; or (iv) for any reason defaults on the lease, then the Product shall be deemed accepted by Customer and Vendor(s) shall have recourse directly from Customer for immediate payment in full with respect to the Product, including, without limitation attorneys' fees and costs of collection, and customer indemnifies and holds Lessor harmless against all payment claims from the following vendor(s) : **CDW** .

CDW is an intended third party beneficiary of, and authorized to enforce, this Addendum.

## Conditions of Credit Approval:

**Funding is contingent upon our receipt of original executed lease contracts, executed delivery and acceptance form, verbal verification and any other documents required by VAR Resources. VAR Resources may revoke this approval at any time prior to funding or in the event of fraud or a material adverse change in the customer's financial condition. This approval will automatically expire on 03/09/15 as stated above. In the event of approval expiration or revocation, CITY OF GRAND RAPIDS, MINNESOTA is responsible for paying all invoices for assets ordered from any vendor related to this lease/financing approval.**

VAR Resources, Inc. will be issuing the purchase order to the vendors listed above for the items listed on the Schedule "A" of your lease agreement.

By signing this form, I agree that I have not issued, nor will issue a purchase order to the vendors listed above for the equipment and/or software listed on the Schedule "A" of my lease contract.

In the event that you or the any vendor(s) representative changes the ship to address to any address other than 420 N Pokegama Ave, Grand Rapids, MN 55744-2658 you agree to pay cash to vendor(s) directly and the lease is considered void.

Agreed to and accepted this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

Customer: CITY OF GRAND RAPIDS, MINNESOTA

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

Print Name: \_\_\_\_\_

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



**VAR Resources, Inc.**  
2330 Interstate 30  
Mesquite, TX 75150  
972-755-8200  
FAX 972-755-8210

DATE: January 21, 2015

Submission # 224910

CITY OF GRAND RAPIDS, MINNESOTA

**AMOUNT DUE AT SIGNING OF LEASE AGREEMENT**

Documentation Fee (if applicable) .....	\$0.00
Deposit Due.....	<u>\$1,614.12</u>
<b>Total Due .....</b>	<b><u>\$1,614.12</u></b>

*\*Deposits are held until such time as the lease is commenced. **Upon lease commencement deposits will be applied to the first and last payments under the lease contract.** The lease will commence upon sending of the first invoice and not before.*

PLEASE MAKE CHECK PAYABLE TO: VAR Resources, Inc.

**CHECK MUST BE DRAWN ON THE BUSINESS CHECKING ACCOUNT OF:  
CITY OF GRAND RAPIDS, MINNESOTA .**

MONEY ORDERS CANNOT BE ACCEPTED. PLEASE BE ADVISED THAT INCLUDED IN THE FIRST MONTHLY INVOICE THAT YOU RECEIVE ON YOUR LEASE YOU WILL BE BILLED FOR THE APPLICABLE TAXES THAT WERE NOT COLLECTED UPFRONT. AS WELL, YOU MAY BE CHARGED A ONE TIME DOCUMENTATION FEE TO COVER ADMINISTRATIVE COSTS RELATED TO THE DOCUMENTATION PROCESS AND PUBLIC FILINGS PER THE TERMS IN YOUR LEASE DOCUMENTS AND YOU WILL ALSO BE CHARGED A ONE TIME UCC FILING FEE.

THANK YOU.



# Master Lease Agreement

**THIS IS A NON-CANCELABLE,  
LEGALLY BINDING CONTRACT**



Master Lease Number:

Lessee (Leasing Customer) – <i>Use exact registered name if a corp., LLC or LP</i>		Lessee's Chief Executive Office – Street		City
CITY OF GRAND RAPIDS, MINNESOTA		420 N Pokegama Ave		Grand Rapids
Tax ID #	State	County	Zip Code	Lessee's Telephone
	MN		55744-2658	

In this Master Lease Agreement ("Master Agreement"), the words "You" and "Your" mean the Lessee named above. "We," "Us" "Our" and "Lessor" mean VAR Resources, Inc. "Schedule" means the form of lease schedule attached hereto as Exhibit A. "Supplier" means the equipment supplier supplying the Equipment (defined below) leased under a Schedule. **This Master Agreement, together with each Schedule entered into pursuant hereto and the related and supporting documents entered into directly with Us in connection with the transaction represented in a Schedule ("Other Documents"), represent the final and only agreement between You and Us regarding the leasing of the Equipment identified in such Schedule and may not be contradicted by evidence of prior, contemporaneous or subsequent oral agreements. There are no unwritten oral agreements between You and Us. Neither this Master Agreement nor any Schedule may be changed except by a written agreement between You and Us. Other agreements not stated in this Master Agreement, Schedules and Other Documents (including those contained in any purchase agreement or order between You and the Supplier) are not binding on Us.**

**1. LEASE OF EQUIPMENT.** Each Schedule executed by You represents your agreement to lease from Us the equipment listed therein (together with all existing and future accessories, embedded software programs, attachments, replacements, additions and repairs) (the "Equipment"), upon the terms stated in such Schedule and this Master Agreement. Each Schedule shall be substantially in the form of Exhibit A and shall be deemed to be a separate lease transaction (a "Lease") between You and Us. In the event of any conflict between the provisions of this Master Agreement and the provisions of any Schedule, the provisions of the Schedule shall control. You promise to pay to Us the Lease Payments shown on each Schedule in accordance with the payment schedule set forth therein, plus all other amounts stated herein and therein. Each Schedule is binding on You as of the date You sign it. After You sign a Schedule, We may (i) insert the Lease number thereon and any other information missing in such Schedule, and (ii) change the Lease Payment amount by not more than 15% due to a change in the Equipment configuration, cost or tax amount, or a payment miscalculation. No Schedule is binding on Us until We sign it. If You are other than a sole proprietorship, Your signature on this Master Agreement and on each Schedule constitutes Your representation that the execution and delivery by You of this Master Agreement, the Schedule and the Other Documents, and the performance of Your obligations hereunder and thereunder, have been authorized by all necessary company action, and that the person(s) signing this Master Agreement, the Schedule and the Other Documents has been duly authorized to do so.

**2. UNCONDITIONAL OBLIGATION TO PERFORM.** With respect to each Schedule, You agree that: (a) You, not We, selected the Equipment and the Supplier, (b) We are a separate company from the Supplier, manufacturer and any other vendor (collectively, "Vendors"), the Vendors are NOT Our agents, and no statement, representation or warranty by any Vendor is binding on Us, (c) Your duty to perform Your obligations under the Master Agreement and the Schedule is unconditional despite any equipment failure, the existence of any law restricting the use of the Equipment, or any other adverse condition whatsoever, (d) if You are a party to any maintenance, service, supplies or other contract with any Vendor, We are NOT a party thereto, such contract is NOT part of any Lease (even though We may, as a convenience to You and a Vendor, bill and collect monies owed by You to such Vendor), and no breach by any Vendor will excuse You from fully performing Your payment and other obligations to Us, and (e) if the Equipment is unsatisfactory or if any Vendor fails to provide any service or maintenance or fulfill any other obligation to You, You shall not make any claim against Us and shall continue to perform your payment and other obligations to Us.

**3. ORIGINAL TERM; END OF TERM OPTIONS; RENEWAL PROVISIONS.** The original term of each Lease represented by a Schedule will begin on a date designated by Us after We accept such Schedule (the "Commencement Date") and will continue for the number of months shown in the Schedule ("Original Term"). As used herein, "Present Term" means the term presently in effect, whether it is the Original Term or a Renewal Term (as defined below). **With respect to each Schedule, unless You notify Us in writing at least 90 days but not more than 120 days before the end of a Present Term that, at the end of such Present Term, You intend to (i) return the Equipment, or (ii) exercise the purchase option, if any, specified in the Schedule, then: (a) the Schedule will automatically renew for an additional three-month Term (each, a "Renewal Term"), and (b) the Lease Payment amount and the other terms of the Schedule and of this Master Agreement and Other Documents will continue to apply.** If You do notify Us in writing within the time set forth above that You intend to return the Equipment or purchase the Equipment at the end of such Present Term, then, immediately upon the expiration of such Term, You shall return the Equipment subject to the Schedule pursuant to Section 13 of this Master Agreement or purchase the Equipment pursuant to Section 10 of the Schedule, as applicable.

**4. ACCEPTANCE OF EQUIPMENT; LEASE PAYMENTS.** With respect to each Schedule, You will inspect and test the operation of the Equipment upon its delivery and You will notify Us within ten (10) days of delivery if the Equipment is not satisfactory. **YOU AGREE THAT IF YOU FAIL TO NOTIFY US THAT THE EQUIPMENT IS NOT SATISFACTORY WITHIN TEN (10) DAYS OF DELIVERY THEN THE EQUIPMENT SHALL BE IRREVOCABLY AND UNCONDITIONALLY ACCEPTED BY YOU.** If requested, You will sign a separate Equipment delivery and acceptance certificate for each Schedule. We may at Our discretion verify by telephone such information regarding delivery and acceptance of the Equipment as we deem appropriate and any such telephone verification of Your acceptance will have the same effect as a written delivery and acceptance certificate signed by You. With respect to each Schedule, Customer agrees to pay a prorated Lease Payment for the period between the Equipment delivery date (i.e. the date of the related delivery and acceptance certificate) and the Commencement Date. This prorated or partial payment will be based on the Lease Payment shown on the related Schedule prorated on a 30-day calendar month and will be added to the Customer's first invoice. With respect to each Schedule, Lease Payments plus applicable taxes and other charges provided for herein are payable in advance periodically as stated herein and therein. Restrictive endorsements on checks will not be binding on Us. All payments received will be applied to past due amounts and then to the current amount due, in such order as We determine. We may add finance charges to any amount We advance on Your behalf, including, without limitation, taxes and insurance premiums, if any. Any security deposit or estimated future Governmental Charge (as defined in Section 10 below) that You pay is non-interest bearing, may be commingled with Our funds, may be applied by Us at any time to past-due amounts, and the unused portion will be returned to You within 90 days after the end of the final Present Term of the applicable Schedule. **If We do not receive a payment in full on or before its due date, You shall pay (i) a fee equal to the greater of 10% of the amount that is late or \$29.00, plus (ii) interest on the part of the payment that is late in the amount of 1.5% per month ("Time-Value Interest") from the due date to the date paid.** If any check is dishonored, You shall pay Us a fee of \$20.00.

**5. DELIVERY, LOCATION, OWNERSHIP, USE, MAINTENANCE OF EQUIPMENT.** We are not responsible for delivery or installation of the Equipment relating to any Schedule. You are responsible for Equipment maintenance. You shall not remove the Equipment from the Equipment Location designated in the applicable Schedule unless You first get Our permission. You shall give Us access to each Equipment Location so that We may inspect the Equipment, and You agree to pay Our costs in connection therewith, whether performed prior to or after the Commencement Date of the applicable Schedule. **We will own and have title to all Equipment (excluding any software) throughout the Term of each Schedule.** If the Equipment includes any software, You agree that (i) We don't own the software, (ii) You are responsible for entering into any necessary software license agreements with the owners or licensors of such software, (iii) You shall comply with the terms of all such agreements, if any, and (iv) any default by You under any such agreements shall also constitute a default by You under the applicable Lease. You agree that all Equipment is and shall remain personal property. You shall not permit it to become (i) attached to real property or (ii) subject to liens or encumbrances of any kind whatsoever. **You represent that all Equipment will be used solely for commercial purposes and not for personal, family or household purposes.** You shall use all Equipment in accordance with all laws, operation manuals, service contracts (if any) and insurance requirements, and shall not make any permanent alterations. At Your own cost, You shall keep the Equipment in good working order and warrantable condition, ordinary wear and tear excepted ("Good Condition").

**6. NO WARRANTIES; FINANCE LEASE.** WITH RESPECT TO EACH SCHEDULE, WE ARE LEASING THE EQUIPMENT TO YOU "AS IS". WE HAVE NOT MADE AND HEREBY DISCLAIM ANY AND ALL WARRANTIES, EXPRESS OR IMPLIED, ARISING BY APPLICABLE LAW OR OTHERWISE, INCLUDING WITHOUT LIMITATION, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. You agree that the transaction represented by each Schedule is a "finance lease" as defined in Article 2A of the Uniform Commercial Code ("UCC"). To the extent permitted by law, **You hereby waive any and all rights and remedies conferred upon You under UCC Sections 2A-303 and 2A-508 through 522.** If it is determined that the transaction represented by any Schedule is other than a "lease" as defined in Article 2A, then You hereby grant to Us a security interest in the Equipment and all proceeds thereof. You authorize Us to record (and amend, if appropriate) a UCC financing statement to protect Our interests. With respect to any one or more Schedules, You may be entitled under Article 2A to the promises and warranties (if any) provided to Us by the Vendor(s) in connection with or as part of the contract(s), if any, by which We acquire the Equipment. You may contact the Vendor(s) for an accurate and complete statement of those promises and warranties (if any), including any disclaimers and limitations of them or of remedies. We hereby transfer to You, **without recourse to Us, all automatically transferable promises and warranties, if any, made to Us by the Vendor(s).**

**NO SCHEDULE MAY BE TERMINATED EARLY. THE TERMS OF THIS MASTER LEASE ARE CONTINUED ON THE REVERSE OR NEXT PAGE →**

VAR Resources, Inc.:	Customer: CITY OF GRAND RAPIDS, MINNESOTA
(Date)	By: <b>X</b> / (Date)
	Print Name: Title:



7. **LIABILITY; INDEMNIFICATION.** We are not liable for any claims, actions, damages (whether direct, indirect, incidental or consequential), liabilities, losses or costs made against or incurred by You relating to the delivery, installation, possession, use, return, loss of use, defect or malfunction of any Equipment (collectively, "Equipment Matters") with respect to any Schedule. You shall indemnify and defend Us against, and hold Us harmless for, any and all claims, actions, damages, liabilities, losses, and costs (including reasonable attorneys' fees) made against or incurred by Us relating to Equipment Matters.

8. **LOSS; DAMAGE; INSURANCE.** You shall, during the Term, (i) bear the risk of loss and damage to all Equipment leased under all Schedules and shall continue performing all Your obligations to Us even if it becomes damaged or suffers a loss, (ii) keep all Equipment insured against all risks of damage and loss ("Property Insurance") in an amount equal to its replacement cost, with Us named as sole "loss payee," and (iii) carry public liability insurance covering bodily injury and property damage ("Liability Insurance") in an amount acceptable to Us, with Us named as "additional insured." You have the choice of satisfying these insurance requirements by providing Us with satisfactory evidence of Property and Liability Insurance ("Insurance Proof"), within 30 days of the Commencement Date of each Lease. Such Insurance Proof must provide for at least 30 days prior written notice to Us before it may be cancelled or terminated and must contain other terms satisfactory to Us. If You do not provide Us with Insurance Proof within 30 days of the Commencement Date of a Schedule, or if such Insurance terminates for any reason, then (a) You agree that We have the right, but not the obligation, to obtain such Insurance in such forms and amounts from an insurer of Our choosing in order to protect Our interests ("Other Insurance"), and (b) You agree that We may charge You a periodic Insurance Charge for such Other Insurance. The Insurance Charge will include reimbursement for premiums advanced by Us to purchase Other Insurance, a finance charge of up to 18% per annum (or the maximum rate allowed by law, if less) on any advances We make for premiums, billing and tracking fees, charges for Our processing costs associated with the Other Insurance, and other related fees. We and/or one or more of Our affiliated companies or agents will receive a portion of the Insurance Charge, which may include a profit. We are not obligated to obtain and may cancel Other Insurance at any time without notice to You. Any Other Insurance need not name You as an insured or protect Your interests. The Insurance Charge may be higher than if You obtained Property and Liability Insurance on Your own.

9. **ASSIGNMENT. YOU SHALL NOT SELL, TRANSFER, ASSIGN, PLEDGE OR OTHERWISE ENCUMBER** (collectively, "Transfer") THIS MASTER AGREEMENT OR ANY SCHEDULE, OR TRANSFER OR SUBLEASE ANY EQUIPMENT, IN WHOLE OR IN PART. We may, without notice to You, Transfer Our interests in this Master Agreement, any one or more Schedules and/or any or all Equipment leased thereunder, in whole or in part, to a third party (a "New Owner"), in which case the New Owner will, to the extent of such Transfer, have all of Our rights and benefits but will not have to perform any of Our obligations (if any). You agree not to assert against the New Owner any claim, defense or offset You may have against Us or any predecessor in interest.

10. **TAXES AND OTHER FEES.** You are responsible for all taxes (including, without limitation, sales, use and personal property taxes, and excluding only taxes based on Our income), levies, assessments and license and registration fees and other governmental charges relating to each Lease and the ownership, leasing, sale, possession or use of the Equipment leased under each Schedule (collectively, "Governmental Charges"). We may periodically bill you for, and You agree to promptly pay, estimated future Governmental Charges. You authorize Us to pay any Governmental Charges when and as they may become due, and You agree to reimburse Us promptly upon demand for the full amount (less any estimated amounts previously paid by You). You hereby appoint Us as Your attorney-in-fact to sign Your name to any document for the purpose of filing tax returns. You agree to pay Us a fee for preparing and filing personal property tax returns. With respect to each Schedule, You also agree to pay Us upon demand (i) for all costs of filing, amending and releasing UCC financing statements and a fee for each filing and (ii) a processing fee of \$75.00 for each Lease to cover Our investigation, documentation and other administrative costs in originating the Lease. You agree that the fees set forth in this Master Agreement and in the Schedules may include a profit component.

11. **SAVINGS CLAUSE.** If it is determined that any amount charged or collected with respect to a Lease is greater than the amount allowed by law, including, without limitation, any amount that is determined to exceed applicable usury limits (an "Excess Amount"), then (i) any Excess Amount charged but not yet paid will be waived by Us and (ii) any Excess Amount collected will be applied to any amount then due and owing by You with respect to such Lease, adjusted to conform with applicable law, or, if there is no such amount then due and owing by You, will be refunded to You.

12. **DEFAULT.** You will be in default under a Schedule if, with respect to such Schedule, this Master Agreement or any other Schedule or agreement between You and Us, You fail to pay any amount within 15 days of the due date or fail to perform or observe any other obligation. If You are in default, We may do any one or more of the following, at Our option, concurrently or separately: (A) cancel the Lease represented by such Schedule and any one or more Lease(s) represented

by any other Schedules, (B) require You to return the Equipment leased under any one or more Schedule(s) pursuant to Section 13 of this Master Agreement, (C) take possession of and/or render unusable the Equipment leased under such Schedule(s), and for such purposes You hereby authorize Us and Our designees to enter Your premises, with or without prior notice or other process of law, (D) with respect to any one or more Schedules, require You to pay to Us, on demand, an amount equal to the sum of (i) all Lease Payments and other amounts then due and past due, (ii) all Lease Payments for the then-remaining Present Term(s) of such Schedules plus Our residual interest in the Equipment as indicated by Our records, discounted at a rate of 6% per annum (or the lowest rate permitted by law, whichever is higher), (iii) interest at the rate of Time-Value Interest on the amounts specified in clauses "i" and "ii" above from the date of demand to the date paid, and (iv) all other amounts that may thereafter become due hereunder to the extent that We will be obligated to collect and pay such amounts to a third party (such amounts specified in sub-clauses "i" through "iv" referred to below as the "Balance Due"), and/or (E) exercise any other remedy available to Us under law. You also agree to reimburse Us on demand for all reasonable expenses of collection and enforcement (including, without limitation, reasonable attorneys' fees and other legal costs) and reasonable expenses of repossessing, holding, preparing for disposition, and disposition ("Remarketing") of the Equipment, plus Time-Value Interest on the foregoing amounts from the date of demand to the date paid. In the event We are successful in Remarketing the Equipment with respect to any Schedule, We shall give You a credit against the Balance Due under such Schedule in an amount equal to the present value of the proceeds received and to be received from Remarketing minus the above-mentioned costs (the "Net Proceeds"). If the Net Proceeds are greater than the Balance Due, We shall pay You such surplus. If the Net Proceeds are less than the Balance Due, You shall be liable for such deficiency. Any delay or failure to enforce Our rights under the Lease shall not constitute a waiver thereof.

13. **RETURN OF EQUIPMENT.** If You are required to return the Equipment under any Schedule, You shall, at Your expense, send the Equipment to any location(s) that We may designate. The Equipment must be properly packed for shipment, freight prepaid and fully insured, and must be received in Good Condition (as defined in Section 5 of this Master Agreement). If You are required to return the Equipment under Section 12 of this Master Agreement, You shall do so promptly upon demand. If You are required to return the Equipment under Section 3 of this Master Agreement, then (i) it must be received by Us in Good Condition within 15 days after the expiration of the then Present Term, (ii) if it is not received within 15 days of the date of demand, You agree to continue paying Lease Payments and all other amounts due hereunder until it is received and accepted by Us in Good Condition, and (iii) You agree to pay a handling and restocking fee of \$250.00 promptly upon demand. If You are required to return the Equipment under any provision of this Master Agreement and it is not in Good Condition when it is received by Us, You agree to pay Our reasonable costs that We incur in connection with repairing or restoring the Equipment to Good Condition (as defined in Section 5 of this Master Agreement).

14. **APPLICABLE LAW; VENUE; JURISDICTION.** Each Lease shall be governed by, enforced and construed in accordance with the laws of the state of Lessor's principal place of business or, with respect to any Lease that Lessor assigns to a New Owner, the laws of the state of the New Owner's principal place of business, and any dispute concerning a Lease shall be adjudicated in a federal or state court in such state or in any other court or courts having jurisdiction over You or Your assets, all at the sole election of Lessor or the New Owner. You hereby irrevocably submit generally and unconditionally to the jurisdiction of such courts and irrevocably waive any defense of an inconvenient forum to the maintenance of any such action or proceeding. **YOU AND WE HEREBY WAIVE YOUR AND OUR RESPECTIVE RIGHTS TO A TRIAL BY JURY IN ANY LEGAL ACTION.** Each provision of this Master Agreement and of each Schedule shall be interpreted to the maximum extent possible so as to be enforceable under applicable law. If any provision is construed to be unenforceable, such provision shall be ineffective only to the extent of such unenforceability without invalidating the remainder of the Lease.

15. **MISCELLANEOUS.** You represent and covenant to Us that this Master Agreement is, and each Schedule will be, enforceable against You in accordance with its terms, and You acknowledge that this representation and covenant was a material inducement to Us to acquire the Equipment to be leased under each Schedule and to enter into this Master Agreement and each Schedule. This Master Agreement and any one or more Schedules may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute the same document. You acknowledge that You have received a copy of this Master Agreement, and You agree that a facsimile or other copy of this Master Agreement and of any Schedule and Other Document containing Your faxed or copied signature shall be as enforceable as the original executed document.

Lessee's initials:



Exhibit A



Equipment Lease Schedule No.

This Equipment Lease Schedule (this "Schedule") is made and entered into as of the \_\_\_\_\_ day of \_\_\_\_\_, by and between VAR Resources, Inc. (hereinafter "We," "Us" or "Our") and CITY OF GRAND RAPIDS, MINNESOTA (hereinafter "You" or "Your"). This Schedule is entered into subject to that certain Master Lease Agreement No. \_\_\_\_\_ (the "Master Agreement") between You and Us. All of the terms and conditions set forth in the Master Agreement are hereby reaffirmed and incorporated in and made part of this Schedule, as if fully set forth herein. The Master Agreement, together with this Schedule and the related and supporting documents entered into in connection with this Schedule, represent the final and only agreement between You and Us regarding the leasing of the Equipment identified below and may not be contradicted by evidence of prior, contemporaneous or subsequent oral agreements. There are no unwritten oral agreements between You and Us relating to the leasing of the Equipment. This Schedule may not be changed except by way of a written agreement between You and Us. Other agreements (including, without limitation, those contained in any purchase agreement or order between You and the Supplier of Equipment) not stated in the Master Agreement or in the Schedule or other supporting documents are not binding on Us. This Schedule, inclusive of the terms and conditions set forth in the Master Agreement, constitutes a separate lease between You and Us. Any amendment to the Master Agreement subsequent to the date of this Schedule shall be ineffective as to this Schedule unless otherwise expressly stated in such amendment. This Schedule may not be modified except in a writing signed by You and Us.

- 1. We hereby agree to lease to You, and You hereby agree to lease from Us, the following-described Equipment upon the terms and conditions set forth in this Schedule and in the Master Agreement:

Description of Equipment – INCLUDE MAKE, MODEL AND SERIAL NUMBERS (ATTACH ADDITIONAL PAGE IF NECESSARY)

See attached Schedule A

- 2. Equipment Supplier: VAR Resources, Inc.

- 3. Equipment Location Address: 420 N Pokegama Ave, Grand Rapids, MN 55744-2658

- 4. Original Term: 60 months

- 5. Commencement Date of this Lease: \_\_\_\_\_

- 6. Lease Payment Amount: \$1,614.12 per: [ ] Month [ ] Quarter [x] Year [ ] Other:

- 7. Check here [ ] if Lease Payment amount includes sales/use tax.

- 8. \$1,614.12 Lease Payment(s) is(are) due at the time this Schedule is signed, which shall be applied to the:

[x] First Lease Payment [ ] First and Last Lease Payments [ ] Other \_\_\_\_\_

- 9. Security Deposit: \$ \_\_\_\_\_

- 10. Purchase Option at end of Original Term: [ ] None [x] Fair Market Value as of end of Original Term [ ] One Dollar (\$1.00) [ ] Other:

The above equipment purchase options may be exercised by You only at the end of the Original Term. If you are in default under the Master Agreement or this Schedule at the time you desire to exercise a purchase option, You must cure such default to Our satisfaction before having the right to exercise such option. If the "One Dollar" purchase option is checked above, then the last two sentences of Section 3 of the Master Agreement shall not apply to this Lease (in other words, the "automatic renewal" provisions in Section 3 shall not apply to this Lease). If the "Fair Market Value" option is checked above, then the purchase price will be the fair market retail value of the Equipment, as determined by Us in our sole but reasonable judgment, as of the end of the Original Term.

- 11. This Schedule is not binding upon Us unless and until We accept this Schedule by signing below. A facsimile copy of this Schedule shall have the same force and effect as the original. This Schedule is non-cancelable and may not be terminated early.

VAR Resources, Inc.

You: CITY OF GRAND RAPIDS, MINNESOTA

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

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

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

Name (Print): \_\_\_\_\_

Title:

Date Signed:

# SCHEDULE "A"

## CITY OF GRAND RAPIDS, MINNESOTA

Quantity	Description
1	HP DESIGNJET T920 36" EPRINT
1	HP 727 PHOTO BLACK INK CARTRIDGE
1	HP 727 CYAN INK CARTRIDGE 130M
1	HP 727 MAGENTA INK CARTRIDGE 130ML
1	HP 727 YELLOW INK CARTRIDGE 130ML
1	HP 727 GRAY INK CARTRIDGE 130ML
1	HPE 5Y 9X5 CAREPK SVC AGREEMENT

Lessee: CITY OF GRAND RAPIDS, MINNESOTA

Signature: \_\_\_\_\_

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

IMPORTANT: YOUR ADVANCE PAYMENT CHECK WILL BE USED FOR VERIFICATION OF YOUR CHECKING ACCOUNT. IF NO ADVANCE PAYMENT IS REQUIRED, INCLUDE A VOIDED CHECK FOR VERIFICATION OF YOUR CHECKING ACCOUNT NUMBER. PLEASE FAX A COPY OF THE DOCUMENTS AND VOIDED CHECK (IF NECESSARY) TO: 972-755-8210. THEN RETURN THE ORIGINAL SIGNED DOCUMENTS AND THE ORIGINAL VOIDED CHECK (IF NECESSARY) USING OUR UPS ACCOUNT #RV8392 VIA PRIORITY OVERNIGHT TO VAR Resources, Inc., 2330 Interstate 30, Mesquite, TX 75150

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With the Automatic Payment Plan, all your payments to us will be deducted from your checking account and paid to VAR Resources on the payment due date as shown on your regular invoice. Your regular invoice will show the amount to be deducted and the due date.

**Enrollment is Easy. Simply....**

1. Complete the Authorization Form.
  2. Return the Authorization Form with your voided check to VAR Resources.
- 

Customer Name: CITY OF GRAND RAPIDS, MINNESOTA

hereby authorizes to initiate debit entries to our checking account indicated below at the depository named below, hereinafter called "DEPOSITORY", and authorizes the DEPOSITORY to debit the same to such account for amounts due pursuant to the terms of the Agreement(s) dated [redacted] between CITY OF GRAND RAPIDS, MINNESOTA and VAR Resources

Customer Name: CITY OF GRAND RAPIDS, MINNESOTA

Depository Name [redacted]		Branch [redacted]
City [redacted]	State [redacted]	Zip [redacted]
Routing Number [redacted]	Account Number [redacted]	

The authorization is to remain in full force and effect until **CITY OF GRAND RAPIDS, MINNESOTA** has received written notification from us of its termination in such time and in such manner as to afford **CITY OF GRAND RAPIDS, MINNESOTA** and DEPOSITORY a reasonable opportunity to act on it. You agree that a facsimile copy of this agreement bearing signatures may be treated as an original.

Date: \_\_\_\_\_ Customer Name: \_\_\_\_\_

Customer Account Number: \_\_\_\_\_

By (Authorized signature for Bank Account) \_\_\_\_\_

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



VAR Resources, Inc.

CERTIFICATE@VARRESOURCES.COM

## INSURANCE FORM

**PLEASE REFERENCE THIS APPLICATION  
#VAR20183523E IN ALL COMMUNICATIONS.**

DATE: January 21, 2015

TO: CITY OF GRAND RAPIDS, MINNESOTA

Pursuant to the terms of the lease agreement, and for our mutual benefit and protection, the equipment on lease must be insured against loss, theft, damage or destruction. We, therefore, request that you add to your existing insurance policy or obtain such an "all risk" policy naming **VAR Resources, Inc. and/or its Assignees** as the "additional insured" and "loss payee" with respect to the equipment involved for **#VAR20183523E**.

**THE NUMBER MUST BE INCLUDED IN THE LOSS PAYABLE INFORMATION IN ORDER FOR US TO PROCESS. ALL CERTIFICATES WITHOUT THE NUMBER WILL BE RETURNED.**

We also request that you add to or obtain public liability insurance naming **VAR Resources, Inc. and/or its Assignees** as the "additional insured", with respect to the equipment on lease.

Please provide the information listed below and make arrangements with your insurance agent to **EMAIL to VAR Resources, Inc. at CERTIFICATE@VARRESOURCES.COM, a BINDER or CERTIFICATE OF INSURANCE** showing the names and interests as requested above.

Insurance Company: \_\_\_\_\_

Insurance Agency: \_\_\_\_\_

Telephone: \_\_\_\_\_

Contact: \_\_\_\_\_

Policy Number: \_\_\_\_\_

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

How long have you had insurance through this company? \_\_\_\_\_

Thank you for your cooperation.

VAR Resources, Inc.

**Please Attach A Legible Copy of Your Driver's License To This Page:**

**Thank you**



VAR RESOURCES – SIGNATURE VERIFICATION

This is to verify the signor below is \_\_\_\_\_ by looking at his Driver's License and verifying his signature.

\_\_\_\_\_  
Signature

**Notary Public**

Name \_\_\_\_\_

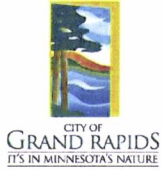
Notary Expiration Date \_\_\_\_\_

Notary Signature \_\_\_\_\_

Notary Stamp

\_\_\_\_\_  
Today's date





# CITY OF GRAND RAPIDS

## Legislation Details (With Text)

**File #:** 15-1066      **Version:** 1      **Name:** ESRI ELA Renewal 2015-2017  
**Type:** Agenda Item      **Status:** Engineering  
**File created:** 1/20/2015      **In control:** City Council  
**On agenda:** 1/26/2015      **Final action:**  
**Title:** Consider approving the purchase and approval of a three-year agreement from ESRI for GIS ELA software in a total amount of \$75,000.00 of which the 2015 fee is \$25,000.00.

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** [Attachment Esri SGELA Renewal Proposal.pdf](#)

Date	Ver.	Action By	Action	Result
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Consider approving the purchase and approval of a three-year agreement from ESRI for GIS ELA software in a total amount of \$75,000.00 of which the 2015 fee is \$25,000.00.

**Background Information:**

In 2012, the City approved a three-year agreement with ESRI for GIS software and purchased the Enterprise License Agreement (ELA) that allows for an unlimited number of users of the software rather than individual computer licenses. That three-year license and agreement expires this month. The attached agreement is the renewal of the agreement for another three years at the same rate as the initial agreement, \$25,000 per year for three years. After discussion with PU staff, it is recommended that the renewed agreement be purchased at the same cost-share ratio as the original agreement, 33% (\$8,250) from PU and 67% (\$16,750) from the City, which was established based on the number of GIS users from each entity.

**Staff Recommendation:**

City staff recommends approving the purchase and approving a three-year agreement from ESRI for GIS ELA software in a total amount of \$75,000.00 of which the 2015 fee is \$25,000.00.

**Requested City Council Action**

Consider approving the purchase and approval of a three-year agreement from ESRI for GIS ELA software in a total amount of \$75,000.00 of which the 2015 fee is \$25,000.00.



November 20, 2014

Mr. Mike LeClaire  
City of Grand Rapids  
420 N Pokegama Ave  
Grand Rapids, MN 55744

Dear Mike,

The Esri Small Municipal and County Government Enterprise License Agreement (ELA) is a three-year agreement that will grant your organization access to Esri® term license software on an unlimited basis including maintenance on all software offered through the ELA for the term of the agreement. The ELA will be effective on the date executed and will require a firm, three-year commitment.

Based on Esri's work with several organizations similar to yours, we know there is significant potential to apply geographic information system (GIS) technology in many operational and technical areas within your organization. For this reason, we believe that your organization will greatly benefit from an enterprise license agreement.

An ELA will provide your organization with numerous benefits including:

- A lower cost per unit for licensed software
- Substantially reduced administrative and procurement expenses
- Maintenance on all Esri software deployed under this agreement
- Complete flexibility to deploy software products when and where needed

The following business terms and conditions will apply:

- All current departments, employees, and in-house contractors of the organization will be eligible to use the software and services included in the ELA.
- If your organization wishes to acquire and/or maintain any Esri software during the term of the agreement that is not included in the ELA, it may do so separately at the Esri pricing that is generally available for your organization for software and maintenance.
- The organization will establish a single point of contact for orders and deliveries and will be responsible for redistribution to eligible users.
- The organization will establish a Tier 1 support center to field calls from internal users of Esri software. The organization may designate individuals as specified in the ELA who may directly contact Esri for Tier 2 technical support.
- The organization will provide an annual report of installed Esri software to Esri.

- Esri software and updates that the organization is licensed to use will be automatically available for downloading.
- The organization will act as an Esri reference site and will permit Esri to publicize its use of Esri software and services.
- The fee and benefits offered in this ELA proposal are contingent upon your acceptance of Esri's Small Municipal and County Government ELA terms and conditions.
- Licenses are valid for the term of the ELA.

This program offer is valid for 90 days. To complete the agreement within this time frame, please contact me within the next seven days to work through any questions or concerns you may have. To expedite your acceptance of this ELA offer:

1. Sign and return the signature page of the ELA with a Purchase Order or issue a Purchase Order that references this ELA Quotation and includes the following statement on the face of the Purchase Order: "**THIS PURCHASE ORDER IS GOVERNED BY THE TERMS AND CONDITIONS OF THE ESRI SMALL MUNICIPAL AND COUNTY GOVERNMENT ELA, AND ADDITIONAL TERMS AND CONDITIONS IN THIS PURCHASE ORDER WILL NOT APPLY.**" Have it signed by an authorized representative of the organization.
2. On the first page of the ELA, identify the central point of contact/agreement administrator. The agreement administrator is the party that will be the contact for management of the software, administration issues, and general operations. Information should include name, title (if applicable), address, phone number, and e-mail address.
3. In the purchase order, identify the "Ship to" and "Bill to" information for your organization.
4. Send the purchase order and agreement to the address, email or fax noted below:

Esri  
 Attn: Customer Service SG-ELA  
 380 New York Street  
 Redlands, CA 92373-8100

e-mail: [service@esri.com](mailto:service@esri.com)  
 fax documents to: 909-307-3083

I appreciate the opportunity to present you with this proposal, and I believe it will bring great benefits to your organization.

Thank you very much for your consideration.

Best Regards,

Tyler Prahl





**Quotation # 20459055**

**Date:** October 27, 2014

**Customer # 21657 Contract #**

City of Grand Rapids  
Engineering Dept  
420 N Pokegama Ave  
Grand Rapids, MN 55744

**ATTENTION:** Mike LeClaire  
**PHONE:** (218) 326-7623  
**FAX:** (218) 326-7621

**ENVIRONMENTAL SYSTEMS RESEARCH INSTITUTE, INC.**  
880 Blue Gentian Rd Suite 200  
St. Paul, MN 55121  
**Phone:** (651) 454-0600 **Fax:** (651) 454-0705  
**DUNS Number:** 06-313-4175 **CAGE Code:** 0AMS3

*To expedite your order, please attach a copy of this quotation to your purchase order.*  
**Quote is valid from: 10/27/2014 To: 01/25/2015**

Material	Qty	Description	Unit Price	Total
110035	1	Populations of 0 to 25,000 Small Government Term Enterprise License Agreement - Year One	25,000.00	25,000.00
110035	1	Populations of 0 to 25,000 Small Government Term Enterprise License Agreement - Year Two	25,000.00	25,000.00
110035	1	Populations of 0 to 25,000 Small Government Term Enterprise License Agreement - Year Three	25,000.00	25,000.00
			<b>Item Total:</b>	<b>75,000.00</b>
			<b>Subtotal:</b>	<b>75,000.00</b>
			<b>Sales Tax:</b>	<b>0.00</b>
			<b>Estimated Shipping &amp; Handling(2 Day Delivery) :</b>	<b>0.00</b>
			<b>Contract Pricing Adjust:</b>	<b>0.00</b>
			<b>Total:</b>	<b>\$75,000.00</b>

Esri may charge a fee to cover expenses related to any customer requirement to use a proprietary vendor management, procurement, or invoice program.

**For questions contact:** Tyler Prael **Email:** [tprahl@esri.com](mailto:tprahl@esri.com) **Phone:** (651) 454-0600 x8386

The items on this quotation are subject to the terms set forth herein and the terms of your signed agreement with Esri, if any, or, where applicable, Esri's standard terms and conditions at [www.esri.com/legal](http://www.esri.com/legal), which are incorporated by reference. Federal government entities and government prime contractors authorized under FAR 51.1 may purchase under the terms of Esri's GSA Federal Supply Schedule. Acceptance is limited to the terms of this quotation. Esri objects to and expressly rejects any different or additional terms contained in any purchase order, offer, or confirmation sent to or to be sent by buyer. All terms of this quotation will be incorporated into and become part of any additional agreement regarding Esri's products and services.

**If sending remittance, please address to: Esri, File No. 54630, Los Angeles, Ca 90074-4630**



**SMALL  
ENTERPRISE LICENSE AGREEMENT  
COUNTY AND MUNICIPALITY**

**Authorized Distributor/Esri Use**

**Only:**

Cust. Name \_\_\_\_\_  
Cust. # \_\_\_\_\_  
PO # \_\_\_\_\_  
Esri Agreement # \_\_\_\_\_

Esri, 380 New York St., Redlands, CA 92373-8100 USA • TEL 909-793-2853 • FAX 909-793-5953

This Small Enterprise License Agreement ("ELA") is by and between the organization listed on the signature page ("**Licensee**"); **Environmental Systems Research Institute, Inc. ("Esri")**; and, if Licensee is located outside the United States of America (USA), the Authorized Distributor listed on the signature page ("**Authorized Distributor**"). Authorized Distributor is authorized by Esri to provide access to Online Services and provide ELA Maintenance for Enterprise Products and other benefits, as described herein, to Licensee located outside the USA.

This ELA sets forth the terms for Licensee's use of Enterprise Products and incorporates by reference (i) the ELA Quotation and (ii) the License Agreement. Should there be any conflict between the terms and conditions of the documents that comprise this ELA, the order of precedence for the documents shall be as follows: (i) the ELA Quotation, (ii) Small Enterprise License Agreement, and (iii) the License Agreement. This ELA shall be governed by and construed in accordance with the laws of the state in which Licensee is located without reference to conflict of laws principles, and the USA federal law shall govern in matters of intellectual property. The modifications and additional rights granted in this ELA apply only to the Enterprise Products listed in Table A.

**Table A  
List of Enterprise Products**

**Unlimited Quantities**

**Desktop Software and Extensions**

ArcGIS for Desktop Advanced  
ArcGIS for Desktop Standard  
ArcGIS for Desktop Basic  
ArcGIS for Desktop Extensions: ArcGIS 3D Analyst, ArcGIS Spatial Analyst, ArcGIS Geostatistical Analyst, ArcGIS Publisher, ArcGIS Network Analyst, ArcGIS Schematics, ArcGIS Workflow Manager for Desktop, ArcGIS Data Reviewer

**Server Software and Extensions**

ArcGIS for Server Workgroup and Enterprise (Advanced, Standard, and Basic)  
ArcGIS for Server Extensions: ArcGIS 3D Analyst, ArcGIS Spatial Analyst, ArcGIS Geostatistical Analyst, ArcGIS Network Analyst, ArcGIS Schematics, ArcGIS Workflow Manager for Server, ArcGIS Image Extension for Server

**Developer Tools**

ArcGIS Engine  
ArcGIS Engine Extensions: ArcGIS 3D Analyst, ArcGIS Spatial Analyst, ArcGIS Engine Geodatabase Update, ArcGIS Network Analyst, ArcGIS Schematics  
ArcGIS Runtime Standard  
ArcGIS Runtime Standard Extensions: ArcGIS 3D Analyst, ArcGIS Spatial Analyst, ArcGIS Network Analyst

**Limited Quantities**

One (1) Annual Subscription to Esri Developer Network (EDN) Standard\*  
One (1) Esri CityEngine Advanced Single Use License  
One (1) Esri CityEngine Advanced Concurrent Use License  
One (1) ArcGIS Online Subscription

**Other Benefits**

One (1) ArcGIS Online subscription with specified named users and credits as determined in the program description	<b>Level 2</b>
Number of Esri User Conference registrations provided annually	<b>2</b>
Number of Tier 1 Help Desk individuals authorized to call Esri	<b>2</b>
Maximum number of sets of backup media, if requested**	<b>2</b>
Virtual Campus Annual User License allowance	<b>5,000</b>
Five percent (5%) discount on all individual commercially available instructor-led training classes at Esri facilities purchased outside this Agreement (Discount does not apply to Small Enterprise Training Package.)	

\*ELA Maintenance is not provided for these items.

\*\*Additional sets of backup media may be purchased for a fee.

Licensee may accept this ELA by signing and returning it with an Ordering Document that matches the ELA Quotation and references this ELA. **ADDITIONAL OR CONFLICTING TERMS IN LICENSEE'S ORDERING DOCUMENT WILL NOT APPLY, AND THE TERMS OF THIS ELA WILL GOVERN.** Unless otherwise mutually agreed to, this ELA is effective as of the date of the last signature on the signature page ("Effective Date"), or if no date is provided with the signature, the date of Esri's receipt of Licensee's Ordering Document incorporating this ELA by reference.

This ELA supersedes any previous agreements, proposals, presentations, understandings, and arrangements between the parties relating to the licensing of the Enterprise Products. Except as provided in Article 4—Enterprise Product Updates, no modifications can be made to this ELA.

This ELA may be executed in duplicate by the parties. An executed separate signature page transmitted through electronic means, such as fax or e-mail, is valid and binding even if an original paper document bearing each party's original signature is not delivered.

Accepted and Agreed:

\_\_\_\_\_  
(Licensee)

By: \_\_\_\_\_  
Authorized Signature

Printed Name: \_\_\_\_\_

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

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

### LICENSEE CONTACT INFORMATION

Contact: \_\_\_\_\_

Telephone: \_\_\_\_\_

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

Fax: \_\_\_\_\_

City, State, Postal Code: \_\_\_\_\_

E-mail: \_\_\_\_\_

Country: \_\_\_\_\_

ELA Quotation Number (if applicable): \_\_\_\_\_



## 1.0—ADDITIONAL DEFINITIONS

In addition to the definitions provided in the License Agreement, the following definitions apply to this ELA:

**"Deploy"** means to redistribute and install the Enterprise Products and related Authorization Codes within Licensee's organization(s).

**"ELA Maintenance"** means Tier 2 Support, updates, and patches provided by Esri or its Authorized Distributor to Licensee for the Enterprise Products.

**"ELA Quotation"** means the Small Enterprise License Agreement offer letter and quotation provided separately by Esri or its Authorized Distributor to Licensee.

**"ELA Fee"** means the fee set forth in the ELA Quotation.

**"Enterprise Products"** means the Products identified in Table A—List of Enterprise Products and any updates to such list provided in writing by Esri or its Authorized Distributor.

**"Incident"** means a failure of the Software or Online Services to operate according to the Documentation where such failure substantially impacts operational or functional performance.

**"License Agreement"** means the applicable license agreement incorporated by this reference that is (i) found at <http://www.esri.com/legal/software-license>; composed of the General License Terms and Conditions (E204) and Exhibit 1, Scope of Use (E300); and available in the installation process requiring acceptance by electronic acknowledgment or (ii) a signed license agreement between Esri, Distributor (if applicable), and Licensee that supersedes such electronically acknowledged license agreement.

**"Technical Support"** means a process to attempt to resolve reported Incidents through error correction; patches; hot fixes; workarounds; replacement deliveries; or any other type of Enterprise Product corrections or modifications.

**"Tier 1 Help Desk"** means Licensee's point of contact from which all Tier 1 Support will be given to Licensee.

**"Tier 1 Support"** means the Technical Support provided by the Tier 1 Help Desk as the primary contact to Licensee in attempted resolution of reported Incidents.

**"Tier 2 Support"** means the Technical Support provided by Esri or its Authorized Distributor to the Tier 1 Help Desk when the Incident cannot be resolved through Tier 1

Support. Licensees located in the USA will receive Tier 2 Support from Esri. Licensees outside the USA will receive Tier 2 Support from an Authorized Distributor located in the Licensee's region.

## 2.0—ADDITIONAL GRANT OF LICENSE

**2.1 Grant of License.** Subject to the terms and conditions of this ELA, Esri grants to Licensee a personal, nonexclusive, nontransferable Term License solely to use, copy, and Deploy quantities of the Enterprise Products listed in Table A for the term provided in Section 3.1—Term (i) for which the applicable license fees have been paid and (ii) in accordance with the License Agreement.

**2.2 Consultant Access.** Esri grants Licensee the right to permit Licensee's consultants or contractors to use the Enterprise Products exclusively for Licensee's benefit. Licensee shall be solely responsible for compliance by consultants and contractors with this ELA and shall ensure that the consultant or contractor discontinues use of Enterprise Products upon completion of work for Licensee. Access to or use of Enterprise Products by consultants or contractors not exclusively for Licensee's benefit is prohibited. Licensee may not permit its consultants or contractors to install Software or Data on consultant, contractor, or third-party computers or remove Software or Data from Customer locations, except for the purpose of hosting the Software or Data on Contractor Servers for the benefit of Licensee.

## 3.0—TERM, TERMINATION, AND EXPIRATION

**3.1 Term.** The term of this ELA and all licenses hereunder shall commence on the Effective Date and continue for three (3) years, unless this ELA is terminated earlier as provided herein. Licensee is only authorized to use Deployed Enterprise Products during the term of this ELA. No indefinite term or perpetual license grants are provided with this ELA.

**3.2 No Use upon Expiration or Termination.** All Deployed Enterprise Product licenses and all ELA Maintenance, Virtual Campus access, and User Conference Registrations terminate on expiration or termination of this ELA.

**3.3 Termination for a Material Breach.** Either party may terminate this ELA for a material breach by the other party. The breaching party shall be given a period of ten (10) days from the date of written notice to cure any material breach.



**3.4 Termination for Lack of Funds.** For government or government-owned entities only, either party may terminate this ELA for Lack of Funds. Lack of Funds is the inability of Licensee to secure appropriation of funds through the legislative or governing body's approval process for annual payments due.

#### 4.0—ENTERPRISE PRODUCT UPDATES

**4.1 Future Updates.** Esri and its Authorized Distributor reserve the right to update the list of Enterprise Products in Table A by providing written notice to Licensee. Licensee may continue to use all Enterprise Products that have been Deployed, but support and upgrades for deleted items may not be available. As new Enterprise Products are incorporated into the standard program, they will be offered to Licensee via written notice for incorporation into the Enterprise Products schedule at no additional charge. Licensee's use of new or updated Enterprise Products requires Licensee to adhere to applicable additional or revised terms and conditions of the License Agreement.

**4.2 Product Life Cycle.** During the term of this ELA, some Enterprise Products may be retired or may no longer be available for unlimited quantity Deployment. ELA Maintenance shall be subject to the individual Product Life Cycle Support Status and Product Life Cycle Support Policy, which can be found at <http://support.esri.com/en/content/productlifecycles>. Updates for Enterprise Products in the mature and retired phases may not be available; however, Licensee may continue to use Deployed Enterprise Products for the term of this ELA, but Licensee will not be able to Deploy retired Enterprise Products.

#### 5.0—ELA MAINTENANCE

ELA Maintenance is included with the ELA Fee. ELA Maintenance includes standard maintenance benefits specified in either (i) the most current applicable Esri Standard Maintenance Program document (found at <http://www.esri.com/legal>) for USA-based Licensees or (ii) the applicable Authorized Distributor software maintenance policy as modified by this Article 5.0—ELA Maintenance. At Esri's sole discretion, Esri may make patches, hot fixes, or updates available for download. No Software other than the defined Enterprise Products will receive ELA Maintenance. Licensee may acquire maintenance for other Software (non-Enterprise Products) outside this ELA.

##### a. Tier 1 Support Provided by Licensee

1. Licensee shall provide Tier 1 Support through the Tier 1 Help Desk to all Licensee's authorized users.
2. The Tier 1 Help Desk will use analysts fully trained in the Software they are supporting.
3. At a minimum, Tier 1 Support will include those activities that assist the user in resolving how-to and operational questions as well as questions on installation and troubleshooting procedures.
4. Tier 1 Support analysts will be the initial points of contact for all questions and Incidents. Tier 1 Support analysts shall obtain a full description of each reported Incident and the system configuration from the user. This may include obtaining any customizations, code samples, or data involved in the Incident. The analyst may also use any other information and databases that may be developed to satisfactorily resolve Incidents.
5. If the Tier 1 Help Desk cannot resolve the Incident, an authorized Tier 1 Help Desk individual may contact Tier 2 Support. The Tier 1 Help Desk shall provide support in such a way as to minimize repeat calls and make solutions to problems available to Licensee.
6. Tier 1 Help Desk individuals identified by Licensee are the only individuals authorized to contact Tier 2 Support. Licensee may revise named individuals by written notice.

##### b. Tier 2 Support Provided by Esri or Its Authorized Distributor

1. Tier 2 Support shall log the calls received from Tier 1 Help Desk individuals.
2. Tier 2 Support shall review all information collected by and received from Tier 1 Help Desk individuals including preliminary documented troubleshooting provided by Tier 1 Help Desk when Tier 2 Support is required.
3. Tier 2 Support may request that Tier 1 Help Desk individuals provide verification of information, additional information, or answers to additional questions to supplement any preliminary information gathering or troubleshooting performed by Tier 1 Help Desk.

4. Tier 2 Support shall attempt to resolve the Incidents submitted by Tier 1 Help Desk by assisting Tier 1 Help Desk individuals.
5. When the Incident is resolved, Tier 2 Support shall communicate the information to Tier 1 Help Desk individuals, and Tier 1 Help Desk shall disseminate the resolution to the user.

## 6.0—ENDORSEMENT AND PUBLICITY

This ELA shall not be construed or interpreted as an exclusive dealings agreement or Licensee's endorsement of Esri or its Authorized Distributor. Licensee agrees that Esri and its Authorized Distributor may publicize the existence of this ELA upon execution.

## 7.0—ADMINISTRATIVE REQUIREMENTS

- 7.1 **OEM Licenses.** Under Esri's OEM or Solution OEM programs, OEM partners are authorized to embed or bundle portions of Esri products and services with their application or service. OEM partners' business model, licensing terms and conditions, and pricing are independent of this ELA. Licensee shall not seek any discount from the OEM partner or Esri based on the availability of Enterprise Products under this ELA. Licensee shall not decouple Esri products or services from the OEM partners' application or service.
- 7.2 **Annual Report of Deployments.** At each anniversary date and ninety (90) calendar days prior to the expiration date of this ELA, Licensee shall provide a written report detailing all Deployments to either (a) Esri if Licensee is located in the USA or (b) Authorized Distributor if Licensee is located outside the USA. The report will be subject to audit.
- 7.3 **Renewal.** Any follow-on ELA will be offered in accordance with then-current ELA pricing and license terms and conditions.

## 8.0—ORDERING, ADMINISTRATIVE PROCEDURES, DELIVERY, AND DEPLOYMENT

### 8.1 Orders, Delivery, and Deployment

- a. Licensee shall issue an Ordering Document upon execution of this ELA and annually thereafter in accordance with the ELA Quotation. Payment shall be due and payable within thirty (30) calendar days

of the anniversary date of the Effective Date, with the initial payment due within thirty (30) calendar days of execution of this ELA. Esri's Federal ID Number is 95-2775-732.

- b. Upon receipt of the initial Ordering Document from Licensee, Esri shall authorize download of the Enterprise Products to Licensee for its Deployment activities. If requested, Esri will ship backup media to the ship-to address identified on the Order, FOB Destination, with shipping charges prepaid. For those entities that avoid sales tax by downloading deliverables, request for delivery or receipt of tangible media may cause license fees to be subject to taxes. Licensee acknowledges that should such taxes become due, Esri has a right to invoice and Licensee agrees to pay any such sales or use tax associated with its receipt of tangible media.
- c. Esri shall provide Authorization Codes to activate the nondestructive copy protection program that enables the Enterprise Products to operate.
- d. Licensee shall Deploy, install, configure, and track the Deployment status of the Enterprise Products.

### 8.2 Order Requirements

- a. All orders pertaining to this ELA shall be processed through Licensee's centralized point of contact.
- b. The following information shall be included in each Order (or Ordering Document):
  - (1) Licensee name; Esri customer number, if known; and bill-to and ship-to addresses
  - (2) Order number
  - (3) Applicable annual payment due

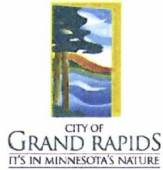
## 9.0—TRAINING

- 9.1 **Training Description.** Esri offers instructor-led training related to the use of its proprietary GIS software. Esri will provide to Licensee a fixed number of training days to use for Instructor-Led Training, as defined in this Small Enterprise Training Package, if purchased. Instructor-Led Training events occur at an Esri Learning Center or via the web in a cloud environment. The Esri software training course(s) to be conducted, location, schedule dates, and registration requirements are set forth in the *Esri Training* catalog located on Esri's Training website (<http://training.esri.com>). All courses are conducted in substantial conformity with course descriptions outlined on the Esri Training website. Esri reserves the right to modify course content when necessary due to software technical capabilities or limitations.



## **9.2 Unique Terms for the Small Enterprise Training Package**

- a.** To order training, Licensee must include training in the Ordering Document for the ELA or provide an Ordering Document as required and specified within the ELA that matches the Esri quotation.
- b.** Where Licensee submits an additional Ordering Document to purchase training days for additional year(s), any unused training days will automatically roll over.
- c.** An Ordering Document is required annually for each three (3)-year term. Failure to submit an annual Ordering Document will result in the forfeit of unused training days.
- d.** Licensee must assign an individual within its organization to the role of Training Administrator to serve as liaison between Licensee's organization and Esri as well as internally manage and authorize allocated training days.
- e.** The training days are available for a period of twelve (12) months, commencing on the Effective Date, and ending when all training days are consumed, whichever is sooner.
- f.** Esri will invoice for outstanding training expenses where applicable.
- g.** Training days are not transferable and not refundable for any other Esri products or services.



# CITY OF GRAND RAPIDS

## Legislation Details (With Text)

<b>File #:</b>	15-1069	<b>Version:</b>	1	<b>Name:</b>	CP 2017-1 5th St N PM SLA
<b>Type:</b>	Agenda Item	<b>Status:</b>		<b>Status:</b>	Engineering
<b>File created:</b>	1/20/2015	<b>In control:</b>		<b>In control:</b>	City Council
<b>On agenda:</b>	1/26/2015	<b>Final action:</b>		<b>Final action:</b>	
<b>Title:</b>	Consider approving a Supplemental Letter Agreement (SLA) with SEH for the preparation of a Project Memorandum (PM) for CP 2017-1, 5th St North roadway and stormwater improvement project, for a lump sum fee of \$7,970.				
<b>Sponsors:</b>					
<b>Indexes:</b>					
<b>Code sections:</b>					
<b>Attachments:</b>	<a href="#">1-26-15 Attachment CP2017-1 5th St N PM SLA.pdf</a>				

Date	Ver.	Action By	Action	Result
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Consider approving a Supplemental Letter Agreement (SLA) with SEH for the preparation of a Project Memorandum (PM) for CP 2017-1, 5th St North roadway and stormwater improvement project, for a lump sum fee of \$7,970.

### **Background Information:**

As discussed in the RCA ordering the feasibility report for CP 2017-1, the 5th St North Roadway and Stormwater Improvements project is currently a Capital Improvement Plan (CIP) project scheduled for calendar year 2016. This project utilizes \$500,000 of federal funding; therefore a PM is required to be completed in conformance with the Federal and State Aid processes. The PM takes a minimum of 5-6 months to complete and addresses environmental, social, and economic impacts, and includes distribution to several public agencies for input. Because of the length of time required to complete the PM, it is necessary to begin now so as to not delay being able to begin the design next fall. The SLA and work scope is in accordance with the Master Engineering Services Agreement and is attached for your review.

### **Staff Recommendation:**

City Staff recommend approving a Supplemental Letter Agreement (SLA) with SEH for the preparation of a Project Memorandum (PM) for CP 2017-1, 5th St North roadway and stormwater improvement project, for a lump sum fee of \$7,970.

### **Requested City Council Action**

Consider approving a Supplemental Letter Agreement (SLA) with SEH for the preparation of a Project Memorandum (PM) for CP 2017-1, 5th St North roadway and stormwater improvement project, for a lump sum fee of \$7,970.



Building a Better World  
for All of Us<sup>®</sup>

## Supplemental Letter Agreement No. 2017-1

January 26, 2015

Mayor Adams  
City of Grand Rapids  
420 NE 4<sup>th</sup> Street  
Grand Rapids, MN 55744

RE: 5<sup>th</sup> Street North Improvements  
City Project 2017-1  
SLA for Project Memorandum

Dear Mayor Adams,

City Project 2017-1 involves roadway improvements, storm water improvements and associated appurtenances. The improvements are located along 5<sup>th</sup> Street North, from 6<sup>th</sup> Avenue NE to 17<sup>th</sup> Avenue NW. Federal funding has been secured for this project which require a Project Memorandum be completed. The City Engineer has requested that we prepare this Supplemental Letter Agreement (SLA) for the preparation of a Project Memorandum for your consideration. Our estimated work scope for this project is listed below and is in accordance with the Master Engineering Services Agreement that is in place between the City of Grand Rapids and Short Elliott Hendrickson, Incorporated (SEH).

### **Task 1.0 Environmental Documentation – Project Memorandum**

SEH will conduct the preparation and approval of a Project Memorandum (PM) for the proposed 5<sup>th</sup> Street North Improvements Project in the City of Grand Rapids. This task includes completing all the steps required to complete a PM in conformance with the Federal and State Aid processes. SEH will complete the PM in accordance with the process defined in the Mn/DOT State Aid Project Development Manual. The preparation and approval process for completing the PM are further discussed in Tasks 1.1 and 1.2.

### **Task 1.1 Project Memorandum Data Collection, Agency Reviews, and Documentation**

SEH will obtain the applicable social and environmental data that is needed to assist in the environmental review. SEH will also be responsible for requesting reviews from the Minnesota Department of Natural Resources (DNR) Natural Heritage Review Program for state threatened and endangered species (T&E), Mn/DOT's Office of Environmental Services for cultural resources and federal T&E species. It is our understanding that archeological and other Section 4(f) resources

Engineers | Architects | Planners | Scientists

Short Elliott Hendrickson Inc., 21 NE 5th Street, Suite 200, Grand Rapids, MN 55744-2601  
SEH is 100% employee-owned | [sehinc.com](http://sehinc.com) | 218.322.4500 | 888.908.8166 fax



are not readily known within the project area and no Phase I Study or Section 4(f) Evaluation is needed. Furthermore, it is assumed that no Phase I Environmental Site Assessment is needed for the project. Lastly, it is assumed that wetland delineations and a delineation report will not be required for the proposed improvements. If it is determined that any of these further studies/analysis are required, an amendment to this project work plan will be needed based upon the scope of these efforts.

SEH will prepare the PM in accordance with the Mn/DOT State Aid Project Development Manual. The content of the PM will include, but is not limited to, the following elements:

- Project Area Mapping
- Report Purpose
- Project Description
- Project Schedule, Cost, and Funding
- Project Purpose & Need
- Project Alternatives Considered
- List of Applicable Permits and Approvals
- Project Impacts (Social, Economic, and Environmental)
- Mitigation Commitments (if required)
- Summary of Public & Agency Involvement
- Design Study (including Standards and any Design Exceptions)

#### **Task 1.2 Project Memorandum Distribution, Review, and Approval**

SEH will lead the entire PM distribution and review processes, and will follow the guidance stipulated in the State Aid Project Development Manual. A draft of the PM will be submitted to staff at the City of Grand Rapids and Mn/DOT State Aid (both District 1 and Central Office) for review and comment. Any comments will be quickly incorporated, and the PM will be finalized for final approvals from State Aid. Upon receipt of the approved PM, the environmental documentation phase of the project will be complete.

#### **Proposed Project Schedule**

It is our understanding that City staff will request Council approval on January 26<sup>th</sup> and that the City's goal is to have the environmental review process completed during the Summer of 2015. As presented in the schedule shown below, a sufficient amount of the time that makes up the schedule falls on the responsibility of agency reviews and approvals. The following items list some key factors for completing the project memorandum.

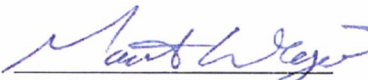
- Council Authorization – Monday, January 26<sup>th</sup>, 2015
- Conduct Early Agency Coordination/Reviews – Distribute letters to Mn/DOT Office of Environmental Services (for both federal T & E species and cultural resources review) and MNDNR (for state T & E species review). Distribution completed by February 2015
  - Mn/DOT CRU requires a minimum 30-day tribal consultation from the date they (Mn/DOT) send a letter of interest to area tribes.
- Prepare Draft PM Based on Proposed Plan – March/April 2015
- City of Grand Rapids, Mn/DOT Dist. 1, and Mn/DOT Central Office Review – April 2015
- SEH Incorporate Comments on draft PM – May 2015
- Final PM Approval – June 2015

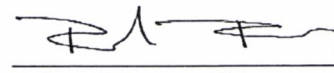
**Fee Schedule**

These services will be provided on a lump sum basis for \$7,970.00. These services are specialty services and are not outlined in the Master Engineering Services Agreement.

We look forward to working with you on this project. If this SLA is acceptable, please sign in the space provided and return a copy to us. We will then begin work immediately. Please contact us if you have any questions regarding this supplemental letter agreement.

Sincerely,  
Short Elliott Hendrickson Inc.

  
\_\_\_\_\_  
Matthew W. Wegwerth, PE      Date  
Client Service Manager/Associate      1-26-15

  
\_\_\_\_\_  
Robert J. Beaver, PE      Date  
Office Manager/Principal      1/26/15

**City of Grand Rapids Authorization:**

\_\_\_\_\_  
Kim Johnson-Gibeau      Date  
City Clerk

\_\_\_\_\_  
Dale Adams      Date  
Mayor of Grand Rapids

C: SEH contract file



# CITY OF GRAND RAPIDS

## Legislation Details (With Text)

**File #:** 15-1082      **Version:** 1      **Name:** Authorization to purchase Cityworks and Timmon's Group Professional Services

**Type:** Agenda Item      **Status:** Engineering

**File created:** 1/22/2015      **In control:** City Council

**On agenda:** 1/26/2015      **Final action:**

**Title:** Consider authorizing the Engineering Department to purchase software from Cityworks for \$22,270 and hire the professional services of Timmon's Group for the software implementation at a cost not to exceed \$95,000.

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** [1-26-15 Attachment - CityworksSoftwareLicensingOptions.pdf](#)

Date	Ver.	Action By	Action	Result
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Consider authorizing the Engineering Department to purchase software from Cityworks for \$22,270 and hire the professional services of Timmon's Group for the software implementation at a cost not to exceed \$95,000.

**Background Information:**

For nearly a year City staff from several departments have been working on implementing a software to better manage and maintain internal and external work flows. After discussion and research, the best solution is the purchase an Enterprise License Agreement (ELA) from Azteca Systems Inc for Permitting, Land, Licensing (PLL) and Asset Management Systems (AMS) software that will track and process workflows. The benefits of this software include efficient processing of Building and Zoning Permits, Airport Leases, Liquor Licenses, PW Work Orders, Engineering ROW, Stormwater Permits, and many more. This software will additionally benefit our organization in supporting the integration of other organizational software such as Laserfiche, ESRI (GIS), & SQL based financial software. The PW Department currently uses individual desktop licenses of the AMS software to manage all the work orders. The ELA allows unlimited users to utilize a web browser based solution to create and manage permits, licenses, leases, work orders, and reports in all departments to efficiently manage workflow within each department or across multiple departments and eliminates the need for paper trails and duplicity of data storage in multiple databases. The attachment shows the proposal from Cityworks. This project is accounted for in the 2014 CIP budget at a figure of \$50,000 and in the Stormwater budget at a figure of \$75,000 for a total of \$125,000. In to the future there will be an annual maintenance fee of \$23,000 that will be included in the Storm Water Utility and General Fund budgets.

**Staff Recommendation:**

City staff recommends authorizing the Engineering Department to purchase software from Cityworks for \$23,000 and hire the professional services of Timmon's Group for the software implementation at a cost not to exceed \$95,000.

**Requested City Council Action**

Consider authorizing the Engineering Department to purchase software from Cityworks for \$22,270 and hire the professional services of Timmon's Group for the software implementation at a cost not to exceed \$95,000.



The pricing for an ELA is an annual fee and is based on US Census population of the jurisdiction as reported on [www.census.gov](http://www.census.gov). The current population of Grand Rapids, UT per [www.census.gov](http://www.census.gov) is 10,989. This falls within the 10,001 – 25,000 population tier for Cityworks pricing. ELA pricing is valid for a 3-year period and may adjust at the end of each 3-year period if there is an increase or decrease in the population of the jurisdiction into the next population tier. The pricing below reflects the rates for the below 10,000 residents population tier as the City is just over the threshold.

<b>Cityworks ELA Levels and Pricing Options</b>		
<b>Item</b>	<b>Description</b>	<b>Annual Fee</b>
<b>Option 1 – Server AMS/PLL Essentials ELA</b>	<u>Unlimited logins to Server AMS and Server PLL</u>	Year 1 Cost – \$15,000 Year 2 Cost – \$15,000 Year 3 Cost – \$15,000
<b>Option 2 – Server AMS/PLL Standard ELA</b>	<u>Unlimited logins to Server AMS and Server PLL, Storeroom, CCTV Interface, Paver Interface, AMS Mobile Apps, Cityworks Analytics, PLL Mobile Apps, PLL Online Access, and Use of the API's for 3rd party Cityworks-centric applications.</u>	Year 1 Cost – \$23,000 Year 2 Cost – \$23,000 Year 3 Cost – \$23,000
<b>Server AMS Services</b>	Professional services to upgrade the City to Server AMS from Desktop.	\$20,000 <sup>a</sup>
<b>Server PLL Services</b>	Professional services for configuration and training of Server PLL	\$75,000 <sup>a</sup>

Notes:

- a. Estimate only. Final scope of work is to be determined.

Budgetary quote provided by:  
 Matt Harman - Account Manager  
[mharman@cityworks.com](mailto:mharman@cityworks.com)  
 cell: 801-300-0693 -- office: 801-523-2751  
**Cityworks | Azteca Systems, Inc.**

*Quote is valid for 90 days*  
**Date: 7/23/14 3:50 PM**



# CITY OF GRAND RAPIDS

## Legislation Details (With Text)

**File #:** 15-1055      **Version:** 1      **Name:** Accident Plan for City Volunteers.  
**Type:** Agenda Item      **Status:** Administration Department  
**File created:** 1/15/2015      **In control:** City Council  
**On agenda:** 1/26/2015      **Final action:**  
**Title:** Accident Plan for City Volunteers.  
**Sponsors:**  
**Indexes:**  
**Code sections:**  
**Attachments:** [Accident Plan for City Volunteers Quotation](#)

Date	Ver.	Action By	Action	Result
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Accident Plan for City Volunteers.

### **Background Information:**

City volunteers deliver a range of city services, providing a valuable benefit to cities. It's worthwhile to consider what happens when a volunteer is injured. There are various statutory coverages for certain volunteers and optional protection through the League of Minnesota Cities (LMCIT) that cities can elect to protect volunteers. Firefighters and Police Reserves are defined by statute as "employees" for purposes of workers' compensation. The LMCIT automatically includes these volunteers under the City's workers' compensation coverage. These volunteers are entitled to receive workers' compensation benefits if they are injured while performing volunteer services for the City, as long as they are registered with and work at the direction and control of the City.

Volunteers--other than elected and appointed officials, board and commission members with some level of independent decision-making authority are not deemed "employees" and therefore not covered by workers' compensation. LMCIT offers premises medical coverage and volunteer accident coverage to cities that wish to protect other types of volunteers performing volunteer work in the City.

### **(1) Optional premises medical coverage**

Cities have the option to purchase premises medical coverage as part of their municipal liability coverage. It provides \$1,000 in coverage for medical expenses resulting from an injury caused by a condition on City owned property. This is no-fault coverage, which means the injured person receives the benefit without having to show the injury resulted from the City's negligence.

In some circumstances, the premises medical coverage might apply to an injured volunteer's medical costs. Exclusions in the premises medical coverage, however, will rule out many cases of coverage. For example, commonly excluded are injuries that occur while a person is involved in maintenance or alteration of property or while participating in athletics.

### **(2) Optional volunteer accident coverage**

Cities also have the option to purchase accident coverage for other types of volunteers. This coverage automatically covers on a blanket basis almost all City volunteers who work under the City's direction and control. Volunteers that can be covered include:

\* Coaches and instructors in recreation programs.



- \* Volunteers working on a City sponsored festival or celebration
- \* Volunteers working on City construction and demolition projects.
- \* "Clean-up day" volunteers.
- \* Volunteer members of advisory boards or committees that do not exercise independent decision-making authority.

Coverage protects city volunteers on a no-fault basis. Benefits automatically are payable if the injury occurs while the volunteer is performing services for the City, regardless of fault. In addition to protecting volunteers with injuries not caused by the City's negligence, these benefits can help avoid litigation in cases where the City, a City officer, employee, or other volunteer, is or may be at fault. The injured volunteer can receive these benefits without getting into an adversarial situation against the City.

**(a) Benefits**

**(i) Disability benefit**

Coverage includes short-term disability protection. A volunteer who is unable to engage in the activities of his or her normal occupation because of an injury suffered while performing volunteer services for the City receives a disability benefit of \$400 per week for up to 26 weeks.

Accident coverage for volunteers provides protection for people donating their time and effort to City projects. If the volunteer's injuries exceed the benefits paid under this coverage and the injury was due to City negligence, the volunteer would still be able to make a claim against the City for those excess damages.

**(ii) Impairment benefit**

Coverage includes a lump sum "impairment" benefit for any total or partial permanent disability. If a volunteer suffers a permanent impairment or disability as a result of an injury suffered while performing volunteer services for the City, the volunteer will receive a lump sum payment as compensation for that impairment. Payments are based on the percentage of disability, which is determined in the same manner used for impairment compensation under the workers' compensation statute.

**(iii) Death benefit**

If a volunteer dies as a result of an injury suffered while performing volunteer services for the City, a death benefit of \$100,000 is paid to the volunteer's survivors or estate.

**(iv) Optional benefit**

The City can add optional coverage of as much as \$1,000 for medical costs. This limited medical coverage is intended to pick up relatively minor first aid costs. On more serious injuries, it could also be applied to the costs that the individual would otherwise have to bear under their own health coverage's deductible or co-pay provisions.

**(b) Costs for volunteer accident coverage**

Premiums for volunteer accident coverage are based upon the City's population, which is subject to a minimum and maximum premium. The additional cost to add optional medical coverage is a percentage of the City's basic premium, which is currently 45%. Cities have the option to cover only volunteer board and committee members, and not all other City volunteers. There is a per volunteer board or committee member charge for this option.

A quote has been obtained from the LMCIT and is attached.

**Staff Recommendation:**

Human Resources Director Lynn DeGrio is recommending opting for Basic Coverage along with Optional Medical



Coverage for a total annual premium of \$787.00.

**Requested City Council Action**

Consider authorizing Human Resources Director Lynn DeGrio to sign an agreement with the League of Minnesota Cities Insurance Trust (LMCIT) to obtain an Accident Plan for City Volunteers at a cost of \$787.00 per year.

**League of Minnesota Cities Insurance Trust**  
**Group Self-Insured Accident Plan for Volunteers**  
**145 University Avenue West**  
**St. Paul, MN 55103-2044**

**ACCIDENT PLAN FOR CITY VOLUNTEERS QUOTATION**

The "City"  
 GRAND RAPIDS & GRAND RAPIDS- ITASCA COUNTY AIRPORT  
 ATTN: HUMAN RESOURCES  
 420 N POKEGAMA AVE  
 GRAND RAPIDS MN 55744-2658

Agreement No.: VL00016900  
 Agreement Period From: 1/01/2015  
 To: 1/01/2016

This is the quotation for the Group Self-Insured Accident Plan for City Volunteers. If you desire to bind coverage; please contact LMCIT underwriting staff as listed below.

Accident Plan For City Volunteers (includes coverage for members of advisory boards and committees)

<input checked="" type="checkbox"/> <b>Basic Coverage (No Medical)</b>	<b>Premium</b>	\$ 543.00
<input checked="" type="checkbox"/> <b>Optional Medical</b>	<b>Premium</b>	\$ 244.00
	<b>Total</b>	\$ 787.00

Accident Plan For All Members of Advisory Boards and Committees Only (no coverage for other city volunteers)  
 Please provide the number of advisory boards and committees and the number of members.

---

<input type="checkbox"/> <b>Basic Coverage (No Medical)</b>	<b>Premium</b>	\$ _____
<input type="checkbox"/> <b>Optional Medical</b>	<b>Premium</b>	\$ _____
	<b>Total</b>	\$ _____

If you have any questions, please contact Liam Biever at 651-281-1212 or Barb Mcycr at 651-215-4173.

---

Signature _____	Title _____
Date _____	

Agent: 06071 - TBD  
 CITY OF GRAND RAPIDS  
 CITY CLERK  
 420 N. POKEGAMA AVE.  
 GRAND RAPIDS MN 55744-2658

### List of Coverage Options for Accident Coverage for City Volunteers

We'd like to change from the Accident Plan for All City Volunteers (includes coverage for members of city advisory boards and committees ) to the Accident Plan for Members of Advisory Boards and Committees Only( no coverage for other city volunteers .Please indicate how many members there are.

---

We'd like to change from the Accident Plan for Members of Advisory Boards and Committees Only ( no coverage for other city volunteers) to the Accident Plan for All City Volunteers (includes coverage for members of city advisory boards and committees)..

---

We'd like to add the additional medical benefit.

We'd like to discontinue the additional medical benefit

No Changes

No Coverage Desired





# CITY OF GRAND RAPIDS

## Legislation Details (With Text)

**File #:** 15-1056      **Version:** 1      **Name:** Reclassification of Library positions.  
**Type:** Agenda Item      **Status:** Administration Department  
**File created:** 1/15/2015      **In control:** City Council  
**On agenda:** 1/26/2015      **Final action:**  
**Title:** Reclassification of Library positions.

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:**

Date	Ver.	Action By	Action	Result
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Reclassification of Library positions.

**Background Information:**

With the retirement of Mary Saxton, Clerk III - Library Office and Technical Processes, the Library has had a vacancy since July 31, 2014. City staff was authorized to begin the process of filling the vacancy and, in doing so, we utilized the part-time Library Clerk II - Childrens and Library Clerk II - Circulation employees. This has worked out extremely well, so we created a draft job description and had it reviewed by Springsted to determine if there would be a cost savings in leaving the Clerk III position vacant and re-classifying the Clerk II positions.

After thorough review and six months of operating under that scenario, it has been determined that it will be more efficient to leave the Clerk III position vacant, reclassify the Clerk II positions from the current Grade 3 to Grade 5, and change the status from Part-time (30 hours per week) to Full time (40 hours per week) beginning February 1, 2015. The current incumbents, Tracy Kampa and John Nalan, will be affected by the change with a position title change, the status of the position from part-time to full-time, and will receive an increase in wages to that of a Clerk III position according to the bargaining agreement.

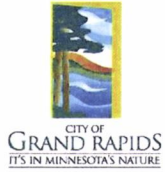
This was approved at the January 14, 2015 Library Board meeting.

**Staff Recommendation:**

Library Director Marcia Anderson and Human Resources Director Lynn DeGrio are recommending (1) leaving the Clerk III - Library Office and Technical Processes position unfilled, (2) adopting the revised job description for Library Public Services Clerk, (3)reclassifying the Clerk II positions from Class 3 to Class 5, and (4) changing the employment status of the positions from Part-time to Full-time. These will be fully benefited positions according to the collective bargaining agreement by and between the City of Grand Rapids and American Federation of State, County and Municipal Employees (AFSCME).

**Requested City Council Action**

Consider (1) adopting the job description for Library Public Services Clerk, (2) reclassifying the Library Clerk II positions to Library Public Services Clerk and from Class 3 to Class 5 and (3) change the status of the positions from Part-time to Full-time effective February 1, 2015 at a starting rate of \$17.2077 per hour according to the collective bargaining agreement by and between the City of Grand Rapids and AFSCME.



# CITY OF GRAND RAPIDS

## Legislation Details (With Text)

**File #:** 15-1058      **Version:** 1      **Name:** Adoption of Social Media Policy.  
**Type:** Agenda Item      **Status:** Administration Department  
**File created:** 1/15/2015      **In control:** City Council  
**On agenda:** 1/26/2015      **Final action:**  
**Title:** Adoption of Social Media Policy.

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** [Social Media Policy](#)

Date	Ver.	Action By	Action	Result
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Adoption of Social Media Policy.

**Background Information:**

The City of Grand Rapids utilizes the following social media sites:

- City of Grand Rapids MN Facebook
- City of Grand Rapids Animal Control Facility Facebook
- City of Grand Rapids Engineering Department Facebook
- City of Grand Rapids MN Police Facebook
- City of Grand Rapids Park and Recreation Facebook
- City of Grand Rapids Park and Recreation Twitter
- Grand Rapids Area Library Facebook
- Grand Rapids Area Library Twitter
- GRMN Creates Facebook
- I.R.A. Civic Center Facebook

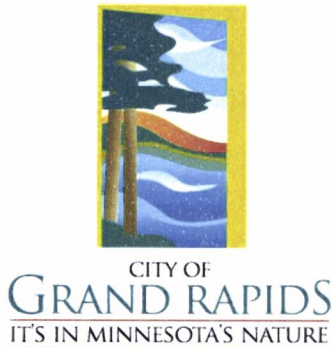
Although we reference Social Media in our Communication Standards and Image Management Policy, it isn't as extensive as it should be. While amending the City's Personnel Policy Manual and adopting the Communications Standards, it was suggested that we bring a draft of a Social Media Policy to the City Council for review and approval. The attached draft is a compilation of suggestions from other Minnesota cities.

**Staff Recommendation:**

Human Resources Director Lynn DeGrio is recommending the adoption of the attached Social Media Policy.

**Requested City Council Action**

Consider the adoption of the attached Social Media Policy effective February 1, 2015.



## Social Media Policy

### Overview

The City of Grand Rapids intends to use social media websites as additional communication channels to help promote its programs, events, and services, and represent itself appropriately and consistently on the Internet. Social media technology allows news of an event to spread quickly and is a good forum to facilitate public discussion.

A social media presence is yet another way government can communicate to the broadest possible audience of those it serves and residents can communicate with their government. The City of Grand Rapids' intent is to increase transparency, immediacy, and feedback to the community and to address the fast-changing landscape of the Internet and the way residents communicate and obtain information online.

The best, most appropriate, City of Grand Rapids uses of social media tools fall into three categories:

- Channels to supplement information from other City communications sources, such as the website, and draw more eyes back to those communication sources, and to broadcast the City's messages to the widest possible audience
- Channels for disseminating time-sensitive information as quickly as possible (i.e. emergency information)
- A two-way communication, promoting transparency and social engagement in government

### General Technicalities

All City of Grand Rapids social media pages will adhere to the content standards below.

- The City has a "page" in Facebook, not a "group." Facebook pages offer distinct advantages, including greater visibility, customization, and measurability.
- The type of page is "government."
- The City's web team will standardize and provide all City Facebook page displays to include the City logo and other pertinent information.
- Any City Facebook page will be based on a template that includes consistent City branding and style. The web team will provide departments with the template.



- Departments will use proper grammar and standard AP style, avoiding jargon and abbreviations. Facebook is more casual than most other communications tools but still represents the City at all times.
- An application shall not be used unless it serves a business purpose, adds to the user experience, comes from a trusted source, and is approved by the Communications Specialist, IT Director, or City Administrator.
- All new social media tools proposed for City use will be approved by the City Administrator, Communications Specialist, IT Director, or the appropriate Department Head.
- Employees representing the City of Grand Rapids on the City's social media sites must conduct themselves professionally at all times as representatives of the City.
- Elected officials should comply with the guidelines outlined in the City's Technology, Communications, and Social Media Policies.

### **Social Media Administrators**

A successful social media page requires monitoring. Each City department shall appoint one or two of its staff as the assigned administrator(s) (AA), who will be responsible for monitoring the social page. Posts shall be approved by the AA or a designated alternate.

Posts and monitoring shall be done during office hours, with the exception of emergency situations, and all comments or questions shall be responded to in a timely manner within those parameters.

**AFTER HOURS:** In the event of an emergency need for an after-hours posting, designated communications department staff shall be contacted to post information on the City's website followed by social media.

Staff may set up automatic email notification when someone posts a comment to a social media site.

### **Employee Access to Social Media Sites**

Designated AA employees are allowed to use personal logins/accounts to access social media sites as part of their work duties. Use of personal mobile devices and access of personal social media sites should be minimal while at work in accordance with the Personnel Policy Manual. Authorization during work time is for the expressed purpose of allowing social media editors to conduct their work.

Social media accounts are considered a City asset, and log-ins to those accounts must be securely administered in accordance with City technology policies.

## City's Social Media Posts

### Accuracy and Timeliness

The City of Grand Rapids will make every effort to ensure the accuracy of the information provided on its social media pages. However, several factors that are beyond the City control (including unauthorized modification of electronic data, transmission errors, browser incompatibilities, information that has been cached on the local computer or storage device, or other aspects of electronic communication in an evolving and time-sensitive environment) can affect the quality of the information displayed on the site. For that reason, the City does not guarantee the accuracy of the information provided on its social media page and is not liable for reliance on this information.

The City's timeliness about posts and responses to comments may also vary based on staff availability.

Therefore, a disclaimer shall be posted on any social media site, stating:

*This social media page is intended to get information out to a wide number of people quickly, not as an in-depth or complete source of information, but as an evolving supplement to the City of Grand Rapids' website ([www.cityofgrandrapidsmn.com](http://www.cityofgrandrapidsmn.com)), newsletter, press releases, and in-person communications. Staff will post or respond to comments within office hours (Monday-Friday, 8 am-4:30 pm) and within the varying perimeters of staff availability. For these reasons, staff may not respond to every comment or question posted on the social media site.*

### Comments

To facilitate two-way communication, and broaden the ways residents may connect with the City, comments to the City's posts on the wall will be turned on. The following disclaimer will be posted on all social media pages allowing comments:

*Please note that comments expressed on the City's social networking sites do not reflect the opinions or positions of the City of Grand Rapids, its employees, or its elected officials. The City of Grand Rapids reserves the right to remove any comments, questions, or postings containing:*

- *Profane language or content*
- *Personal attacks, harassments, or threats against any individual or organization*
- *Content that promotes, fosters or perpetuates discrimination on the basis of race, creed, color, age, religion, gender, marital status, status with regard to public assistance, national origin, physical or mental disability or sexual orientation*
- *Content not topically related to the particular social medium article being commented upon*
- *Support for or against any political campaign or ballot measures*
- *Copyright infringements or other legal violations*
- *Solicitations of commerce*
- *Sexual content or links to sexual content*
- *Conduct or encouragement of illegal activity*
- *Information that may tend to compromise the safety or security of the public or public systems*
- *Content that violates a legal ownership interest of any other party*



The City reserves the right to restrict or remove any content deemed in violation of this social media policy or any applicable law.

Often commentators will police themselves; therefore, comments should be removed by the City only as a last resort.

All removed comments will be saved in a “removed comments” folder for data practices purposes. When a comment is removed, a note will be posted in its place explaining the violation.

### **Data Practices Concerns**

Any content maintained in a social media format that is related to City business, including a list of subscribers and posted communication, is a public record. The department maintaining the site is responsible for responding completely and accurately to any public records request for public records on social media. Content related to City business shall be maintained in an accessible format and so that it can be produced in response to a request.

These guidelines must be displayed to users or made available by hyperlink. Any content removed based on these guidelines must be retained, including the time, date, and identity of the poster when available as well as the City’s reason for removing the content.

Content posted to social media sites will be transitory in nature, in order to adhere to the City’s records retention policy.

A social media account shall not be used by the City or any City employee or representative to disclose private, confidential, and non-public information.

### **Employee Conduct**

All City employees have a responsibility to help communicate accurate and timely information to the public in a professional manner. When using social media, City employees must follow all policies outlined here and in the Personnel Policy Manual.

Social media platforms provide new ways to engage with citizens and customers to build stronger relationships, civic engagement, and “connectedness.” Employees designated to participate in social media are expected to follow these principles:

- Postings shall be related to that department’s specific function and subject matter expertise.
- Postings shall be factual, respectful, on-point, and reasonably avoid being thought of as spam, off-topic, or offensive.
- Per the City’s communications policy (see applicable section of the Personnel Policy Manual), employees must notify the City’s Communications department of any media contacts received related to their posts. Further, under no circumstances shall non-department head personnel comment to reporters regarding matters of City policy, opinion, or interpretation.



- Employees shall not use the City's social media sites to copy or transmit any documents, images, software, or other information protected by a copyright owned by someone or an entity other than the City of Grand Rapids without proper authorization from the copyright owner. Copyright protection applies to any document, image, software or information unless it is specifically marked as public, not copyrighted, or freeware. In the absence of any specific copyright markings, material or information should be assumed to be copyright-protected. It is the employee's responsibility to obtain proper authorization from the copyright owner before using the electronic communications system to copy or transmit original copyrighted material.
- City social media sites or equipment may not be used by staff as a platform to share personal opinions or for political purposes, private business or charitable activities, commercial or personal transactions, promotion of religious views, or for any other purpose prohibited by law.
- Replies to individual constituent inquiries received via social media sites must be retained per the City's record retention schedule.
- Decisions to remove posts or comments that violate the City's social media policy shall be made by the appropriate department head, Communications specialist, and/or the City Administrator. Employees monitoring City social media pages must bring questionable posts/comments to the attention of their department head or the Communications Specialist immediately.
- Employees who are asked by organizations to post information on the City's social media sites shall refer the request to the City Administrator, Communications Specialist, or the appropriate Department Head.

#### **Guidelines for Personal Communications**

While every individual has a right to speak out on the issues facing the community, state, and nation, employees must take great care to make it clear that their personal opinions are their own and do not represent the official policy position of the City. It is important for employees to remember that their personal communications may reflect on the City, especially if they are commenting on City business, supervisors, or policies.

The following guidelines apply to personal communications including various forms of social media, letters to the editor of newspapers, personal endorsements, email, City correspondence, newsletters, and cable television.

- All City employees are expected to actively protect any information considered private or protected under Data Privacy and HIPAA Compliance laws. (Questions should be directed to the City of Grand Rapids' Human Resources Director.)
- Employees MUST NOT post information, images, or icons obtained in their official capacity with the City on their personal social media pages and/or accounts without prior approval from the Communications Specialist AND the appropriate department head. For example, employees shall not post photos, icons, or information from an incident/call on his/her personal social media sites.
- If you wish to write an opinion based upon your work experience, you shall not make reference to the City if you are not discussing City business. For example, write, "As a police officer..." rather than, "As a City of Grand Rapids police officer..." or "As a public employee ..." rather than "As a City of Grand Rapids employee...."
- Employees shall not comment on social media or publish something related to City business without identifying themselves and using a disclaimer such as, "I am an employee of the City of Grand Rapids. However, these are my own opinions and do not represent those of the City of Grand Rapids."
- The City of Grand Rapids expects its employees to be truthful, courteous and respectful toward supervisors, coworkers, citizens, customers and other persons associated with the City. Do not engage in name-calling or personal attacks.

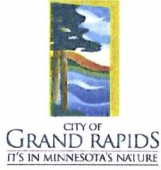
- Refrain from making comments about the workplace, policies, or supervisors, or discussing internal employment issues on social media. Assume anything written about a coworker or supervisor will be read by that coworker, your supervisor, and many others.
- Remember that what you write or post is public, and will be so for a long time. It also may be spread to large audiences without your knowledge or permission. Refrain from sending or posting information – including images or icons – that you would not want your supervisor or other employees to read, or that you would be embarrassed to see in the newspaper or viewed by your parents, spouse, or loved ones.
- City resources, working time, or official City positions must not be used for personal profit or business interests, for promotion of religious views, or to participate in personal political activity. For example, an employee must not use any City logo (including the Pokegama Golf Course logo or public safety badges or logos), email, or working time to promote his/her side business or for personal gain.
- Personal social media account names or email names shall not be tied to the City (eg, using your City email address when posting).

### **Social Media Guidelines For Elected Officials**

Elected officials should comply with the following guidelines when using City of Grand Rapids social media sites:

- Elected officials shall not use **official** City social media sites for campaigning purposes.
- Elected officials shall not post **comments** or links to **any** content that endorses or opposes political candidates or ballot propositions, **including** links to an **elected** official's campaign site.
- **ALL** comments posted during an **election season** by anyone **who** has filed for office will be removed.
- Elected officials **should be** mindful of the risks of **electronic** communication in relation to the Minnesota Data Practices Act and the Open Meeting Law; two-way communication between elected officials **should be** strictly avoided.
- Elected officials **should not** use social media as a mechanism for conducting official City business other **than** to informally **communicate** with the public.
- **Elected officials** should reveal that they **are** elected officials for the City if/when making a post **and** be honest, **straightforward**, and respectful.
- **Elected officials** should be sure that efforts to be honest don't result in sharing non-public information related to coworkers, **personnel** data, medical information, claims or lawsuits, or other **non-public** or **confidential** information.
- **Elected officials** should **add** value to any social media discussion by staying focused on the issue.
- To help **prevent** errors, **elected** officials should not post official information (eg, incorrect information **about** a new **city** ordinance) about the City, as it could create liability issues.
- If an **elected official** **makes** a mistake, it should be corrected as soon as the official is made aware of the error. **Corrections** should be upfront and as timely as possible. If you modify an earlier post, make is clear the posting has been corrected. Consider designing corrections with "Fixed link" or "Fact correction" prior to the correction.
- **Elected officials** who are contacted by the media on a topic of official City business should follow City communications protocols.





# CITY OF GRAND RAPIDS

## Legislation Details (With Text)

**File #:** 15-1059      **Version:** 1      **Name:** Amendments to Wellness Program.  
**Type:** Agenda Item      **Status:** Administration Department  
**File created:** 1/15/2015      **In control:** City Council  
**On agenda:** 1/26/2015      **Final action:**  
**Title:** Amendments to Wellness Program.

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:**

Date	Ver.	Action By	Action	Result
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Amendments to Wellness Program.

**Background Information:**

The City of Grand Rapids has had a Wellness Program since 2008. Throughout the years, the City has modified the Wellness Program by adding new benefits and we continue to receive positive feedback and good participation from our employees. Therefore, we would like to amend the Wellness Program once again for 2015.

Under the 2015 program, an employee will continue to have a variety of options to achieve the monetary incentive of up to \$200.00 for FY 2015. We would like to add the following:

\$50.00      Health Assessment (on-site) provided by Grand Itasca  
\$200.00      Completion of Complete Health Improvement Program (CHIP)

These two options were introduced in 2014 and because they were successful, we would like to make them a regular Wellness benefit. We are also recommending the elimination of free standby golf benefit for City employees. Also, the City is working with Get Fit Itasca in a no-cost workplace wellness collaborative in Itasca County to help us improve upon our existing employee/workplace wellness initiative beginning in early February. We will learn how to better engage employees in their own health through a "culture of health" that supports healthy behaviors and healthy decisions. The project is funded by the Statewide Health Improvement Program-Minnesota Department of Health.

Investing in the health of employees by creating a workplace wellness initiative is an important step employers can take to increase productivity, improve morale and better manage health care costs. We will receive 15 months of free consultation along with tools and templates to ensure success.

The Wellness Program is a budgeted item under City Wide expenditures.

**Staff Recommendation:**

City Administrator Tom Pagel and Human Resources Director Lynn DeGrio are recommending the amendments to the City of Grand Rapids Wellness Program

**Requested City Council Action**

Consider the amendments to the City of Grand Rapids Wellness Program.





CITY OF  
GRAND RAPIDS  
IT'S IN MINNESOTA'S NATURE

# CITY OF GRAND RAPIDS

## Legislation Details (With Text)

**File #:** 15-1067      **Version:** 1      **Name:** Resolution against levy limits  
**Type:** Agenda Item      **Status:** Administration Department  
**File created:** 1/20/2015      **In control:** City Council  
**On agenda:** 1/26/2015      **Final action:**  
**Title:** A resolution opposing the imposition of levy limits on Minnesota cities.

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** [1-26-15 Reolution Levy limits Opposition.pdf](#)

Date	Ver.	Action By	Action	Result
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A resolution opposing the imposition of levy limits on Minnesota cities.

**Background Information:**

The Greater Coalition of Minnesota Cities have indicated that the legislators and Governor may be considering the implementation of levy limits for cities. The attached resolution opposes this restriction and explains why as a city we do not want levy limits.

**Staff Recommendation:**

City staff is recommending a resolution opposing the imposition of levy limits on Minnesota cities.

**Requested City Council Action**

Consider a resolution opposing the imposition of levy limits on Minnesota cities.

Councilor introduced the following resolution and moved for its adoption:

**RESOLUTION No. 15-**

**RESOLUTION OPPOSING THE IMPOSITION OF LEVY LIMITS ON MINNESOTA CITIES**

WHEREAS, the citizens of the City of Grand Rapids have elected the Council and Mayor to make budget and levy decisions related to the City of Grand Rapids; and,

WHEREAS, the City Council, Mayor and City staff spend significant time understanding the unique needs of the residents and businesses of Grand Rapids; and

WHEREAS, local residents and businesses have input into budget and levy decisions of the City Council; and,

WHEREAS, cities across Minnesota have less revenues per capita, counting inflation, to provide services to city residents and businesses than were available in 2002; and

WHEREAS, levy limits undercut local control of city budgets and hamper a city's ability to meet the unique needs of their residents and businesses; and

WHEREAS, levy limits are an ineffective means of providing property tax relief; and

WHEREAS, the imposition of levy limits often results in cities levying more than they may need to any given year in order to protect its revenue base for future years.

NOW, THEREFORE BE IT RESOLVED THAT the City of Grand Rapids opposes the imposition of levy limits in any form on Minnesota cities.

BE IT FURTHER RESOLVED THAT, upon passage, this resolution be forwarded to the Governor, the Commissioner of the Department of Revenue, the Chairs of the House Committee on Taxes, the House Property Tax and Local Government Finance Division, the Senate Tax Committee, and the Senate Tax Reform Division, and the member of the State Legislature representing the City of Grand Rapids.

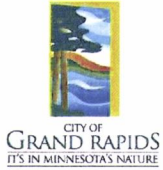
Adopted this 26<sup>th</sup> day of January 2015.

\_\_\_\_\_  
Dale Adams, Mayor

ATTEST:

\_\_\_\_\_  
Kimberly Gibeau, City Clerk

Councilor seconded the foregoing resolution and the following voted in favor thereof;  
; and the following voted against same: None, whereby the resolution was declared duly passed and adopted.



# CITY OF GRAND RAPIDS

## Legislation Details (With Text)

<b>File #:</b>	15-1068	<b>Version:</b>	1	<b>Name:</b>	Labor Attorney Request for Proposals (RFP)
<b>Type:</b>	Agenda Item	<b>Status:</b>		<b>Administration Department:</b>	Administration Department
<b>File created:</b>	1/20/2015	<b>In control:</b>		<b>City Council:</b>	City Council
<b>On agenda:</b>	1/26/2015	<b>Final action:</b>			
<b>Title:</b>	Labor Attorney Request for Proposals (RFP)				
<b>Sponsors:</b>					
<b>Indexes:</b>					
<b>Code sections:</b>					
<b>Attachments:</b>	<a href="#">Labor Attorney Request for Proposals 2015</a>				

Date	Ver.	Action By	Action	Result
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Labor Attorney Request for Proposals (RFP)

**Background Information:**

The City of Grand Rapids has an expired contract with Flaherty and Hood, Labor Attorneys. Attached to this report is a draft Request for Proposals (RFP) that, if approved, will be sent to law firms specializing in public sector labor issues. The anticipated schedule spelled out in the RFP is as follows (subject to change):

- Proposal Due Date February 27, 2015
- Review of RFPs Completed Week of March 2, 2015
- Interviews (If Needed) Week of March 9, 2015
- Contract Negotiation Completed March 2015
- Contract Finalization March 23, 2015
- Contract Effective Date April 1, 2015

If the City Council desires to issue an RFP they should also consider a selection committee.

**Staff Recommendation:**

City staff is recommending that the City Council direct the Human Resources Director to issue an RFP for Labor Attorney. Staff also recommends that the City Council select two council members, City Attorney Chad Sterle, the City Administrator, and the Human Resources Director to be on the selection committee and make a recommendation to the City Council on an attorney to provide labor services.

Funds are allocated each year in the general fund budget for labor attorney expenses. Actual costs will depend on the attorney selected, their hourly rate, and the amount of work required.

**Requested City Council Action**

Consider directing the Human Resources Director to issue the attached Request for Proposals for City Legal Services - Labor Relations. In addition, consider selecting two council members, City Attorney Chad Sterle, the City Administrator and the Human Resources Director to be on the selection committee and make a recommendation to the City Council on an attorney to provide Labor Services.







CITY OF  
**GRAND RAPIDS**  
IT'S IN MINNESOTA'S NATURE

## **City of Grand Rapids**

# **Request for Proposals For City Legal Services – Labor Relations**

City of Grand Rapids  
420 North Pokegama Avenue  
Grand Rapids, MN 55744  
[www.cityofgrandrapidsmn.com](http://www.cityofgrandrapidsmn.com)

January/February 2015

## **I. INTRODUCTION AND BACKGROUND**

### **A. General Information and Scope of Work**

The City of Grand Rapids invites written proposals from qualified law firms interested in providing labor relations legal services to the City of Grand Rapids. The Labor Attorney is expected to provide labor related legal services for the City and act in an advisory capacity to the City Council, City Administrator, staff and appointed committees, as directed. Specifically, the Labor Attorney can expect to provide the following services:

- Assist in contract negotiations with City's five bargaining units (AFSCME for Library, IUOE for Clerical and Public Works, and LELS for patrol sergeants and officers)
- Provide assistance in policy formulation relating to personnel matters
- Review and advise on disciplinary matters, including defense of City during grievance proceedings
- Advise City on employer-provided benefits, including legal issues surrounding health care reform
- Attend City Council meetings as required
- Defend the City in litigation as required

As a minimum, the proposal shall include:

- Provide resumes for your firm and for each attorney who may provide services to the City.
- Describe special areas of expertise held by members of the applicant firm and describe how they may be utilized/applied within Grand Rapids.
- Describe your research capabilities and the reference that you utilize. Detail your capabilities to maintain a proper response time for legal reports and memos.
- Describe your support staff (knowledge, skills, abilities, expertise).
- List and describe any previous or current experience in labor related legal services, specify activities performed and the name of a person who may be contacted at the municipality.
- List previous or current activities performed for the City of Grand Rapids.
- Define any potential conflicts of interest the firm may have providing services to the City.
- Provide a detailed description and explanation of all fees and/or charges that may arise for provided prosecution and related legal services.

### **B. Qualifications and Selection Criteria**

The City of Grand Rapids intends to select and award a contract to the firm best qualified to perform the work described in Section A based on cost, extent and quality of firm's resources, communication and presentation skills, and quality and extent of municipal representation experience.



### **C. Review and Recommendation Process**

Based upon review of the submitted proposals and potential interview of qualified candidates, one firm will be recommended for City Council approval. Interviewing, if needed, is preliminarily scheduled for the week of March 2, 2015 at Grand Rapids City Hall.

### **D. Financial Liability Limitations**

The City of Grand Rapids shall not be liable for any expenses incurred by the applicant associated with the preparation of the proposal, attendance at the interviews, preparation of a compensation (fees) schedule or final contract negotiations.

### **E. Rights of Review**

The City of Grand Rapids reserves the right to reject any proposal or to request additional information from any or all applicants.

### **F. Proposals Considered Public Data**

Consistent with Minnesota Statutes Chapter 13, proposals submitted may be considered public data and may be released to those who request copies.

## **II. PROPOSAL INSTRUCTIONS**

### **A. Proposal Submission**

Three (3) copies (or an electronic copy) of the Proposal shall be submitted to:

**Lynn DeGrio  
Human Resources Director  
City of Grand Rapids  
420 North Pokegama Avenue  
Grand Rapids, MN 55744  
218-326-7606  
ldegrio@ci.grand-rapids.mn.us**

All responses, questions, and correspondence should be directed to Lynn DeGrio. In the interest of fairness to all respondents, please do not contact other staff, elected or appointed officials

**B. Anticipated Schedule (subject to change)**

1. Proposal Due Date..... February 27, 2015
2. Review of RFP's Completed ..... Week of March 2, 2015
3. Interviews (If Needed)..... Week of March 9, 2015
4. Contract Negotiation Completed..... March 2015
5. Contract Finalization..... March 23, 2015
6. Contract Effective Date..... April 1, 2015

**NOTE: ALL PROPOSALS MUST BE RECEIVED BY FEBRUARY 27, 2015 AT GRAND RAPIDS CITY HALL NO LATER THAN 4:30 P.M.**

**III. PROPOSAL CONTENT**

During the evaluation process, the City of Grand Rapids shall reserve the right to request additional information or clarifications from a firm, or to allow corrections of errors and/or omissions.

The following material is required to be received by February 27, 2015, for a proposing firm to be considered:

**A. Cover Letter/Title Page**

Title page showing the following: The firm's name, address, telephone, and email address of the contact person; and the date of the proposal.

**B. Transmittal Letter**

A signed letter of transmittal briefly stating the firm's understanding of the work to be done, the commitment to perform the work within requested time periods, a statement why the firm believes that it is best qualified to perform the engagement and a statement that the proposal is a firm and irrevocable offer.

**C. Technical Proposal**

The proposal for technical qualifications shall be limited to eight-pages excluding resumes and references.

The purpose of the technical proposal is to demonstrate the qualifications, competence, and capacity of the firm seeking to undertake the City Attorney role for the City of Grand Rapids in conformity with the requirements of this request. As such, the substance of the proposals will carry more weight than form or manner of presentation. The technical proposal should demonstrate the qualifications of the firm and of the particular staff to be assigned to this engagement. Please identify the primary attorney who would be assigned responsibility for Grand Rapids and is/her primary backups.

1. **Firm's Profile**

- a. A description of the legal services, specifically relating to City government, which the firm is capable of providing, together with an explanation of how these services might best assist the City of Grand Rapids.
- b. A brief description of the experience of the firm in representing municipalities.
- c. Any additional information which might be beneficial to the City of Grand Rapids in evaluating the firm's qualifications to serve as City Attorney.

2. **Personnel Qualifications – Resumes**

For each member of the professional staff proposed to be assigned to this engagement, please provide the following information:

- a. A brief resume of the professional experience and qualifications of the individual.
- b. An outline of the proposed function of the individual in the proposed engagement.
- c. A description of the accessibility and availability of the individual during the course of the engagement.
- d. The office location to which the individual is assigned.

3. **References**

- a. Please include a list of municipal clients where related services were provided by the professional staff proposed along with the name and telephone number of a person who may be contacted at the municipality.
- b. Include a list of previous or current services provided to the City of Grand Rapids.

4. **Compensation Schedule**

- a. The proposal should clearly set forth the basis for fees to be charged for the work proposed. Rates should be clearly stated for varying levels of staff expected to perform support services.
- b. Identify any other costs the City will be charged in addition to those noted in 4a.

**IV. CONTRACT EXECUTION**

The information below is being provided as part of this Request for Proposal to give proposers an understanding of the City's expectations with respect to contract execution.

**A. Negotiations and Contract Execution**

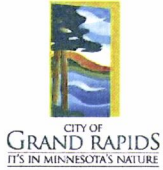
The City reserves the right to negotiate the final terms and conditions of the contract to be executed. Should the City and a firm be unable to agree upon the entire contract, the City reserves the right to discontinue negotiations, select another firm, or reject all of the statements of proposal. Upon completion of negotiations agreeable to the City and firm, a contract shall be executed.

It is anticipated that the City will establish a relationship with a selected firm for a minimum of three (3) years. A contract for one year with annual renewals is expected. Each party may terminate the contract with 90-day notice.



## **Contracting Ethics**

1. No elected official or employee of the City of Grand Rapids who exercises any responsibilities in the review, approval, or implementation of the proposal shall participate in any decision which affects his or her direct or indirect financial interests.
2. It is a breach of ethical standards for any person to offer, give, or agree to give any City of Grand Rapids employee or Council person, or for any City of Grand Rapids employee or Council person to solicit, demand, accept, or agree to accept from another person or firm, a gratuity or an offer of employment whenever a reasonable prudent person would conclude that such consideration was motivated by an individual, group or corporate desire to obtain special, preferential, or more favorable treatment than is normally accorded to the general public.
3. The firm shall not assign any interest in this contract and shall not transfer any interest in the same without the prior written consent of the City.
4. The firm shall not accept any private client or project which, by nature, places it in ethical conflict during its representation of the City of Grand Rapids.



# CITY OF GRAND RAPIDS

## Legislation Details (With Text)

**File #:** 15-1079      **Version:** 1      **Name:** Board & Commission Appointments  
**Type:** Agenda Item      **Status:** Administration Department  
**File created:** 1/21/2015      **In control:** City Council  
**On agenda:** 1/26/2015      **Final action:**  
**Title:** Appointments to Boards & Commissions.

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:**

Date	Ver.	Action By	Action	Result
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Appointments to Boards & Commissions.

**Background Information:**

Currently, we have three Boards/Commissions with vacancies and have received some applications from interested parties. Councilor Zabinski has conducted interviews and is making the following recommendations.

Golf Board:

Josh Solem, fill unexpired term through March 1, 2016

Planning Commission:

Lester Kachinske, fill unexpired term through March 1, 2017

Susan Lynch, fill unexpired term through March 1, 2018

**Staff Recommendation:**

Appoint applicants to Boards/Commissions as recommended by Councilor Zabinski.

**Requested City Council Action:**

Consider appointing Josh Solem to the Golf Course Board, to fill unexpired term through March 1, 2016, and appoint Lester Kachinske & Susan Lynch to the Planning Commission, to fill unexpired terms through March 1, 2017 & March 1, 2018, respectively.



# CITY OF GRAND RAPIDS

## Legislation Details (With Text)

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**File #:** 15-1080      **Version:** 1      **Name:** VERIFIED CLAIMS  
**Type:** Agenda Item      **Status:** Verified Claims  
**File created:** 1/22/2015      **In control:** City Council  
**On agenda:** 1/26/2015      **Final action:**

**Title:** Consider approving the verified claims for the period January 6, 2015 to January 16, 2015 in the total amount of \$2,967,264.90, of which \$2,337,399.38 are bond payments.

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** [City Council Bill List 01-26-15.pdf](#)

Date	Ver.	Action By	Action	Result
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Consider approving the verified claims for the period January 6, 2015 to January 16, 2015 in the total amount of \$2,967,264.90, of which \$2,337,399.38 are bond payments.

**Requested City Council Action**

Consider approving the verified claims for the period January 6, 2015 to January 16, 2015 in the total amount of \$2,967,264.90, of which \$2,337,399.38 are bond payments.



CITY OF GRAND RAPIDS COUNCIL BILL LIST - JANUARY 26, 2015

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CITY OF GRAND RAPIDS  
 DEPARTMENT SUMMARY REPORT

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INVOICES DUE ON/BEFORE 01/26/2015

VENDOR #	NAME	AMOUNT DUE
GENERAL FUND		
SPECIAL PROJECTS-NON BUDGETED		
1105530	KENNEDY & GRAVEN	731.19
TOTAL SPECIAL PROJECTS-NON BUDGETED		731.19
ADMINISTRATION		
1321525	MUNICIPAL CODE CORPORATION LLC	1,046.00
TOTAL ADMINISTRATION		1,046.00
BUILDING MAINTENANCE-CITY HALL		
0113233	AMERIPRIDE LINEN & APPAREL	28.11
0315455	COLE HARDWARE INC	4.98
0920060	ITASCA COUNTY TREASURER	127.05
1909510	SIM SUPPLY INC	69.02
2018680	TRU NORTH ELECTRIC LLC	399.65
2209421	VIKING ELECTRIC SUPPLY INC	1,435.00
TOTAL BUILDING MAINTENANCE-CITY HALL		2,063.81
COMMUNITY DEVELOPMENT		
0300075	CW TECHNOLOGY	513.42
0300200	CDW GOVERNMENT INC	238.82
0914717	INT'L CODE COUNCIL	210.00
1309133	MINNESOTA BUILDING PERMIT	100.00
TOTAL COMMUNITY DEVELOPMENT		1,062.24
COUNCIL/COMMISSION/BOARDS		
0315105	COALITION OF GREATER MN CITIES	17,414.00
0920060	ITASCA COUNTY TREASURER	1,022.21
TOTAL COUNCIL/COMMISSION/BOARDS		18,436.21
ENGINEERING		
0300200	CDW GOVERNMENT INC	1,171.58
0400015	D.C.R. COMMUNICATIONS INC	540.54
0920060	ITASCA COUNTY TREASURER	30.16
1900225	SEH-RCM	2,155.00
TOTAL ENGINEERING		3,897.28

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VENDOR #	NAME	AMOUNT DUE
-----		
GENERAL FUND		
FINANCE		
0809436	HILDI INC	2,300.00
1805230	REESE RUBBER STAMP COMPANY	78.50
	TOTAL FINANCE	2,378.50
FIRE		
0401804	DAVIS OIL	463.26
1309118	MINNESOTA CHAPTER I.A.A.I.	25.00
1909450	SILVERTIP GRAPHICS SIGNS	1,367.25
2300600	W.P. & R.S. MARS COMPANY	1,688.24
	TOTAL FIRE	3,543.75
INFORMATION TECHNOLOGY		
0500050	E3 CONSULTING SERVICES	705.00
1915248	SOFTWARE HARDWARE INTEGRATION	4,363.00
2315634	WORKS COMPUTING INC	1,499.50
	TOTAL INFORMATION TECHNOLOGY	6,567.50
PUBLIC WORKS		
0100046	ASV, INC.	467.24
0103325	ACHESON TIRE COMPANY INC	160.00
0121721	AUTO VALUE - GRAND RAPIDS	69.45
0221650	BURGGRAF'S ACE HARDWARE INC	20.72
0301685	CARQUEST AUTO PARTS	386.51
0315455	COLE HARDWARE INC	262.73
0401804	DAVIS OIL	3,753.76
0612083	FLAGSHIP RECREATION LLC	2,147.70
0801836	HAWKINSON SAND & GRAVEL	505.26
0920060	ITASCA COUNTY TREASURER	822.74
1200500	L&M SUPPLY	49.95
1301213	DAN MARTIN	313.00
1421700	NUSS TRUCK GROUP INC	147.99
1801615	RAPIDS WELDING SUPPLY INC	67.93
1920555	STOKES PRINTING COMPANY	117.22
2300760	W.W. GRAINGER INC	157.10
2605225	ZEE SERVICE COMPANY	80.50
	TOTAL PUBLIC WORKS	9,529.80
FLEET MAINTENANCE		

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VENDOR #	NAME	AMOUNT DUE
GENERAL FUND		
FLEET MAINTENANCE		
0301685	CARQUEST AUTO PARTS	223.67
0315455	COLE HARDWARE INC	18.28
0815730	HOTSY EQUIPMENT OF MINNESOTA	13.90
0920060	ITASCA COUNTY TREASURER	80.86
1301720	MATCO TOOLS	71.38
1309725	MITCHELL1	1,728.00
1605740	PETROCHOICE-ANDERSON LUBRICANT	1,070.97
1801615	RAPIDS WELDING SUPPLY INC	38.66
	TOTAL FLEET MAINTENANCE	3,245.72
POLICE		
0114200	ANDERSON GLASS	1,516.00
0221650	BURGGRAF'S ACE HARDWARE INC	1.99
0301685	CARQUEST AUTO PARTS	269.53
0308096	CHADER BUSINESS EQUIPMENT	208.00
0409501	DIMICH LAW OFFICE	4,583.33
0809115	HIBBING COMMUNITY COLLEGE A	4,200.00
0920069	ITASCA GUN CLUB	500.00
1200500	L&M SUPPLY	69.98
1309167	MN BUREAU OF CRIMINAL	390.00
1401650	NARDINI FIRE EQUIPMENT CO. INC	265.70
1901798	SAVE A LIFE	648.00
2000400	T J TOWING	220.00
	TOTAL POLICE	12,872.53
RECREATION		
1506265	NORTHERN OFFICE OUTFITTER INC	79.99
	TOTAL RECREATION	79.99
CENTRAL SCHOOL		
0609457	FILTHY CLEAN INC	1,300.00
1909510	SIM SUPPLY INC	128.36
2018680	TRU NORTH ELECTRIC LLC	299.16
	TOTAL	1,727.52
AIRPORT		



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VENDOR #	NAME	AMOUNT DUE
-----		
AIRPORT		
0315472	COMFORT HEATING LLC	178.00
0504500	EDMO DISTRIBUTORS INC	574.90
0504825	EDWARDS OIL INC	420.09
2018680	TRU NORTH ELECTRIC LLC	418.50
2209421	VIKING ELECTRIC SUPPLY INC	65.43
	TOTAL	1,656.92
CIVIC CENTER		
GENERAL ADMINISTRATION		
0113233	AMERIPRIDE LINEN & APPAREL	90.23
0114300	ANGEL OF HOPE	213.88
0118230	ARENA WAREHOUSE, LLC	164.32
0501656	THE EARTHGRAINS COMPANY INC	91.20
0605670	FERRELLGAS	209.71
1205250	LEFTYS TENT & PARTY RENTAL	1,965.00
1301168	MARKETPLACE FOODS	111.01
1309495	MINUTEMAN PRESS	70.92
1415655	NORVEND INC	160.00
1421155	NUCH'S IN THE CORNER	18.27
1506265	NORTHERN OFFICE OUTFITTER INC	80.00
1605611	PEPSI-COLA	1,857.84
1901500	SAMMY'S PIZZA	349.80
1901535	SANDSTROM COMPANY INC	2,948.84
1909510	SIM SUPPLY INC	359.91
2018680	TRU NORTH ELECTRIC LLC	120.00
2116600	UPPER LAKE FOODS INC	835.24
	TOTAL GENERAL ADMINISTRATION	9,646.17
POLICE DESIGNATED FORFEITURES		
0308096	CHADER BUSINESS EQUIPMENT	4,198.00
0512350	ELITE K-9, INC	829.09
	TOTAL	5,027.09
CEMETERY		
0221650	BURGGRAF'S ACE HARDWARE INC	454.83
0315455	COLE HARDWARE INC	2.66
0920060	ITASCA COUNTY TREASURER	47.50
	TOTAL	504.99

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VENDOR #	NAME	AMOUNT DUE
-----		
2009D GO EQPT CERTIFICATE		
2305447	WELLS FARGO BANK NA	128,382.50
	TOTAL	128,382.50
SP ASSESS IMP BOND-2001B		
2100265	U.S. BANK	32,433.13
	TOTAL	32,433.13
SP ASSESS IMP BOND-2006C		
2100265	U.S. BANK	190,700.00
	TOTAL	190,700.00
GO CIP REFUNDING BOND 2006B		
2100265	U.S. BANK	217,700.00
	TOTAL	217,700.00
SP ASSESS IMP BOND-2007A		
2305447	WELLS FARGO BANK NA	144,007.50
	TOTAL	144,007.50
SP ASSESS IMP BOND-2008C		
2305447	WELLS FARGO BANK NA	92,062.50
	TOTAL	92,062.50
GO STREET RECONST BNDS 2008B		
2305447	WELLS FARGO BANK NA	80,582.50
	TOTAL	80,582.50

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VENDOR #	NAME	AMOUNT DUE
-----		
GO IMP REFUNDING BOND-2009B		
2305447	WELLS FARGO BANK NA	45,900.00
	TOTAL	45,900.00
GO IMP BONDS 2009C		
2305447	WELLS FARGO BANK NA	379,626.25
	TOTAL	379,626.25
GO IMP, CIP & REFUNDING 2010A		
2305447	WELLS FARGO BANK NA	199,575.00
	TOTAL	199,575.00
GO IMP & RFNDING BONDS 2011B		
2305447	WELLS FARGO BANK NA	152,997.50
	TOTAL	152,997.50
GO IMPROVEMENT BONDS 2012A		
2305447	WELLS FARGO BANK NA	162,683.75
	TOTAL	162,683.75
GO IMP REFNDING BONDS-2013A		
2305447	WELLS FARGO BANK NA	215,435.00
	TOTAL	215,435.00
GO IMPRV RECONST BONDS 2013B		
2100265	U.S. BANK	257,768.75
	TOTAL	257,768.75



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INVOICES DUE ON/BEFORE 01/26/2015

VENDOR #	NAME	AMOUNT DUE
TIF #1-8 LAKEWOOD APTS		
1201450	LAKWOOD HEIGHTS	8,807.60
	TOTAL	8,807.60
TIF 1-6 OLD HOSPITAL BONDS		
2305447	WELLS FARGO BANK NA	37,545.00
	TOTAL	37,545.00
TIF 1-7 BLK 37 REDEVELOPMENT		
0718070	GRAND RAPIDS STATE BANK	6,376.11
	TOTAL	6,376.11
TIF 1-6 OLD HOSP HSING PAYGO		
0717989	GRAND PLAZA HOUSING	10,402.51
	TOTAL	10,402.51
GENERAL CAPITAL IMPRV PROJECTS		
2014 BLDG IMPROVEMENTS		
1405460	NELSON ROOFING INC	84,478.00
	TOTAL 2014 BLDG IMPROVEMENTS	84,478.00
MUNICIPALITIES COLLABORATION		
2309500	MARY JO WIMMER	2,475.00
	TOTAL MUNICIPALITIES COLLABORATION	2,475.00
AIRPORT CAPITAL IMPRV PROJECTS		
2011 CIP/GA APRON DESIGN		
1900225	SEH-RCM	3,000.00
	TOTAL 2011 CIP/GA APRON DESIGN	3,000.00

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VENDOR #	NAME	AMOUNT DUE
-----		
STORM WATER UTILITY		
0401804	DAVIS OIL	1,112.60
0920060	ITASCA COUNTY TREASURER	261.00
1605665	PERSONNEL DYNAMICS LLC	247.00
	TOTAL	1,620.60
TOTAL UNPAID TO BE APPROVED IN THE SUM OF \$2,538,576.41		
CHECKS ISSUED-PRIOR APPROVAL		
PRIOR APPROVAL		
0114210	D. ANDERSON - CHANGE FUND	5,140.00
0114213	STEVE ANDERSON	240.00
0116600	APPLE VALLEY, CITY OF	1,160.74
0200024	BP	27.44
0201750	EVERETT BAUMGARNER	200.00
0205225	ANTHONY BEER	200.00
0212750	BLUE CROSS & BLUE SHIELD OF MN	35,992.50
0212751	BLUE CROSS BLUE SHIELD	85.80
0218100	BRENT BRADLEY	965.00
0218359	MARTY BRINK	200.00
0218755	CHARLES BRUEMMER	400.00
0301530	CANON USA INC	2,253.00
0301650	JEFF CARLSON	1,045.00
0305530	CENTURYLINK COMMUNICATIONS LLC	259.00
0315454	TRAVIS COLE	27.44
0315470	JAMES COLUMBUS	200.00
0405305	LYNN DEGRIO	40.00
0405505	JAMES DENNY	16.00
0409655	TIMOTHY DIRKES	1,005.00
0504615	JUSTIN EDMUNDSON	80.00
0512230	ELEMENT PAYMENT SERVICES	50.00
0605191	FIDELITY SECURITY LIFE INS CO	52.70
0615845	RAY FOX	200.00
0717996	GRAND ITASCA CLINIC	55.28
0718015	GRAND RAPIDS CITY PAYROLL	212,000.07
0718070	GRAND RAPIDS STATE BANK	73.92
0718550	AURIMY GROOM	273.00
0805358	JACKIE HEINRICH	200.00
0815464	SARA HOLUM	40.00
0815545	LARRY HOOPMAN	200.00
0900060	ICTV	14,667.92
0920055	ITASCA COUNTY RECORDER	46.00
1115230	KEVIN KOETZ	200.00
1201402	LAKE COUNTRY POWER	46.14
1201456	LAKEWOOD SURGERY CENTER	84.53
1205095	LEAGUE OF MN INSURANCE TRUST	1,000.00
1205105	GREG LEASE	120.00

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VENDOR #	NAME	AMOUNT DUE
-----		
CHECKS ISSUED-PRIOR APPROVAL		
PRIOR APPROVAL		
1209301	LIGHTHOUSE CHIROPRACTIC CLINIC	7.17
1209516	LINCOLN NATIONAL LIFE	956.00
1209522	LINCOLN REPUBLIC INSURANCE CO	259.53
1221520	SHERRIE LUNDQUIST	200.00
1300140	MINNESOTA PIE	165.00
1301262	BRIAN MATTSON	1,005.00
1303352	MICHAEL J. MCINERNEY	200.00
1305046	MEDIACOM	11.03
1309098	MINNESOTA DEPT OF ADMN	590.00
1309199	MINNESOTA ENERGY RESOURCES	5,685.26
1309332	MN STATE RETIREMENT SYSTEM	3,094.00
1309335	MINNESOTA REVENUE	2,769.99
1309375	MINNESOTA UNEMPLOYMENT COMP FD	2,739.66
1315295	CHAD MOEN	200.00
1315630	ASHLEY MORAN	965.00
1315650	ANDY MORGAN	1,103.31
1315654	NATHAN MORLAN	39.76
1315665	KELLY MORRIS	200.00
1325445	RANDY MYHRER	400.00
1405435	JEREMY NELSON	965.00
1405850	NEXTERA COMMUNICATIONS LLC	487.87
1415026	MICHELLE NORRIS	925.00
1502645	GARY O'BRIEN	1,005.00
1503151	OCCUPATION DEVELOPMENT CENTER	20.75
1516220	OPERATING ENGINEERS LOCAL #49	34,406.00
1518550	MATTHEW O'ROURKE	1,005.00
1520720	KEVIN OTT	965.00
1609561	PIONEER TELEPHONE	8.17
1621130	P.U.C.	27,979.67
1801239	RADTKE PHYSICAL THERAPY	84.00
1901820	WILLIAM SAW	925.00
1903557	TROY SCOTT	1,005.00
1909500	TONY SIMONSON	200.00
1913344	HEATH SMITH	925.00
1920231	ROBERT STEIN	925.00
2000100	TASC	30.60
2000490	TDS Metrocom	1,007.00
2205637	VERIZON WIRELESS	2,902.56
2209665	VISA	3,634.53
2209705	VISIT GRAND RAPIDS	24,160.88
2309452	JEFF ERIK WILSON	200.00
2309538	ALLEN WINDT	200.00
2405650	XEROX CORPORATION	102.07
2605351	WILLIAM ZEIGE	32.20
T000970	CHASE PROCESSING CENTER	7,650.00
T000994	TD AMERITRADE TRUST COMPANY	17,500.00



DATE: 01/21/2015  
 TIME: 16:14:52  
 ID: AP443000.CGR

CITY OF GRAND RAPIDS  
 DEPARTMENT SUMMARY REPORT

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INVOICES DUE ON/BEFORE 01/26/2015

VENDOR #	NAME	AMOUNT DUE
CHECKS ISSUED-PRIOR APPROVAL PRIOR APPROVAL		
TOTAL PRIOR APPROVAL ALLOWED IN THE SUM OF:		\$428,688.49
TOTAL ALL DEPARTMENTS		2,967,264.90