



# CITY OF GRAND RAPIDS

## Meeting Agenda Full Detail

### City Council

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Monday, December 16, 2013

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, December 16, 2013 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.*

#### PUBLIC FORUM

#### COUNCIL REPORTS

**5:10 PM APPROVAL OF MINUTES**

**13-0820** Approve Council minutes for Monday, December 9, 2013 Worksession and Regular meetings.

**Attachments:** [December 9, 2013 Worksession](#)  
[December 9, 2013 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. **13-0769** Consider adopting a resolution authorizing the Itasca County Auditor to assess the delinquent Storm Water Utility charges to the property tax statement of delinquent property tax owners.

**Attachments:** [storm water util delqnt to county 2013.pdf](#)

2. **13-0770** Consider approving a contribution of \$15,000 to the Mt. Itasca Ski and Outing Club.

**Attachments:** [Mt. Itasca.pdf](#)

3. [13-0774](#) Consider approving resolutions adopting the following:  
\* 2013 Tax Levy Payable in 2014, the 2014 General Fund Revenue and Expenditure budget,  
\* 2014 Special Revenue Fund budgets for the Library, Cemetery, Grand Rapids Economic Development Authority, Civic Center, Grand Rapids/Itasca County Airport, Recreation Programs, Police Forfeiture Fund, State Haz-Mat Response Fund, and the Domestic Animal Control Facility,  
\*2014 Enterprise Fund budgets for the Pokegama Golf Course and the Storm Water Utility Funds.  
**Attachments:** [Option 1 Resolutions.pdf](#)  
[Option 2 Resolutions.pdf](#)
4. [13-0801](#) Accept resignation of Lee Anderson from the Planning Commission and authorize staff to fill the vacancy.  
**Attachments:** [Anderson - Resignation](#)
5. [13-0802](#) Consider adopting a resolution approving a request from property owner of Parcel Identification Number 91-410-5970 to defer assessments for City Project 2004-3 Pokegama Ave 4th Street SW/SE (2nd Ave SW to 7th Ave SE) in the amount of \$2,129.53 and to record this deferment with the Itasca County Recorder with a copy to the Itasca County Auditor.  
**Attachments:** [assessment deferral 91-410-5970.pdf](#)
6. [13-0810](#) Consider approval of a lease with Salmela Photography for space in Central School.  
**Attachments:** [2014 Salmela Photography Lease \(final\).pdf](#)
7. [13-0811](#) Consider approval of a lease with Dustables Inc. for space in Central School  
**Attachments:** [2014 Dustables Lease \(final\).pdf](#)
8. [13-0813](#) Accepting terminations of lease between the City and Richard & Shaundell Wascher doing business as The Old School Pastry Company Inc.
9. [13-0816](#) Consider adopting the Resolution to Execute the MNDOT Grant Agreement for Airport Improvement and Land Acquisition and authorizing the Mayor and City Attorney to sign the Grant Agreement in the amount of \$563,200.  
**Attachments:** [12-16-13 MnDOT Grant Resolution](#)  
[12-16-13 MnDOT Grant Agreement](#)
10. [13-0817](#) Land Lease Agreements at the Grand Rapids/Itasca County Airport  
**Attachments:** [12-16-13 Airport Leases.pdf](#)
11. [13-0819](#) Leave of Absence for David Protelsch.
12. [13-0822](#) Approve taxi license for calendar year 2014 for Northwoods Cab Inc. contingent upon

receipt of proper documentation, satisfactory vehicle inspections and fees.

**Attachments:** [Northwoods Cab Inc](#)

**5:15 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.*

**5:16 DEPARTMENT HEAD REPORT**  
PM

13. [13-0823](#) Civic Center, Park & Recreation ~ Dale Anderson

**Attachments:** [Civic Center-Park and Rec](#)

**5:30 ADMINISTRATION DEPARTMENT**  
PM

14. [13-0809](#) Closing of City Hall on Tuesday, December 24, 2013.

15. [13-0815](#) Consider an Agreement for Legal Services with Sterle Law Office, LLC

**Attachments:** [12-16-13 Civil Attorney Contract.pdf](#)

**5:40 VERIFIED CLAIMS**  
PM

16. [13-0818](#) Consider approving the verified claims for the period December 3, 2013 to December 9, 2013 in the total amount of \$724,825.94.

**Attachments:** [12/16/13 Bill List](#)

**5:45 ADJOURNMENT**  
PM

*NEXT REGULAR MEETING IS SCHEDULED FOR JANUARY 13, 2014, 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: Tom Pagel, City Administrator*



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

# CITY OF GRAND RAPIDS

## Legislation Details (With Text)

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**File #:** 13-0820      **Version:** 1      **Name:** Council minutes  
**Type:** Agenda Item      **Status:** Approval of Minutes  
**File created:** 12/12/2013      **In control:** City Council  
**On agenda:** 12/16/2013      **Final action:**  
**Title:** Approve Council minutes for Monday, December 9, 2013 Worksession and Regular meetings.  
**Sponsors:**  
**Indexes:**  
**Code sections:**  
**Attachments:** [December 9, 2013 Worksession](#)  
[December 9, 2013 Regular Meeting](#)

Date	Ver.	Action By	Action	Result
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Approve Council minutes for Monday, December 9, 2013 Worksession and Regular meetings.



# CITY OF GRAND RAPIDS

## Minutes - Final - Draft City Council Work Session

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Monday, December 9, 2013

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 will be held on Monday, December 9, 2013 at 4:04 p.m. in Conference Room 2A, 420 North Pokegama Avenue, Grand Rapids, Minnesota.

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

**Present** 4 - Mayor Dale Adams, Councilor Dale Christy, Councilor Joe Chandler, and Councilor Barb Sanderson

**Absent** 1 - Councilor Ed Zabinski

**Others present:**

*Barb Baird, Jim Denny, Marcia Anderson, Erik Scott, Melissa Skoglund*

### Discussion Items

1. Property value discussion ~ Brian Connors, County Assessor and Jeff Walker, County Auditor/Treasurer  
  
*Brian Connors & Jeff Walker, Itasca County Auditors Office, discuss assessments and taxable market value of City properties over the past few years and the changes that have taken place. Mr. Walker makes it clear that an error in the fiscal disparities table created an increase to the City of Grand Rapids tax levy that the City has no control over.*
2. Continue discussion on 2014 proposed budget.  
  
*Discussed recalculations regarding possible addition of new Police Officer midway through the year.*  
  
*Dale Anderson, discusses issues with the Civic Center and the need to replace the HVAC system in the roof. This system is no longer responding to repairs. Funding will come from general fund for 2013.*
3.   
  
*Added item regarding HVAC system as #14a.*

**ADJOURN**

*There being no further business, the meeting adjourned at 5:02 PM.*

*Respectfully submitted: Kimberly Johnson-Gibeau, City Clerk*



# CITY OF GRAND RAPIDS

## Minutes - Final - Draft City Council

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Monday, December 9, 2013

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, December 9, 2013 at 5:06 p.m. in Council Chambers, 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

### Note:

*Councilor Zabinski arrived at 5:24 PM during the Department Head report.*

### Others present:

*Dale Anderson, Erik Scott, Melissa Skoglund, Jim Denny, Barb Baird, Julie Kennedy*

### MEETING PROTOCOL POLICY

**5:01 PM PUBLIC FORUM**

*None.*

**5:06 PM COUNCIL REPORTS**

*None.*

**5:10 PM APPROVAL OF MINUTES**

Approve Council minutes for November 25, 2013 Worksession & Regular Meetings

**A motion was made by Councilor Barb Sanderson, seconded by Councilor Dale Christy, to approve the minutes for November 25, 2013 worksession and regular meetings as presented. The motion PASSED by unanimous vote.**

**5:11 PM CONSENT AGENDA**

1. Consider hiring part-time employees for winter snow and ice control season.  
**Approved by consent roll call**
2. Consider adopting a resolution ordering the Feasibility Report for CP 2011-2, Crystal Lake Boulevard Reconstruction.  
**Adopted Resolution 13-125 by consent roll call**
3. Hire temporary employees for Park & Recreation / I.R.A. Civic Center  
**Approved by consent roll call**
4. Adopt a resolution supporting Earth Circle, raising community awareness of negative effects of plastic bag use.  
**Adopted Resolution 13-126 by consent roll call**
5. Completion of Introductory Period for Administrative Assistant /Records Clerk Melissa Skoglund.  
**Approved by consent roll call**
6. Consider approving two part-time intermittent maintenance workers for the 2013-2014 Snow Removal Season.  
**Approved by consent roll call**
7. Consider authorizing the Engineering Department to request Statements Of Qualifications for Airport Planning and Engineering Services for the Grand Rapids / Itasca County Airport.  
**Approved by consent roll call**
8. Continuation of general liability insurance through the League of Minnesota Cities Insurance Trust for the calendar year 2014.  
**Approved by consent roll call**
9. Consider approving the Workers Compensation coverage through Berkley Administrators for the 2014 plan year at the proposed rate of \$144,484.00 and authorize payment of the premium.  
**Approved by consent roll call**
10. Re-appoint Max Peters and Jean MacDonell to the Library Board, terms to expire December 31, 2016.  
**Approved by consent roll call**
11. Approve theatre license renewal for Mann Theatres Inc. for the period of January 1,



2014 through December 31, 2014.

**Approved by consent roll call**

11a.

Replace rooftop HVAC unit at the IRA Civic Center.

**Approve and accept low bid from Rapids Plumbing & Heating, Inc. Approved by consent roll call**

#### **Approval of the Consent Agenda**

**A motion was made by Councilor Christy, seconded by Councilor Chandler, to approve the consent agenda as amended to include the addition of item #11a. The motion carried by the following vote**

**Aye 4 -** Councilor Barb Sanderson  
Councilor Dale Christy  
Councilor Joe Chandler  
Mayor Dale Adams

#### **5:15 PM SETTING OF REGULAR AGENDA**

**A motion was made by Councilor Joe Chandler, seconded by Councilor Barb Sanderson, to approve the regular agenda as presented. The motion PASSED by unanimous vote.**

#### **5:16 PM ACKNOWLEDGE BOARDS & COMMISSIONS**

12.

Acknowledge the attached minutes for Boards & Commissions.

**Acknowledge Boards and Commissions:**

**Arts & Culture - November 5, 2013**

**Human Rights - November 27, 2013 & October 30, 2013**

**HRA - September 18, 2013 & October 16, 2013**

**PUC - October 16, 2013**

#### **5:18 PM DEPARTMENT HEAD REPORT**

13.

Information Technology ~ Erik Scott

*Erik Scott, IT Director presented semi-annual department report to the Council noted the following:*

*~ New website*

*~ Security for City Hall building using network*

*~ Upgrade of system protection*

*~ Upgrades for Police Squads*

*~ Library Energy Project*

*~ Reviewed upcoming and ongoing projects including security camera system, cemetery technology, desktop infrastructure and firewall replacement*

*A complete report is on file in the Administration Department.*

**5:28 VERIFIED CLAIMS**  
**PM**

14. Consider approving the verified claims for the period November 19, 2013 to December 2, 2013 in the total amount of \$456,188.60.

**A motion was made by Councilor Sanderson, seconded by Councilor Zabinski, to approve 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

*The meeting recessed at 5:32 PM.*

**6:00 TRUTH IN TAXATION HEARING**  
**PM**

15. Public comment on 2013 Levy Payable in 2014 and 2014 Budget at 6 p.m. as stated in the Truth in Taxation statements.

*City Administrator Tom Pagel provides presentation regarding proposed City levy for 2014.*

**A motion was made by Councilor Ed Zabinski, seconded by Councilor Dale Christy, to open the public hearing. The motion PASSED by unanimous vote.**

*Robert Hanson 211 SE 1st Street, GR, \$214 increase which is not presented in the table displayed for Council or in the mailer sent to residents.*

*Annie Erickson, 1014 NW 3rd Ave., states this is a highly regressive tax increase, and questions who makes the decisions regarding the commercial taxable market values? Large residency of low income and fixed income due to high population of retirees.*

*Cindy Busby, 2754 Old Golf Course Road, states her in tax increase is in excess of 200% between 2008 and 2014. No services since the annexation has been completed. Property value has serious decrease.*

*Tom Cargess, 421 SW 14th Street, GR, tax increase of 17%. Mailer did not include all the information that residents needed and was very misleading.*

*Jean Thompson, 2008 Knollwood Drive, GR, we have received no services since annexation has been completed. Discrepancies in city tax table.*

*Bruce Robinson, 835 NE 2nd Ave., GR, states that the tax increase is having an adverse effect on city residence.*

*Tim Blanchard, 1028 Ridgewood Road, GR, believes the tax increase is excessive. Way above cost of living and appears to be wrong. States that the government cannot continue to push the burden on the tax payers.*

*Mike Rubesch, 1514 Ridgewood Road, GR, discusses the need for government not*

*to depend on funding from LGA or fiscal disparities.*

**A motion was made by Councilor Ed Zabinski, seconded by Councilor Joe Chandler, to close the public hearing. The motion PASSED by unanimous vote.**

*Council and Staff address concerns expressed:*

*The values for all property is set by Itasca County. Commercial property value dropped due to value at point of sale.*

*Noted that fiscal disparities has caused the most percentage of increase.*

*There has been a reduction to City staff of 10% over the last few years. Operating expenses for 2014 have not increased. GO Debt Service is based on infrastructure and is not a controllable rate.*

*The annexed areas taxation has been completed. Although it seems to be much greater than the Township, the City used to subsidize the township expenses.*

*Administrator Pagel agrees that the tax is regressive. City does not establish taxable market value and has no influence in that regard. Rules are set by State of Minnesota. Residents are encouraged to visit with the County Assessor to determine how taxes were established.*

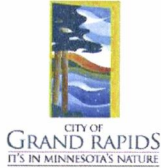
*A main point of the mailer was to direct residents to the new city website which has greater detail regarding the taxes and levy set forth for 2014.*

*Councilor Chandler discusses the decrease in LGA over the years and the plans to move forward with reducing the dependence on LGA. Addressed the possibility of moving forward with a Local Option Sales Tax to draw revenue from visitors using the City.*

#### **ADJOURNMENT**

**A motion was made by Councilor Barb Sanderson, seconded by Councilor Joe Chandler, to adjourn the meeting at 7:05 PM. The motion PASSED by unanimous vote.**

*Respectfully submitted: Kimberly Johnson-Gibeau, City Clerk*



# CITY OF GRAND RAPIDS

## Legislation Details (With Text)

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**File #:** 13-0769      **Version:** 1      **Name:** 2013 Delinquent Storm Water Utilities  
**Type:** Agenda Item      **Status:** Consent Agenda  
**File created:** 12/3/2013      **In control:** City Council  
**On agenda:** 12/16/2013      **Final action:**  
**Title:** Consider adopting a resolution authorizing the Itasca County Auditor to assess the delinquent Storm Water Utility charges to the property tax statement of delinquent property tax owners.  
**Sponsors:**  
**Indexes:**  
**Code sections:**  
**Attachments:** [storm water util delqnt to county 2013.pdf](#)

Date	Ver.	Action By	Action	Result
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Consider adopting a resolution authorizing the Itasca County Auditor to assess the delinquent Storm Water Utility charges to the property tax statement of delinquent property tax owners.

**Background Information:**

The City Council adopted the Storm Water Utility Ordinance #04-08-10 on August 9, 2004, for implementation beginning January 1, 2005. Beginning on that date, City residents, commercial property, and industrial property have been charged a fee for storm water management based on a fee schedule approved by the City Council.

The City is utilizing the services of the Grand Rapids Public Utilities for the billing. On a quarterly basis, they provide the City with a list of delinquent accounts. We currently have a list of delinquent accounts through November 30, 2013. These delinquent balances can be added to the property owner's tax statement as an assessment. The County Auditor requires a resolution from the City Council directing him to add these delinquencies to the tax statement. A letter was sent to all property owners with the delinquent balances giving them the opportunity to pay before it is sent to the County Auditor.

**Requested City Council Action**

Consider adopting a resolution authorizing the Itasca County Auditor to assess the delinquent Storm Water Utility charges to the property tax statement of delinquent property tax owners.

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

RESOLUTION NO. 13-

A RESOLUTION AUTHORIZING THE ITASCA COUNTY AUDITOR TO ASSESS  
DELINQUENT STORM WATER UTILITY CHARGES TO THE PROPERTY TAX  
STATEMENT OF DELINQUENT PROPERTY TAX OWNERS PER EXHIBIT A

WHEREAS, the Grand Rapids City Council adopted the Storm Water Utility Ordinance #04-08-10 on August 9, 2004 for implementation beginning January 1, 2005, and

WHEREAS, beginning on that date, City residents, commercial property, industrial and institutional property have been charged a fee for storm water management based on a fee schedule approved by the City Council, and

WHEREAS, the Grand Rapids Public Utilities is providing the City with a list of delinquent accounts, and

WHEREAS, the Section 70.203 (f) and (g) of the Ordinance states a penalty for late payment is 10% of the amount past due and past due fees and penalty can be certified to the County Auditor for collection with real estate taxes in the next year,

NOW THEREFORE, BE IT RESOLVED, the City Council of the City of Grand Rapids, Itasca County, Minnesota, authorizes the County Auditor to assess the delinquent storm water utility charges to the property tax statement of the delinquent property tax owners identified in Exhibit A.

Adopted this 16th day of December 2013.

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

Attest:

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

Councilmember 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.

## EXHIBIT A

### DELINQUENT STORM WATER UTILITY CHARGES TO BE ASSESSED AGAINST THE FOLLOWING PARCELS

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<b>Parcel Numbers</b>	<b>With 10% Penalty</b>
91-007-3202	<b>\$37.28</b>
91-018-3414	<b>\$45.49</b>
91-026-3206	<b>\$56.49</b>
91-026-3310	<b>\$56.49</b>
91-027-1215	<b>\$80.69</b>
91-027-1221	<b>\$57.97</b>
91-034-4402	<b>\$56.49</b>
91-034-4404	<b>\$56.49</b>
91-035-2109	<b>\$61.27</b>
91-035-3205	<b>\$56.49</b>
91-035-3311	<b>\$56.49</b>
91-035-3422	<b>\$38.89</b>
91-410-6540	<b>\$37.40</b>
91-410-7040	<b>\$80.69</b>
91-451-0010	<b>\$70.46</b>
91-451-0020	<b>\$56.49</b>
91-451-0031	<b>\$56.49</b>
91-451-0043	<b>\$56.49</b>
91-451-0090	<b>\$56.49</b>
91-451-0101	<b>\$56.49</b>
91-453-0060	<b>\$38.50</b>
91-490-0616	<b>\$50.99</b>
91-515-0140	<b>\$44.92</b>
91-616-0120	<b>\$27.89</b>
91-620-0041	<b>\$47.27</b>
91-648-0155	<b>\$36.30</b>
91-705-1920	<b>\$129.60</b>
91-707-0110	<b>\$36.30</b>
91-707-0211	<b>\$56.49</b>
91-707-0215	<b>\$64.57</b>
91-707-0235	<b>\$56.49</b>
91-707-0255	<b>\$28.99</b>
91-707-0270	<b>\$27.89</b>
91-707-0340	<b>\$56.49</b>
91-707-0420	<b>\$56.49</b>
91-707-0440	<b>\$56.49</b>
91-707-0450	<b>\$48.68</b>
91-721-0060	<b>\$29.70</b>
91-720-0100	<b>\$61.27</b>
	<b>\$2,086.85</b>



CITY OF  
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IT'S IN MINNESOTA'S NATURE

# CITY OF GRAND RAPIDS

## Legislation Details (With Text)

**File #:** 13-0770      **Version:** 1      **Name:** 2014 Mt. Itasca Ski & Outing Contribution  
**Type:** Agenda Item      **Status:** Consent Agenda  
**File created:** 12/4/2013      **In control:** City Council  
**On agenda:** 12/16/2013      **Final action:**  
**Title:** Consider approving a contribution of \$15,000 to the Mt. Itasca Ski and Outing Club.

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** [Mt. Itasca.pdf](#)

Date	Ver.	Action By	Action	Result
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Consider approving a contribution of \$15,000 to the Mt. Itasca Ski and Outing Club.

**Background Information:**

Attached is a letter from Jon Denney, President of the Itasca Ski and Outing Club. He is requesting support for the Mt. Itasca Ski Area. The 2013 budget includes a \$15,000 contribution to the Mt. Itasca Ski Area which was paid in January 2013. The City Council has requested that the budgeted contribution for 2014 be paid out of the 2013 budget utilizing General Fund Balance Reserves.

**Requested City Council Action**

Consider approving a contribution of \$15,000 for the 2014 appropriation to the Mt. Itasca Ski and Outing Club from the 2013 General Fund Balance Reserves.



200 Mt. Itasca Road  
P.O. Box 553  
Coleraine MN 55722

[www.MtItasca.com](http://www.MtItasca.com)

*Spreading the thrill of skiing sports through opportunity and support*

---

December 6, 2013

Barb Baird  
City of Grand Rapids  
420 N. Pokegama Ave.  
Grand Rapids, MN 55744

Dear Barb,

On behalf of Itasca Ski & Outing, I would like to request the \$15,000 support for Mt. Itasca Ski Area. These funds along with support provided by Itasca County, the City of Coleraine, and The Greenway Joint Recreation Board, Mt. Itasca will continue to support local winter sporting activities for area families as well as promote many large events that continue to create substantial economic impact to the area.

Thank you again for your support.

Sincerely,

Andrew David  
Itasca Ski & Outing Club  
218-244-6794  
[andrew.david.mn@gmail.com](mailto:andrew.david.mn@gmail.com)





# CITY OF GRAND RAPIDS

## Legislation Details (With Text)

**File #:** 13-0774      **Version:** 1      **Name:** 2013 Levy Payable 2014 & 2014 Budgets  
**Type:** Agenda Item      **Status:** Consent Agenda  
**File created:** 12/4/2013      **In control:** City Council  
**On agenda:** 12/16/2013      **Final action:**  
**Title:** Consider approving resolutions adopting the following:  
    \* 2013 Tax Levy Payable in 2014, the 2014 General Fund Revenue and Expenditure budget,  
    \* 2014 Special Revenue Fund budgets for the Library, Cemetery, Grand Rapids Economic Development Authority, Civic Center, Grand Rapids/Itasca County Airport, Recreation Programs, Police Forfeiture Fund, State Haz-Mat Response Fund, and the Domestic Animal Control Facility,  
    \*2014 Enterprise Fund budgets for the Pokegama Golf Course and the Storm Water Utility Funds.

**Sponsors:**  
**Indexes:**  
**Code sections:**  
**Attachments:** [Option 1 Resolutions.pdf](#)  
[Option 2 Resolutions.pdf](#)

Date	Ver.	Action By	Action	Result
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Consider approving resolutions adopting the following:  
    \* 2013 Tax Levy Payable in 2014, the 2014 General Fund Revenue and Expenditure budget,  
    \* 2014 Special Revenue Fund budgets for the Library, Cemetery, Grand Rapids Economic Development Authority, Civic Center, Grand Rapids/Itasca County Airport, Recreation Programs, Police Forfeiture Fund, State Haz-Mat Response Fund, and the Domestic Animal Control Facility,  
    \*2014 Enterprise Fund budgets for the Pokegama Golf Course and the Storm Water Utility Funds.

**Background Information:**

The City Council and staff have been working on the 2014 budget since early 2013. The 2013 tax levy payable in 2014 and the City budgets were discussed at the public forum Monday, December 9, 2013.

We are requesting the Council adopt the resolutions listed to approve a tax levy for 2013 payable in 2014 and the 2014 budgets for the General Fund, Special Revenue Funds, and the Enterprise Funds.

**Requested City Council Action**

Consider approving resolutions adopting the following:  
    \* 2013 Tax Levy Payable in 2014, the 2014 General Fund Revenue and Expenditure budget,  
    \* 2014 Special Revenue Fund budgets for the Library, Cemetery, Grand Rapids Economic Development Authority, Civic Center, Grand Rapids/Itasca County Airport, Recreation Programs, Police Forfeiture Fund, State Haz-Mat Response Fund, and the Domestic Animal Control Facility,  
    \*2014 Enterprise Fund budgets for the Pokegama Golf Course and the Storm Water Utility Funds.

Councilmember introduced the following resolution and moved for its adoption:

RESOLUTION NO. 13-

A RESOLUTION APPROVING THE FINAL 2013 TAX LEVY  
PAYABLE IN 2014

BE IT RESOLVED, that the City Council of the City of Grand Rapids, County of Itasca, Minnesota, levies the following sums of money for the current year 2013 collectible in 2014, upon the taxable property in the City of Grand Rapids, for the following purposes:

General Fund	\$3,416,392
Library Fund	603,975
Cemetery	173,000
Internal Loan-Public Works Equipment	141,588
GREDA	60,000
2001B Improvement Bonds	12,575
2006C Improvement Bonds	56,300
2007A Improvement Bonds	119,923
2008B GO Reconstruction Bonds	81,022
2008C Improvement Bonds	71,961
2008C Improvement Bonds-special levy	2,540
2009B Improvement and Refunding Bonds	35,791
2009C Improvement Bonds	372,152
2009D Equipment Bonds	148,853
2010 Debt Study Reduction	(55,000)
2010A Improvement Bonds	145,941
2011B Improvement Bonds	54,647
2012 Improvement Bonds	134,120
2013A Refunding Bonds	98,328
2013B Reconstruction Bonds	<u>200,887</u>
TOTAL LEVY TO BE CERTIFIED	<u>\$5,874,995</u>

Adopted this 16<sup>th</sup> day of December 2013.

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

Attest:

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

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

Councilmember introduced the following resolution and moved for its adoption:

RESOLUTION NO. 13-

A RESOLUTION ADOPTING THE 2014  
GENERAL FUND REVENUE AND EXPENDITURE BUDGET

BE IT RESOLVED, that the City Council of the City of Grand Rapids, County of Itasca, Minnesota, adopts the following General Fund Revenue and Expenditure budget for 2014:

**REVENUES**

Taxes	\$3,416,392
Annexation	325,000
Payment in Lieu of Taxes	900,000
Licenses and Permits	246,965
Intergovernmental	1,835,632
Charges for Services	685,628
Fines and Forfeits	147,500
Miscellaneous Revenue	55,692
Other Financing Sources	<u>22,851</u>
 TOTAL REVENUE	 <u>\$7,635,660</u>

**EXPENDITURES**

Administration	\$ 485,714
Building Maintenance	230,811
Community Development	380,645
Council/Boards	108,936
Engineering	291,378
Finance	470,079
Fire	592,470
Fleet Maintenance	244,173
Information Technology	213,215
Police	2,223,550
Public Works	1,564,580
Recreation	122,568
City Wide	251,817
Transfers	369,724
Fund Balance Payback	<u>86,000</u>
 TOTAL EXPENDITURES	 <u>\$7,635,660</u>

Adopted this 16<sup>th</sup> day of December 2013.

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

Attest:

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

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

Councilmember introduced the following resolution and moved for its adoption:

RESOLUTION NO. 13-

A RESOLUTION ADOPTING THE 2014 SPECIAL REVENUE FUND  
PUBLIC LIBRARY REVENUE AND EXPENDITURES BUDGET

BE IT RESOLVED, that the City Council of the City of Grand Rapids, County of Itasca, Minnesota, adopts the following Special Revenue Fund-Public Library revenue and expenditures budget for 2014:

REVENUES:	
Taxes	\$603,975
Intergovernmental	130,000
Charges for Services	11,182
Fines & Forfeits	15,000
Miscellaneous	<u>12,500</u>
TOTAL REVENUES	<u>\$772,657</u>
EXPENDITURES:	
Personnel	\$544,347
Supplies and Materials	94,600
Other Charges and Services	<u>133,710</u>
TOTAL EXPENDITURES	<u>\$772,657</u>
Revenue over Expenditures	<u>\$ 0</u>

Adopted this 16<sup>th</sup> day of December 2013.

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

Attest:

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

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

Councilmember introduced the following resolution and moved for its adoption:

RESOLUTION NO 13-

A RESOLUTION ADOPTING THE 2014 SPECIAL REVENUE FUND  
CEMETERY REVENUE AND EXPENDITURES BUDGET

BE IT RESOLVED, that the City Council of the City of Grand Rapids, County of Itasca, Minnesota, adopted the following Special Revenue Fund – Cemetery revenue and expenditures budget for 2014:

REVENUES:

Taxes	\$173,000
Charges for Services	29,750
Miscellaneous	<u>1,500</u>
Total Revenue	<u>\$204,250</u>

EXPENDITURES:

Personnel	\$150,563
Supplies & Materials	11,700
Other Charges	<u>41,750</u>
Total Expenditures	<u>\$204,013</u>

EXCESS REVENUE OVER EXPENDITURES	<u>\$ 237</u>
----------------------------------	---------------

Adopted this 16<sup>th</sup> day of December 2013.

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

Attest:

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

Councilmember 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.

Councilmember introduced the following resolution and moved for its adoption:

RESOLUTION NO 13-

A RESOLUTION ADOPTING THE 2014 SPECIAL REVENUE FUND  
CENTRAL SCHOOL REVENUE AND EXPENDITURES BUDGET

BE IT RESOLVED, that the City Council of the City of Grand Rapids, County of Itasca, Minnesota, adopted the following Special Revenue Fund – Central School revenue and expenditures budget for 2014:

REVENUES:

Miscellaneous	\$ 73,000
Operating Transfer In	<u>40,000</u>

Total Revenue	<u>\$ 113,000</u>
---------------	-------------------

EXPENDITURES:

Supplies & Materials	\$ 3,600
Other Charges	103,400
Capital Reserve	<u>5,350</u>

Total Expenditures	<u>\$112,350</u>
--------------------	------------------

EXCESS REVENUE OVER EXPENDITURES	<u>\$ 650</u>
----------------------------------	---------------

Adopted this 16<sup>th</sup> day of December 2013.

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

Attest:

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

Councilmember 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.

Councilmember introduced the following resolution and moved for its adoption:

RESOLUTION NO 13-

A RESOLUTION ADOPTING THE SPECIAL REVENUE FUND  
ECONOMIC DEVELOPMENT AUTHORITY 2014 REVENUE AND EXPENDITURES BUDGET

BE IT RESOLVED, that the City Council of the City of Grand Rapids, County of Itasca, Minnesota, adopts the following Special Revenue Fund – Economic Development Authority revenue and expenditures budget for 2014:

REVENUES:

Miscellaneous	\$ <u>750</u>
Total Revenue	\$ <u>750</u>

EXPENDITURES:

Supplies & Materials	\$ 100
Other Charges	<u>15,400</u>
Total Expenditures	\$ <u>15,500</u>
Excess Revenue Over Expenditures	\$ <u>(14,750)</u>
Fund Balance Usage	\$ <u>14,750</u>

Adopted this 16<sup>th</sup> day of December, 2013.

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

Attest:

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

Councilmember 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.



Councilmember introduced the following resolution and moved for its adoption:

RESOLUTION NO 13-

A RESOLUTION ADOPTING THE 2014 SPECIAL REVENUE FUND-CIVIC CENTER  
REVENUE AND EXPENDITURES BUDGET

BE IT RESOLVED, that the City Council of the City of Grand Rapids, County of Itasca, Minnesota, adopt the following Special Revenue Fund – Civic Center revenue and expenditures budget for 2014:

REVENUES:

Charges for Services	\$137,500
Miscellaneous	536,100
Other Sources	<u>27,000</u>
Total Revenue	<u>\$700,600</u>

EXPENDITURES:

Personnel	\$330,238
Supplies & Materials	117,600
Other Charges	221,470
Building Improvements	11,000
Loan Repayments	<u>20,290</u>
Total Expenditures	<u>\$700,598</u>

EXCESS REVENUE OVER EXPENDITURES      \$ 2

Adopted this 16<sup>th</sup> day of December 2013.

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

Attest:

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

Councilmember 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.

Councilmember introduced the following resolution and moved for its adoption:

RESOLUTION NO 13-

A RESOLUTION ADOPTING THE 2014 REVENUE AND EXPENDITURES BUDGET  
FOR THE GRAND RAPIDS/ITASCA COUNTY AIRPORT

BE IT RESOLVED, that the City Council of the City of Grand Rapids, County of Itasca, Minnesota, adopts the following revenue and expenditures budget for the Grand Rapids/Itasca County Airport for 2014:

REVENUES:

Intergovernmental	\$ 83,049
Charges for Services	4,800
Miscellaneous Revenue	120,882
Other Sources	<u>20,000</u>
Total Revenue	<u>\$228,731</u>

EXPENDITURES:

Personnel	\$ 76,215
Supplies & Materials	19,125
Other Charges	123,288
Terminal	<u>11,650</u>
Total Expenditures	<u>\$230,278</u>

EXCESS REVENUE OVER EXPENDITURES \$ (1,547)

FUND BALANCE USAGE \$ 1,547.

Adopted this 16<sup>th</sup> day of December 2013.

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

Attest:

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

Councilmember 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.

Councilmember introduced the following resolution and moved for its adoption:

RESOLUTION NO 13-

A RESOLUTION ADOPTING THE 2014 SPECIAL REVENUE FUND  
RECREATION PROGRAMS REVENUE AND EXPENDITURES BUDGET

BE IT RESOLVED, that the City Council of the City of Grand Rapids, County of Itasca, Minnesota, adopted the following Special Revenue Fund – Recreation Programs revenue and expenditures budget for 2014:

REVENUES:

Charges for Services	\$58,800
Miscellaneous	<u>500</u>
Total Revenue	<u>\$59,300</u>

EXPENDITURES:

Personnel	\$46,443
Supplies & Materials	11,000
Other Charges	<u>1,850</u>
Total Expenditures	<u>\$59,293</u>
Excess Revenue over Expenditures	<u>\$ 7</u>

Adopted this 16<sup>th</sup> day of December 2013.

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

Attest:

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

Councilmember 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.

Councilmember introduced the following resolution and moved for its adoption:

RESOLUTION NO 13-

A RESOLUTION ADOPTING THE 2014 SPECIAL REVENUE FUND  
POLICE DESIGNATED FORFEITURES REVENUE AND EXPENDITURES BUDGET

BE IT RESOLVED, that the City Council of the City of Grand Rapids, County of Itasca, Minnesota, adopts the following Special Revenue Fund – Police Designated Forfeitures revenue and expenditures budget for 2014:

REVENUES:

Intergovernmental	\$15,000
Miscellaneous	<u>10,000</u>
Total Revenue	<u>\$25,000</u>

EXPENDITURES:

Supplies & Materials	23,000
Other Charges	<u>5,500</u>
Total Expenditures	<u>\$28,500</u>

EXCESS REVENUE OVER EXPENDITURES \$ (3,500)

FUND BALANCE USAGE \$ 3,500

Adopted this 16<sup>th</sup> day of December 2013.

---

Dale Adams, Mayor

Attest:

---

Kimberly Johnson-Gibeau, City Clerk

Councilmember 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.

Councilmember introduced the following resolution and moved for its adoption:

RESOLUTION NO 13-

A RESOLUTION ADOPTING THE 2014 SPECIAL REVENUE FUND  
STATE HAZMAT RESPONSE TEAM REVENUE AND EXPENDITURES BUDGET

BE IT RESOLVED, that the City Council of the City of Grand Rapids, County of Itasca, Minnesota, adopts the following Special Revenue Fund – State Hazmat Response Team revenue and expenditures budget for 2014:

REVENUES:

Intergovernmental	<u>\$45,000</u>
Total Revenue	<u>\$45,000</u>

EXPENDITURES:

Personnel	\$24,860
Supplies & Materials	5,500
Other Charges	<u>14,640</u>

Total Expenditures	<u>\$45,000</u>
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EXCESS REVENUE OVER EXPENDITURES	<u>\$ 0</u>
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Adopted this 16<sup>th</sup> day of December 2013.

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Dale Adams, Mayor

Attest:

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Kimberly Johnson-Gibeau, City Clerk

Councilmember 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.

Councilmember introduced the following resolution and moved for its adoption:

RESOLUTION NO. 13-

A RESOLUTION ADOPTING THE 2014 SPECIAL REVENUE FUND  
DOMESTIC ANIMAL CONTROL FACILITY REVENUE AND EXPENDITURES BUDGET

BE IT RESOLVED, that the City Council of the City of Grand Rapids, County of Itasca, Minnesota, adopts the following Special Revenue Fund-Domestic Animal Control Facility revenue and expenditures budget for 2014:

REVENUES:	
Licenses & Permits	\$ 320
Fines & Forfeits	34,150
Operating Transfer In	<u>28,000</u>
TOTAL REVENUES	<u>\$ 62,470</u>
EXPENDITURES:	
Personnel	\$ 37,894
Supplies and Materials	6,050
Other Charges and Services	<u>18,345</u>
TOTAL EXPENDITURES	<u>\$ 62,289</u>
EXCESS REVENUE OVER EXPENDITURES	<u>\$ 181</u>

Adopted this 16<sup>th</sup> day of December 2013.

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

Attest:

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

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

Councilmember introduced the following resolution and moved for its adoption:

RESOLUTION NO. 13-

A RESOLUTION ADOPTING THE 2014 ENTERPRISE FUND-  
POKEGAMA GOLF COURSE  
REVENUE AND EXPENSE BUDGET

BE IT RESOLVED, that the City Council of the City of Grand Rapids, County of Itasca, Minnesota, adopts the following Enterprise Fund Pokegama Golf Course revenue and expense budget for 2014:

REVENUES:	
Charges for Services	\$540,682
Miscellaneous Revenue	<u>26,618</u>
Total Revenues	<u>\$567,300</u>
EXPENSES:	
Personnel	\$222,740
Supplies and Materials	58,120
Other Charges and Services	199,385
Depreciation Expense	<u>86,935</u>
Total Expenses	<u>\$567,180</u>
Net Income/(Loss)	<u>\$ 120</u>

Adopted this 16<sup>th</sup> day of December 2013.

---

Dale Adams, Mayor

Attest:

---

Kimberly Johnson-Gibeau, City Clerk

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

Councilmember introduced the following resolution and moved for its adoption:

RESOLUTION NO. 13-

A RESOLUTION ADOPTING THE 2014 ENTERPRISE FUND-  
STORM WATER UTILITY  
REVENUE AND EXPENSE BUDGET

BE IT RESOLVED, that the City Council of the City of Grand Rapids, County of Itasca, Minnesota, adopts the following Enterprise Fund Storm Water Utility revenue and expense budget for 2014:

REVENUES:	
Charges for Services	\$550,000
Miscellaneous Revenue	<u>2,000</u>
Total Revenues	<u>\$552,000</u>
EXPENSES:	
Personnel	\$251,503
Supplies and Materials	39,500
Other Charges and Services	<u>260,997</u>
Total Expenses	<u>\$552,000</u>
Net Income/(Loss)	<u>\$ -0-</u>

Adopted this 16<sup>th</sup> day of December, 2013.

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

Attest:

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

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



Councilmember introduced the following resolution and moved for its adoption:

RESOLUTION NO. 13-

A RESOLUTION APPROVING THE FINAL 2013 TAX LEVY  
PAYABLE IN 2014

BE IT RESOLVED, that the City Council of the City of Grand Rapids, County of Itasca, Minnesota, levies the following sums of money for the current year 2013 collectible in 2014, upon the taxable property in the City of Grand Rapids, for the following purposes:

General Fund	\$3,444,709
Library Fund	603,975
Cemetery	173,000
Internal Loan-Public Works Equipment	141,588
GREDA	60,000
2001B Improvement Bonds	12,575
2006C Improvement Bonds	56,300
2007A Improvement Bonds	119,923
2008B GO Reconstruction Bonds	81,022
2008C Improvement Bonds	71,961
2008C Improvement Bonds-special levy	2,540
2009B Improvement and Refunding Bonds	35,791
2009C Improvement Bonds	372,152
2009D Equipment Bonds	148,853
2010 Debt Study Reduction	(55,000)
2010A Improvement Bonds	145,941
2011B Improvement Bonds	54,647
2012 Improvement Bonds	134,120
2013A Refunding Bonds	98,328
2013B Reconstruction Bonds	<u>200,887</u>
TOTAL LEVY TO BE CERTIFIED	<u>\$5,903,312</u>

Adopted this 16<sup>th</sup> day of December 2013.

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

Attest:

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

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

Councilmember introduced the following resolution and moved for its adoption:

RESOLUTION NO. 13-

A RESOLUTION ADOPTING THE 2014  
GENERAL FUND REVENUE AND EXPENDITURE BUDGET

BE IT RESOLVED, that the City Council of the City of Grand Rapids, County of Itasca, Minnesota, adopts the following General Fund Revenue and Expenditure budget for 2014:

**REVENUES**

Taxes	\$3,444,709
Annexation	325,000
Payment in Lieu of Taxes	900,000
Licenses and Permits	246,965
Intergovernmental	1,835,632
Charges for Services	685,628
Fines and Forfeits	147,500
Miscellaneous Revenue	55,692
Other Financing Sources	<u>22,851</u>
TOTAL REVENUE	<u>\$7,663,977</u>

**EXPENDITURES**

Administration	\$ 485,714
Building Maintenance	230,811
Community Development	380,645
Council/Boards	108,936
Engineering	291,378
Finance	470,079
Fire	592,470
Fleet Maintenance	244,173
Information Technology	213,215
Police	2,251,867
Public Works	1,564,580
Recreation	122,568
City Wide	251,817
Transfers	369,724
Fund Balance Payback	<u>86,000</u>
TOTAL EXPENDITURES	<u>\$7,663,977</u>

Adopted this 16<sup>th</sup> day of December 2013.

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

Attest:

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

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

Councilmember introduced the following resolution and moved for its adoption:

RESOLUTION NO. 13-

A RESOLUTION ADOPTING THE 2014 SPECIAL REVENUE FUND  
PUBLIC LIBRARY REVENUE AND EXPENDITURES BUDGET

BE IT RESOLVED, that the City Council of the City of Grand Rapids, County of Itasca, Minnesota, adopts the following Special Revenue Fund-Public Library revenue and expenditures budget for 2014:

REVENUES:	
Taxes	\$603,975
Intergovernmental	130,000
Charges for Services	11,182
Fines & Forfeits	15,000
Miscellaneous	<u>12,500</u>
TOTAL REVENUES	<u>\$772,657</u>
EXPENDITURES:	
Personnel	\$544,347
Supplies and Materials	94,600
Other Charges and Services	<u>133,710</u>
TOTAL EXPENDITURES	<u>\$772,657</u>
Revenue over Expenditures	<u>\$ 0</u>

Adopted this 16<sup>th</sup> day of December 2013.

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

Attest:

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

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

Councilmember introduced the following resolution and moved for its adoption:

RESOLUTION NO 13-

A RESOLUTION ADOPTING THE 2014 SPECIAL REVENUE FUND  
CEMETERY REVENUE AND EXPENDITURES BUDGET

BE IT RESOLVED, that the City Council of the City of Grand Rapids, County of Itasca, Minnesota, adopted the following Special Revenue Fund – Cemetery revenue and expenditures budget for 2014:

REVENUES:

Taxes	\$173,000
Charges for Services	29,750
Miscellaneous	<u>1,500</u>
Total Revenue	<u>\$204,250</u>

EXPENDITURES:

Personnel	\$150,563
Supplies & Materials	11,700
Other Charges	<u>41,750</u>
Total Expenditures	<u>\$204,013</u>

EXCESS REVENUE OVER EXPENDITURES	<u>\$ 237</u>
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Adopted this 16<sup>th</sup> day of December 2013.

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

Attest:

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

Councilmember 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.

Councilmember introduced the following resolution and moved for its adoption:

RESOLUTION NO 13-

A RESOLUTION ADOPTING THE 2014 SPECIAL REVENUE FUND  
CENTRAL SCHOOL REVENUE AND EXPENDITURES BUDGET

BE IT RESOLVED, that the City Council of the City of Grand Rapids, County of Itasca, Minnesota, adopted the following Special Revenue Fund – Central School revenue and expenditures budget for 2014:

REVENUES:

Miscellaneous	\$ 73,000
Operating Transfer In	<u>40,000</u>
Total Revenue	<u>\$ 113,000</u>

EXPENDITURES:

Supplies & Materials	\$ 3,600
Other Charges	103,400
Capital Reserve	<u>5,350</u>
Total Expenditures	<u>\$112,350</u>

EXCESS REVENUE OVER EXPENDITURES \$ 650

Adopted this 16<sup>th</sup> day of December 2013.

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

Attest:

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

Councilmember 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.

Councilmember introduced the following resolution and moved for its adoption:

RESOLUTION NO 13-

A RESOLUTION ADOPTING THE SPECIAL REVENUE FUND  
ECONOMIC DEVELOPMENT AUTHORITY 2014 REVENUE AND EXPENDITURES BUDGET

BE IT RESOLVED, that the City Council of the City of Grand Rapids, County of Itasca, Minnesota, adopts the following Special Revenue Fund – Economic Development Authority revenue and expenditures budget for 2014:

REVENUES:

Miscellaneous	\$ <u>750</u>
Total Revenue	\$ <u>750</u>

EXPENDITURES:

Supplies & Materials	\$ 100
Other Charges	<u>15,400</u>
Total Expenditures	\$ <u>15,500</u>
Excess Revenue Over Expenditures	\$ <u>(14,750)</u>
Fund Balance Usage	\$ <u>14,750</u>

Adopted this 16<sup>th</sup> day of December, 2013.

---

Dale Adams, Mayor

Attest:

---

Kimberly Johnson-Gibeau, City Clerk

Councilmember 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.

Councilmember introduced the following resolution and moved for its adoption:

RESOLUTION NO 13-

A RESOLUTION ADOPTING THE 2014 SPECIAL REVENUE FUND-CIVIC CENTER  
REVENUE AND EXPENDITURES BUDGET

BE IT RESOLVED, that the City Council of the City of Grand Rapids, County of Itasca, Minnesota, adopt the following Special Revenue Fund – Civic Center revenue and expenditures budget for 2014:

REVENUES:

Charges for Services	\$137,500
Miscellaneous	536,100
Other Sources	<u>27,000</u>
Total Revenue	<u>\$700,600</u>

EXPENDITURES:

Personnel	\$330,238
Supplies & Materials	117,600
Other Charges	221,470
Building Improvements	11,000
Loan Repayments	<u>20,290</u>
Total Expenditures	<u>\$700,598</u>

EXCESS REVENUE OVER EXPENDITURES      \$     2

Adopted this 16<sup>th</sup> day of December 2013.

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

Attest:

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

Councilmember 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.



Councilmember introduced the following resolution and moved for its adoption:

RESOLUTION NO 13-

A RESOLUTION ADOPTING THE 2014 REVENUE AND EXPENDITURES BUDGET  
FOR THE GRAND RAPIDS/ITASCA COUNTY AIRPORT

BE IT RESOLVED, that the City Council of the City of Grand Rapids, County of Itasca, Minnesota, adopts the following revenue and expenditures budget for the Grand Rapids/Itasca County Airport for 2014:

REVENUES:

Intergovernmental	\$ 83,049
Charges for Services	4,800
Miscellaneous Revenue	120,882
Other Sources	<u>20,000</u>
Total Revenue	<u>\$228,731</u>

EXPENDITURES:

Personnel	\$ 76,215
Supplies & Materials	19,125
Other Charges	123,288
Terminal	<u>11,650</u>
Total Expenditures	<u>\$230,278</u>

EXCESS REVENUE OVER EXPENDITURES \$ (1,547)

FUND BALANCE USAGE \$ 1,547.

Adopted this 16<sup>th</sup> day of December 2013.

---

Dale Adams, Mayor

Attest:

---

Kimberly Johnson-Gibeau, City Clerk

Councilmember 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.

Councilmember introduced the following resolution and moved for its adoption:

RESOLUTION NO 13-

A RESOLUTION ADOPTING THE 2014 SPECIAL REVENUE FUND  
RECREATION PROGRAMS REVENUE AND EXPENDITURES BUDGET

BE IT RESOLVED, that the City Council of the City of Grand Rapids, County of Itasca, Minnesota, adopted the following Special Revenue Fund – Recreation Programs revenue and expenditures budget for 2014:

REVENUES:

Charges for Services	\$58,800
Miscellaneous	<u>500</u>
Total Revenue	<u>\$59,300</u>

EXPENDITURES:

Personnel	\$46,443
Supplies & Materials	11,000
Other Charges	<u>1,850</u>
Total Expenditures	<u>\$59,293</u>
Excess Revenue over Expenditures	<u>\$ 7</u>

Adopted this 16<sup>th</sup> day of December 2013.

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

Attest:

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

Councilmember 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.

Councilmember introduced the following resolution and moved for its adoption:

RESOLUTION NO 13-

A RESOLUTION ADOPTING THE 2014 SPECIAL REVENUE FUND  
POLICE DESIGNATED FORFEITURES REVENUE AND EXPENDITURES BUDGET

BE IT RESOLVED, that the City Council of the City of Grand Rapids, County of Itasca, Minnesota, adopts the following Special Revenue Fund – Police Designated Forfeitures revenue and expenditures budget for 2014:

REVENUES:

Intergovernmental	\$15,000
Miscellaneous	<u>10,000</u>
Total Revenue	<u>\$25,000</u>

EXPENDITURES:

Supplies & Materials	23,000
Other Charges	<u>5,500</u>
Total Expenditures	<u>\$28,500</u>

EXCESS REVENUE OVER EXPENDITURES \$ (3,500)

FUND BALANCE USAGE \$ 3,500

Adopted this 16<sup>th</sup> day of December 2013.

---

Dale Adams, Mayor

Attest:

---

Kimberly Johnson-Gibeau, City Clerk

Councilmember 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.

Councilmember introduced the following resolution and moved for its adoption:

RESOLUTION NO 13-

A RESOLUTION ADOPTING THE 2014 SPECIAL REVENUE FUND  
STATE HAZMAT RESPONSE TEAM REVENUE AND EXPENDITURES BUDGET

BE IT RESOLVED, that the City Council of the City of Grand Rapids, County of Itasca, Minnesota, adopts the following Special Revenue Fund – State Hazmat Response Team revenue and expenditures budget for 2014:

REVENUES:

Intergovernmental	<u>\$45,000</u>
Total Revenue	<u>\$45,000</u>

EXPENDITURES:

Personnel	\$24,860
Supplies & Materials	5,500
Other Charges	<u>14,640</u>

Total Expenditures	<u>\$45,000</u>
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EXCESS REVENUE OVER EXPENDITURES	<u>\$ 0</u>
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Adopted this 16<sup>th</sup> day of December 2013.

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Dale Adams, Mayor

Attest:

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Kimberly Johnson-Gibeau, City Clerk

Councilmember 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.

Councilmember introduced the following resolution and moved for its adoption:

RESOLUTION NO. 13-

A RESOLUTION ADOPTING THE 2014 SPECIAL REVENUE FUND  
DOMESTIC ANIMAL CONTROL FACILITY REVENUE AND EXPENDITURES BUDGET

BE IT RESOLVED, that the City Council of the City of Grand Rapids, County of Itasca, Minnesota, adopts the following Special Revenue Fund-Domestic Animal Control Facility revenue and expenditures budget for 2014:

REVENUES:	
Licenses & Permits	\$ 320
Fines & Forfeits	34,150
Operating Transfer In	<u>28,000</u>
TOTAL REVENUES	<u>\$ 62,470</u>
EXPENDITURES:	
Personnel	\$ 37,894
Supplies and Materials	6,050
Other Charges and Services	<u>18,345</u>
TOTAL EXPENDITURES	<u>\$ 62,289</u>
EXCESS REVENUE OVER EXPENDITURES	<u>\$ 181</u>

Adopted this 16<sup>th</sup> day of December 2013.

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

Attest:

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

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

Councilmember introduced the following resolution and moved for its adoption:

RESOLUTION NO. 13-

A RESOLUTION ADOPTING THE 2014 ENTERPRISE FUND-  
POKEGAMA GOLF COURSE  
REVENUE AND EXPENSE BUDGET

BE IT RESOLVED, that the City Council of the City of Grand Rapids, County of Itasca, Minnesota, adopts the following Enterprise Fund Pokegama Golf Course revenue and expense budget for 2014:

REVENUES:	
Charges for Services	\$540,682
Miscellaneous Revenue	<u>26,618</u>
Total Revenues	<u>\$567,300</u>
EXPENSES:	
Personnel	\$222,740
Supplies and Materials	58,120
Other Charges and Services	199,385
Depreciation Expense	<u>86,935</u>
Total Expenses	<u>\$567,180</u>
Net Income/(Loss)	<u>\$ 120</u>

Adopted this 16<sup>th</sup> day of December 2013.

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

Attest:

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

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

Councilmember introduced the following resolution and moved for its adoption:

RESOLUTION NO. 13-

A RESOLUTION ADOPTING THE 2014 ENTERPRISE FUND-  
STORM WATER UTILITY  
REVENUE AND EXPENSE BUDGET

BE IT RESOLVED, that the City Council of the City of Grand Rapids, County of Itasca, Minnesota, adopts the following Enterprise Fund Storm Water Utility revenue and expense budget for 2014:

REVENUES:	
Charges for Services	\$550,000
Miscellaneous Revenue	<u>2,000</u>
Total Revenues	<u>\$552,000</u>
EXPENSES:	
Personnel	\$251,503
Supplies and Materials	39,500
Other Charges and Services	<u>260,997</u>
Total Expenses	<u>\$552,000</u>
Net Income/(Loss)	<u>\$ -0-</u>

Adopted this 16<sup>th</sup> day of December, 2013.

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

Attest:

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

Councilmember seconded the forgoing 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  
IT'S IN MINNESOTA'S NATURE

# CITY OF GRAND RAPIDS

## Legislation Details (With Text)

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**File #:** 13-0801      **Version:** 1      **Name:** Lee Anderson resignation  
**Type:** Agenda Item      **Status:** Consent Agenda  
**File created:** 12/6/2013      **In control:** City Council  
**On agenda:** 12/16/2013      **Final action:**  
**Title:** Accept resignation of Lee Anderson from the Planning Commission and authorize staff to fill the vacancy.  
**Sponsors:**  
**Indexes:**  
**Code sections:**  
**Attachments:** [Anderson - Resignation](#)

Date	Ver.	Action By	Action	Result
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Accept resignation of Lee Anderson from the Planning Commission and authorize staff to fill the vacancy.

**Background Information:**

[Enter Background Information Here]

Lee Anderson was first appointed to the Planning Commission on March 1, 2010. Upon his resignation, Mr. Anderson leaves an un-expired term through March 1, 2014.

**Staff Recommendation:**

Accept Mr. Anderson's resignation and direct staff to proceed with filling the vacancy.

**Requested City Council Action**

Accept resignation of Lee Anderson from the Planning Commission and authorize staff to fill the vacancy.



12/06/2013

Mr Rob Mattei,  
City of Grand Rapids  
Grand Rapids, MN

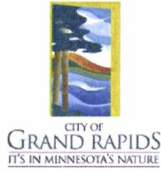
Rob,

It is with regret that I must resign my position on the Grand Rapids Planning Commission effective 12/1/2013. In November we closed on a house that is located outside of the city limits and we have since sold our "city" house and moved to the wilderness.

I enjoyed my years on the Planning Commission immensely mostly due to the fact I had the opportunity to work and get to know you, Eric, Aurimy and my fellow Commissioners. Your staff in the Community Development Department does a fantastic job in providing complete and unbiased information to the Commissioners. You, Eric and Aurimy are an asset to the City.

It is now my firm belief that at some point in their lives everyone that is able should take an active part in their local government. It is an eye-opening experience to see and be a part of this process.

Regretfully,  
Lee Anderson



# CITY OF GRAND RAPIDS

## Legislation Details (With Text)

**File #:** 13-0802      **Version:** 1      **Name:** Assessment Deferral 91-410-5970  
**Type:** Agenda Item      **Status:** Consent Agenda  
**File created:** 12/6/2013      **In control:** City Council  
**On agenda:** 12/16/2013      **Final action:**  
**Title:** Consider adopting a resolution approving a request from property owner of Parcel Identification Number 91-410-5970 to defer assessments for City Project 2004-3 Pokegama Ave 4th Street SW/SE (2nd Ave SW to 7th Ave SE) in the amount of \$2,129.53 and to record this deferment with the Itasca County Recorder with a copy to the Itasca County Auditor.  
**Sponsors:**  
**Indexes:**  
**Code sections:**  
**Attachments:** [assessment deferral 91-410-5970.pdf](#)

Date	Ver.	Action By	Action	Result
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Consider adopting a resolution approving a request from property owner of Parcel Identification Number 91-410-5970 to defer assessments for City Project 2004-3 Pokegama Ave 4th Street SW/SE (2nd Ave SW to 7th Ave SE) in the amount of \$2,129.53 and to record this deferment with the Itasca County Recorder with a copy to the Itasca County Auditor.

**Background Information:**

A request has been received to defer assessments against the owner of property legally described as All of Lots 20-21 S 15' if Lot 22 Blk 59 the Town of Grand Rapids, PIN 91-410-5970. Upon reviewing the application, the property owner qualifies for an assessment deferral.

This is for City Project 2004-3 Pokegama Ave 4th Street SW/SE (2nd Ave SW to 7th Ave SE) in the amount of \$2,129.53.

**Requested City Council Action**

Consider adopting a resolution approving a request from property owner of Parcel Identification Number 91-410-5970 to defer assessments for City Project 2004-3 Pokegama Ave 4th Street SW/SE (2nd Ave SW to 7th Ave SE) in the amount of \$2,129.53 and to record this deferment with the Itasca County Recorder with a copy to the Itasca County Auditor.

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

RESOLUTION NO. 13-  
A RESOLUTION TO DEFER ASSESSMENTS LEVIED IN 2013 FOR THE OWNER OF  
PARCEL IDENTIFICATION NUMBER 91-410-5970 FOR CITY PROJECT 2004-3  
POKEGAMA AVE 4<sup>TH</sup> STREET SW/SE (2<sup>ND</sup> AVE SW TO 7<sup>TH</sup> AVE SE) IN THE  
AMOUNT OF \$2,129.53

WHEREAS, an application for deferral of special assessments was submitted by  
Chance R. Jager, owner of Parcel Identification Number 91-410-5970, described as All Lots  
20-21 S 15' of Block 59 the Town of Grand Rapids, there to that were placed against the  
property in 2013; and

WHEREAS, the requirements in Chapter 54 which allows an assessment deferral under  
certain conditions have been met; and

WHEREAS, the assessment that would qualify for the deferment is:

City Project 2004-3	Pokegama Ave 4th Street SW/SE (2nd Ave SW to 7th Ave SE)
Total amount to be deferred:	\$2,129.53

NOW THEREFORE, BE IT RESOLVED, the City Council of the City of Grand  
Rapids, Itasca County, Minnesota, to approve the application of Chance R. Jager to defer  
special assessment against above described property, at an interest rate of 2.94% and instruct  
the City to record this deferment with the Itasca County Recorder with a copy to be submitted  
to the Itasca County Auditor.

Adopted this 16th day of, December 2013.

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

Attest:

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

Councilmember 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  
IT'S IN MINNESOTA'S NATURE

# CITY OF GRAND RAPIDS

## Legislation Details (With Text)

**File #:** 13-0810      **Version:** 1      **Name:**  
**Type:** Agenda Item      **Status:** Consent Agenda  
**File created:** 12/11/2013      **In control:** City Council  
**On agenda:** 12/16/2013      **Final action:**  
**Title:** Consider approval of a lease with Salmela Photography for space in Central School.

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** [2014 Salmela Photography Lease \(final\).pdf](#)

Date	Ver.	Action By	Action	Result
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Consider approval of a lease with Salmela Photography for space in Central School.

**Background Information:**

Salmela Photography is renewing their annual lease, which they first entered into with the City on June 10, 2013. The terms of this 2014 lease for Central School space are identical to the previous lease with the exception of the rental rate. This lease includes a 2% increase in the rental rate, which is consistent with the annual increase for those tenants that are under a three year lease.

**Requested City Council Action**

Consider approval of a lease with Salmela Photography for space in Central School.

## **LEASE AGREEMENT**

This Lease Agreement, by and between the City of Grand Rapids, Minnesota hereinafter referred to as "Lessor" and Janna Salmela Photography, a sole proprietorship hereinafter referred to as "Lessee", entered into this **16th** day of **December, 2013**.

### **ARTICLE 1 - LEASED PREMISES**

1.1 In consideration of and subject to the mutual covenants, condition and obligations of this Lease Agreement to be kept and performed, the Lessor does hereby lease and demise to Lessee the premises identified in Exhibit "A" attached hereto, comprising approximately 362 square feet together with the right to use in common with other lessees of the Central School their invitees, customer and employees, the elevators, stairways, halls, toilets and sanitary facilities, and all other general common facilities contained in the Central School, as well as the sidewalks, delivery areas, and appurtenances thereto, to be used by Lessee for the purposes generally described in Exhibit "B" attached hereto, in the Central School, Grand Rapids, Minnesota.

This Lease Agreement will also include one parking pass for the Lessee's use in the Central School lot at no additional cost to the Lessee. The Lessee will be provided one parking pass that must be displayed conspicuously by the Lessee. The Lessee will be able to park in any location within the parking lot of Central School. There will not be a designated parking spot. If the lot is full, the Lessee will utilize off street parking. This pass only applies to the Central School lot. If the pass is lost, stolen or needs to be replaced for any reason, there will be a \$25 plus tax replacement fee.

### **ARTICLE 2 - TERM**

2.1 The Term of this Lease Agreement shall commence on **January 1, 2014** and shall continue through **December 31, 2014** unless earlier terminated in accordance with the provisions of this Lease Agreement.

### **ARTICLE 3 - RENT**

3.1 Lessee shall pay to Lessor as rent for the leased premises the sums hereinafter provided in this Article 3.

The term "operating costs for the Central School Building" as used in this Article 3 shall exclude all costs related to the exterior grounds except signs promoting tenants but shall otherwise include all those direct costs of operation and maintenance to be incurred by Lessor, including by way of illustration but not limitation, (1) all utility charges (sewer, water, electricity, heat, garbage collection, elevator service) except telephone and other communications equipment; (2) maintenance, insurance, repairs, parts and supplies, equipment and tools, and electrical maps, tubes, starters and ballasts; (3) the annual costs for a custodian and/or manager; and (4) promotion costs; and (5) a capital reserve equal to 5% of the total projected operation costs, excluding the capital reserve. The term "operating costs for the Central School Building" shall not include the original capital investment or associated debt service.

The term "rented square footage in the Central School Building" as used in the Article 3 shall exclude common areas, exterior grounds and space not rented.

3.2 Calendar year **2014** base rent shall be in the amount of **\$11.88** per square foot annually, payable in equal monthly installments beginning on the **1<sup>ST</sup>** day of **February, 2014** and continuing on the first day of each month thereafter through **December 31, 2014**. Additionally, tenant is solely responsible for paying any, and all, property taxes associated with the rental space.

3.3 Lessee shall pay as additional rent a late charge in the amount of 1.5% of the monthly rental payment in the event that the monthly rental payment is received after the fifth day of the month due. This late charge shall be exclusive of any other remedy which Lessor may have for Lessee's failure to timely pay rent.

3.4 At the commencement of the term of this Lease Agreement, Lessee shall furnish to Lessor a surety bond, letter of credit or cash deposit in an amount equivalent to one month's rent, to assure compliance with the provisions of this Lease Agreement. If Lessee fails to comply with the provisions of this Lease Agreement, Lessor shall be entitled, without further notice to Lessee, to call upon said surety bond, letter of credit or cash deposit to satisfy Lessee's obligation hereunder. Lessor's right to call upon the surety bond, letter of credit or cash deposit shall be exclusive of any other remedy which Lessor may have for Lessee's failure to comply with the provisions of this Lease Agreement. The surety bond or letter of credit furnished by

Lessee shall be maintained in effect for the term of this Lease Agreement and during any period of holding over. If Lessee furnishes a cash deposit pursuant to this Paragraph, said cash deposit shall be held by Lessor for the term of this Lease Agreement unless earlier called upon by Lessor to satisfy Lessee's obligations hereunder. Said cash deposit shall be invested by Lessor and any interest earned shall be paid annually to Lessee.

3.5 Rental payments shall be made to the order of the City of Grand Rapids and mailed or delivered to: **City Finance Director, 420 N. Pokegama Avenue, Grand Rapids, MN 55744.**

3.6 Lessee shall timely pay when due any personal property or real property tax on the leasehold estate.

#### **ARTICLE 4 - IMPROVEMENTS**

4.1 In taking possession of the leased premises, Lessee acknowledges that same were on the date of occupancy in good, clean and tenable condition, subject only to the repairs or improvements which Lessor has agreed to make at Lessor's expense and which are set forth on Exhibit "C" attached hereto, if there are any.

4.2 Lessee agrees to make at its own expense all alterations and improvements to the leased premises except as otherwise indicated to be the obligation of Lessor under this Lease Agreement. All such improvements and alterations made by Lessee shall be undertaken only upon advance approval of Lessor, shall be made under the supervision, direction and control of Lessor's architect, shall be made in good and workmanlike manner according to the terms, conditions and requirements set by Lessor and its architect, and shall be in keeping with the historical character of the building. All alterations and improvements performed on the leased premises by Lessee shall be performed by competent contractors and subcontractors approved by Lessor, which approval shall not unreasonably be withheld. Lessee shall pay for all architectural, engineering and other services and all costs incurred by Lessor in connection with Lessee's improvement or alteration of the leased premises, including the work, if any, of Lessor's engineer, architect and other agents connected therewith. Prior to undertaking any alterations or

improvements to the leased premises, Lessee shall obtain and deliver to Lessor a valid waiver and release of mechanic's liens by each party who will furnish labor, materials or services to the lease premises.

4.3 At the expiration or termination of the term of this Lease Agreement, all improvements and alterations made to the leased premises by Lessee shall remain with the leased premises and shall be the property of Lessor. Lessee shall, at its expense, remove Lessee's goods and effects, including trade fixtures, machinery, and equipment, and quit and deliver up the leased premises to Lessor, peaceably and quietly in as good order and condition as same were in on the original date of occupancy, reasonable wear and tear excepted. Any property left in the leased premises at the expiration or termination of this term of this lease shall be deemed to have been abandoned and shall become the property of Lessor to be disposed of as Lessor deems expedient, with all costs of cleanup and disposal of goods abandoned at the leased premises to be paid by Lessee. Lessee shall not permit any mechanic's or materialmen's liens to stand against the leased premises or against the Central School and Lessor may require appropriate assurances by way of bond, deposit or other reasonable procedure to protect against such liens and may, should such liens arise out of Lessee's acts hereunder, pay and discharge same and such amounts shall become due and payable to Lessor from Lessee with interest at the rate of eight percent (8%), or such greater amount as shall then be permitted by law, per annum.

#### **ARTICLE 5 - MAINTENANCE, REPAIRS**

5.1 Lessee shall at all times be responsible for maintaining at its own expense the leased premises in a clean, orderly and safety condition, except as hereinafter provided. Lessee shall be responsible, at its own expense, to clean and maintain all trade fixtures, machinery and equipment furnished by Lessee within the leased premises. Lessee shall be responsible to deposit normal office waste and rubbish at a location at the Central School as designated by Lessor.

5.2 Lessee shall be responsible to perform all repairs the need for which is caused by Lessee's use of the premises except that Lessor shall be responsible to perform major repairs of a structural nature. Lessor shall be responsible to arrange for removal of waste and rubbish from



the location designated as the deposit location for lessees. All costs incurred by Lessor pursuant to the obligations of this Paragraph shall be included within "operating costs".

5.3 Lessor shall provide custodian services for the common areas of Central School. Costs incurred by Lessor in providing such custodian services shall be included within "operating costs".

#### **ARTICLE 6 - UTILITIES**

6.1 Lessor shall furnish such heat, water, sewer, electricity, elevator services, central air conditioning and garbage removal in and about the leased premises as shall be necessary, in Lessor's judgment, for comfortable occupancy of the leased premises, under normal business conditions. Lessor's obligation to provide electricity to the leased premises shall include only electricity for standard building lighting and office use. Any electricity supplied to the leased premises for extraordinary purposes, such as kitchen equipment, refrigeration equipment and air conditioning units, shall be paid by the Lessee upon Lessor's billing of same.

It is understood and agreed that Lessee shall be responsible to pay to Lessor, as additional rent, the cost of separately-metered-electricity supplied to the leased premises. Lessee shall also be responsible for the construction of insulation of a separate electrical meter when required.

6.2 Lessee shall conserve heat, water and electricity and shall not neglect or misuse water, fixtures, electrical lights, or other equipment or facilities furnished in conjunction with Lessor's provisions of utilities pursuant to this Article.

6.3 In the event energy use restrictions are established by Federal or State authorities or that an energy supply emergency is declared by Federal or State authorities, Lessor may reduce the quantity or quality of any utilities or other services to be provided under this Article as may be necessary to comply with directives and regulations promulgated by said authorities.

6.4 Lessor shall be responsible to provide light, heat and other utility services to the common areas of the Central School as, in Lessor's discretion, is appropriate. The cost of providing such heat, lighting and other utilities shall be included within "operating costs".

#### **ARTICLE 7 - BUILDING USE, REGULATIONS, SECURITY**

7.1 Lessee shall use the leased premises only for the purpose of purposes generally described in Exhibit "B". Lessee shall keep the leased premises in a clean, orderly and safe condition and shall not permit any hazardous or dangerous activity thereon or any activity which will increase insurance risks or premiums on the leased premises. Lessee shall at all times comply with all statutes, ordinances, codes, and regulations of any governmental authority concerning the use and maintenance of the leased premises and the Central School. Lessee shall not overload the floors in the leased premises.

7.2 Lessee shall use the leased premises and the common areas of the Central School in accordance with such reasonable rules and regulations as may from time to time be promulgated by Lessor or the Central School Commission for the general safety, comfort and convenience of Lessor and Lessees of the Central School and their invitees and Lessee shall cause its clients, employees and invitees to abide by such rules and regulations. The Lessor will allow the Lessee to utilize up to 12 square feet of floor space in the common areas adjacent to the Lessee's business for display purposes only. Storage of equipment, recycling, or anything deemed not to be display items, is prohibited. The items placed in this space must not be affixed permanently to the floor or wall in any way. The usage of a table, shelf, or rack is acceptable. The Lessee will adhere to all fire and building access codes.

If the Lessee wishes to use more than 12 square feet of floor space, a written letter to the Lessor with the Lessee's intent is required. The Lessee cannot proceed with their plans until the Lessor has granted the request in writing.

The Lessee is required to supply the Lessor with documentation from the Lessee's insurance company that the Lessee's property is covered while in the common areas of Central School.

7.3 Lessee shall keep the leased premises open to the public during such days and hours of operation of the Central School as may from time to time be determined by Lessor.

7.4 Lessee shall be responsible for securing the leased premises by locking doors and windows providing direct access to the leased premises. Lessor covenants that other Lessees within the Central School will have similar responsibilities to those required of Lessee under this Paragraph.

7.5 Lessee shall pay to Lessor on demand for any damage done to the Central School or the leased premises, including broke glass, caused by Lessee, Lessee's agents or employees, or Lessee's invitees.

7.6 Lessee shall not conduct or permit to be conducted on the leased premises any business or permit any act which is contrary to or in violation of the laws, ordinances or regulations of any governmental unit, federal, state or local.

#### **ARTICLE 8 - COMMON AREAS, EXTERNAL GROUNDS**

8.1 Lessee's use of the common areas and external grounds of Central School shall be in compliance with rules and regulations which may be promulgated from time by Lessor.

8.2 Lessee shall place nothing in the common areas of the Central School, including displays, advertising, merchandise, or other items of any sort whatsoever, without the advance written approval of the Central School Commission.

8.3 Lessee shall place no signs which will be visible outside the leased premises, including no signs which may be visible through a window and no signs which may be visible within the common areas of the Central School or from the external grounds of the Central School or beyond, without the advance written approval of Lessor. Lessor shall provide signs, of a number, style and quality as deemed appropriate in Lessor's exclusive judgment, to be placed on the external grounds of the Central School, which signs will identify the lessees within Central School. Cost incurred by Lessor in providing said signs shall be included within "operating costs". Signs within the interior common areas of Central School shall be approved in

advance by Lessor and, if provided by Lessor, the expense thereof shall be included within "operating costs".

## **ARTICLE 9 - INSURANCE**

9.1 Lessor shall maintain general liability, fire and extended coverage insurance on the Central School, including common areas and exterior grounds, and Lessor's fixtures and equipment and Lessor shall cause Lessee to be named as an additional insured. Lessee shall insure its own personal property on the premises as it sees fit. All personal property placed upon or in the leased premises or common areas or external grounds shall be at the risk of Lessee or the owner of the personal property and Lessor shall not be liable to Lessee or any other party for any damage or destruction of said personal property arising from any cause whatsoever. Lessee shall maintain at its own cost and expenses general liability insurance required herein. All insurance coverage is subject to approval of the City and shall be maintained by Lessee at all times this Agreement is in effect. Lessee further agrees that to protect themselves as well as the City of Grand Rapids under the indemnity Contract set forth above, the Lessee shall at all times during the term of the Agreement have and keep in force insurance protection as specified by Minn. Stat. Cpt. 466.04, subd. 1 as may be modified from time to time by the State Legislature and Lessee shall name Lessor as an additional insured on said policy. Throughout the term of this Lease Agreement, Lessee shall provide Lessor with evidence that Lessee has obtained the insurance required by this Article and that Lessor is an additional insured under said policies of insurance. All costs incurred by Lessor in maintaining insurance coverage pursuant to this Article shall be included within "operating costs".

9.2 Notwithstanding anything in this Lease Agreement to the contrary, Lessor shall not be liable to Lessee and Lessee shall not be liable to Lessor for any damage to or destruction of the Central School Building by fire or other perils or for any claim or cause of action arising out of any death, injury or damage to property in, on or about the leased premises or the common areas or exterior grounds of Central School. Lessor and Lessee shall furnish to each other appropriate written consents from their respective insurers to this waiver of liability provision.

## **ARTICLE 10 - LESSOR ACCESS**

10.1 Lessor, its agents and employees shall have the right to enter the leased premises upon reasonable advance notice for the purpose of inspection, cleaning, repairing, altering or improving the premises, or to exhibit the premises to prospective tenants. Lessor's reserved rights hereunder shall include, without limitation, free, unhampered and unobstructed access to the airways, equipment ducts, stairways, access panels and all utilities and services to the Central School. There shall be no diminution of rent and no liability on the part of Lessor by reason of any inconvenience, annoyance or injury to business caused by Lessor's reasonable exercise of rights reserved by Lessor in this Article.

## **ARTICLE 11 - FIRE OR OTHER CASUALTY: CONDEMNATION**

11.1 If during the term of this Lease the leased premises shall be damaged or destroyed by fire or other casualties so that the premises shall thereby be rendered unfit for use or occupation, Lessor shall have the option to either (a) repair such damage with all reasonable diligence and restore the premises to substantially the condition immediately prior to such event, and until such premises have been duly repaired and restored the rent herein reserved, or a just and proportionate part thereof according to the nature and extent of the injury which has been sustained shall be abated, or (b) Lessor may terminate this lease and end the term hereof, and in case of such termination and cancellation the rent shall be paid to the date of such fire or other casualty and all other further obligations on the part of either party hereto shall cease. Lessor is required to notify Lessee of whether it will repair or terminate within thirty (30) days of the date of such damage or destruction. Provided, however, that in the event the premises are not so restored within one hundred eighty (180) days after the occurrence, Lessee may, at its option, terminate this lease.

11.2 Lessee shall be entitled in any full or partial taking by eminent domain to take that portion of the net award representing payment for Lessee's leasehold interest, trade fixtures, moving expenses or business interruption. All amounts paid pursuant to an agreement with a condemning authority in connection with any taking shall be deemed to constitute an award on account of such taking. Lessee agrees that this Lease shall control rights of Lessor and Lessee in any such award, and any contrary provision of any present or future law is hereby waived. If any

taking shall result in Lessee being deprived of space in excess of 5 percent of the space then leased to Lessee, Lessee shall have the right on thirty (30) days advance written notice, to terminate the obligations hereunder effective as of such taking. If Lessee continues occupancy following a partial taking, rent will be adjusted of a pro-rata basis for the remainder of the lease term.

**ARTICLE 12 - QUIET POSSESSION**

12.1 Lessor hereby warrants and covenants that it has full authority to execute this Lease Agreement and further agrees that Lessee, upon paying rent and performing the covenants and conditions of this Lease Agreement, shall quietly have, hold and enjoy the leased premises during the term hereof.

**ARTICLE 13 - NOTICE**

13.1 Any notice, demand, request or other communication which may or shall be given or served by Lessor or Lessee pursuant to this Lease Agreement shall be deemed to have been given or served on the date the same is deposited in the United States mail, registered or certified, postage prepaid and addressed as follows:

To Lessee: Janna Salmela  
Janna Salmela Photography  
10 NW 5<sup>th</sup> St., Suite 202  
Grand Rapids, MN 55744

To: Lessor City Administrator  
City Hall  
420 N. Pokegama Avenue  
Grand Rapids, MN 55744

**ARTICLE 14 - ASSIGNMENT, SUBLETTING**

14.1 Lessee agrees that neither the leased premises nor any part thereof shall be sublet nor shall this Lease Agreement be assigned by Lessee without prior written consent of Lessor, which consent shall not be unreasonably withheld. If Lessor does give consent, such consent shall not release Lessee from its obligation hereunder, unless a release is specifically given by Lessor.

## **ARTICLE 15 - NO PARTNERSHIP**

15.1 Nothing contained in this Lease Agreement shall be deemed or construed to create a partnership or joint venture of or between Lessor and Lessee or to create any other relationship between the parties hereto other than that of Lessor and Lessee.

## **ARTICLE 16 - DEFAULT BY LESSEE**

16.1 Lessor and Lessee agree that this Lease Agreement is made upon the condition that if the Lessee shall neglect or fail to keep, observe and perform any of the covenants and agreements contained in this Lease Agreement which are to be kept, observed or performed by Lessee, so as to be in default, or if the leasehold interest of Lessee shall be taken by execution or other legal process of law, or if Lessee shall petition to be or be declared to be bankrupt or insolvent according to law, or if Lessee shall vacate said premises or abandon the same for a period of 45 days during the term of this Lease Agreement, then and in any of said cases the Lessor may, at its option, immediately or at any time thereafter without further notice or demand, enter into and upon the leased premises, or any part thereof, in the name of the whole, and take absolute possession of the same without such re-entry working a forfeiture of the rents to be paid and the covenants to be performed by Lessee for the full term of this Lease Agreement, and may, at Lessor's election, lease or sublet the leased premises, or any part thereof, on such terms and conditions and for such rents and for such time as the Lessor may elect, and after crediting the rent actually collected by Lessor from such reletting, collect the balance of rent owed pursuant to this Lease Agreement from Lessee, charging Lessee such reasonable expenses as the Lessor may expand in putting the premises in tenable condition and collecting said rentals from Lessee, including reasonable attorney's fees.

Alternatively, Lessor may at its election and upon written notice to Lessee declare this Lease Agreement forfeited and void under the condition set forth above, and Lessor may re-enter and take full and absolute possession of said premises as the owner thereof, free from any right or claim of Lessee or any person or persons claiming through or under Lessee, and such election and re-entry shall be and constitute an absolute bar to any right to enter by Lessee. The commencement by Lessor of any action to recover possession of the leased premises or any part

thereof shall not be deemed an election by Lessor to treat this Lease Agreement as void and terminated, without the written notice above specified.

In the event of termination or re-entry by Lessor for default by Lessee, Lessor shall make every reasonable effort to re-rent, lease or sublet the premises. Lessor, at its option, may make such alterations, repairs, replacements and/or decorations to the leased premises as Lessor, in its sole judgment, considers advisable and necessary for the purpose of reletting the premises; and the making of such alterations, repairs, replacements and/or decorations shall not operate to be construed to release Lessee for liability hereunder as aforesaid.

#### **ARTICLE 17 - DEFAULT BY LESSOR, LESSEE**

17.1 Lessor shall not be deemed to be in default under this Lease Agreement until Lessee shall have given Lessor written notice specifying the nature of the default and Lessor shall have not cured such default within ten (10) days after receipt of such notice, or within such reasonable time thereafter as may be necessary to cure such default where such default is of a character as to reasonably require more than ten (10) days to cure.

17.2 Except with respect to the payment of rent, for which no notice of default shall be necessary, Lessee shall not be deemed to be in default under this Lease Agreement until Lessor shall have given Lessee written notice specifying the nature of default and Lessee shall have not cured such default within ten (10) days after receipt of such notice or within such reasonable time thereafter as may be necessary to cure such default where such default is of a character as to reasonably require more than ten (10) days to cure.

#### **ARTICLE 18 - WAIVER, MODIFICATION, ENTIRE AGREEMENT**

18.1 No waiver of any condition, covenant, right of option of this Lease Agreement by the Lessor shall be deemed to imply or constitute a further waiver of any like condition or covenant of said Lease Agreement.

18.2 No amendment or modification of this Lease Agreement shall be valid or binding unless expressed in writing and executed by duly authorized representatives of the parties hereto in the same manner as the execution of this Lease Agreement. The City Council shall consider



the recommendation of the Central School Commission in determining whether to approve any amendment or modification of this Lease Agreement.

18.3 Neither Lessor nor any agent or employee of Lessor has made any representations or promises with respect to the leased premises or the Central School except as herein expressly set forth, and no rights, privileges, easements or licenses are acquired by Lessee except as herein expressly set forth.

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19.1 Lessee, at its expense, may install shades, drapes or window coverings and, if installed, Lessee shall maintain said window coverings in an attractive and safe condition, provided however, in the sole judgment of Lessor said window coverings are in harmony with the exterior and interior appearance of Central School and will create no safety or fire hazard.

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20.1 Lessor has established public parking facilities on the grounds of Central School. Lessee warrants that it will enforce regulations providing that its employees will not park their private vehicles in said public parking area during time when said employees are working at the leased premises (except on a short-term basis for emergencies or for deliveries).

**DISCRIMINATION PROHIBITED:** The Landlord shall not discriminate based upon race, color, creed, religion, national origin, sex, marital status, age, handicap, or disability, familial status or recipients of public assistance; and shall comply with all nondiscrimination requirements of Federal, State and local law.

**IN WITNESS WHEREOF**, the parties have hereunto set their hands on the date first written above.

LESSOR:

LESSEE:

Salmela Photography

\_\_\_\_\_  
Mayor

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

\_\_\_\_\_  
City Clerk

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

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

Its \_\_\_\_\_

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

## Exhibit A – Location in the Building

Salmela Photography is located on the Second Floor in the South Middle Room (Suite 202) consisting of a total of 362 sq. ft.

## Exhibit B – Use of Space

Salmela Photography is a professional photography studio.

Exhibit C – Improvements

None



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

# CITY OF GRAND RAPIDS

## Legislation Details (With Text)

**File #:** 13-0811      **Version:** 1      **Name:**  
**Type:** Agenda Item      **Status:** Consent Agenda  
**File created:** 12/11/2013      **In control:** City Council  
**On agenda:** 12/16/2013      **Final action:**  
**Title:** Consider approval of a lease with Dustables Inc. for space in Central School

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** [2014 Dustables Lease \(final\).pdf](#)

Date	Ver.	Action By	Action	Result
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Consider approval of a lease with Dustables Inc. for space in Central School

**Background Information:**

Dustables Inc. has been located in the northwest corner of the second floor of Central School since they entered into a lease with the City beginning in April of 2013. For 2014, Dustables desires to make a move and enter into a lease for Suite 101, an available space on the first floor. The attached lease agreement follows the City's re-established standard format for Central School covering a one year term and not including payment of property taxes. The annual lease rate for the 867 sf space is \$12.31 per sf. This rate does include a 2% increase to coincide with the increase built into the three year leases previously established with some of the tenants in the building. All other aspects of the attached lease are identical to the the existing lease agreement with Dustables.

**Requested City Council Action**

Consider approval of a lease with Dustables Inc. for space in Central School

## **LEASE AGREEMENT**

This Lease Agreement, by and between the City of Grand Rapids, Minnesota hereinafter referred to as "Lessor" and Dustables, Inc., a sole proprietorship hereinafter referred to as "Lessee", entered into this **16th** day of **December, 2013**.

### **ARTICLE 1 - LEASED PREMISES**

1.1 In consideration of and subject to the mutual covenants, condition and obligations of this Lease Agreement to be kept and performed, the Lessor does hereby lease and demise to Lessee the premises identified in Exhibit "A" attached hereto, comprising approximately 867 square feet together with the right to use in common with other lessees of the Central School their invitees, customer and employees, the elevators, stairways, halls, toilets and sanitary facilities, and all other general common facilities contained in the Central School, as well as the sidewalks, delivery areas, and appurtenances thereto, to be used by Lessee for the purposes generally described in Exhibit "B" attached hereto, in the Central School, Grand Rapids, Minnesota.

This Lease Agreement will also include one parking pass for the Lessee's use in the Central School lot at no additional cost to the Lessee. The Lessee will be provided one parking pass that must be displayed conspicuously by the Lessee. The Lessee will be able to park in any location within the parking lot of Central School. There will not be a designated parking spot. If the lot is full, the Lessee will utilize off street parking. This pass only applies to the Central School lot. If the pass is lost, stolen or needs to be replaced for any reason, there will be a \$25 plus tax replacement fee.

### **ARTICLE 2 - TERM**

2.1 The Term of this Lease Agreement shall commence on **January 1, 2014** and shall continue through **December 31, 2014** unless earlier terminated in accordance with the provisions of this Lease Agreement.

### **ARTICLE 3 -RENT**

3.1 Lessee shall pay to Lessor as rent for the leased premises the sums hereinafter provided in this Article 3.

The term "operating costs for the Central School Building" as used in this Article 3 shall exclude all costs related to the exterior grounds except signs promoting tenants but shall otherwise include all those direct costs of operation and maintenance to be incurred by Lessor, including by way of illustration but not limitation, (1) all utility charges (sewer, water, electricity, heat, garbage collection, elevator service) except telephone and other communications equipment; (2) maintenance, insurance, repairs, parts and supplies, equipment and tools, and electrical maps, tubes, starters and ballasts; (3) the annual costs for a custodian and/or manager; and (4) promotion costs; and (5) a capital reserve equal to 5% of the total projected operation costs, excluding the capital reserve. The term "operating costs for the Central School Building" shall not include the original capital investment or associated debt service.

The term "rented square footage in the Central School Building" as used in the Article 3 shall exclude common areas, exterior grounds and space not rented.

3.2 Calendar year **2014** base rent shall be in the amount of **\$12.31** per square foot annually, payable in equal monthly installments beginning on the **1<sup>ST</sup>** day of **February, 2014** and continuing on the first day of each month thereafter through **December 31, 2014**. Additionally, tenant is solely responsible for paying any, and all, property taxes associated with the rental space.

3.3 Lessee shall pay as additional rent a late charge in the amount of 1.5% of the monthly rental payment in the event that the monthly rental payment is received after the fifth day of the month due. This late charge shall be exclusive of any other remedy which Lessor may have for Lessee's failure to timely pay rent.

3.4 At the commencement of the term of this Lease Agreement, Lessee shall furnish to Lessor a surety bond, letter of credit or cash deposit in an amount equivalent to one month's rent, to assure compliance with the provisions of this Lease Agreement. If Lessee fails to comply with the provisions of this Lease Agreement, Lessor shall be entitled, without further notice to Lessee, to call upon said surety bond, letter of credit or cash deposit to satisfy Lessee's obligation hereunder. Lessor's right to call upon the surety bond, letter of credit or cash deposit shall be exclusive of any other remedy which Lessor may have for Lessee's failure to comply with the provisions of this Lease Agreement. The surety bond or letter of credit furnished by Lessee shall be maintained in effect for the term of this Lease Agreement and during any period of holding over. If Lessee furnishes a cash

deposit pursuant to this Paragraph, said cash deposit shall be held by Lessor for the term of this Lease Agreement unless earlier called upon by Lessor to satisfy Lessee's obligations hereunder. Said cash deposit shall be invested by Lessor and any interest earned shall be paid annually to Lessee.

3.5 Rental payments shall be made to the order of the City of Grand Rapids and mailed or delivered to: **City Finance Director, 420 N. Pokegama Avenue, Grand Rapids, MN 55744.**

3.6 Lessee shall timely pay when due any personal property or real property tax on the leasehold estate.

#### **ARTICLE 4 - IMPROVEMENTS**

4.1 In taking possession of the leased premises, Lessee acknowledges that same were on the date of occupancy in good, clean and tenable condition, subject only to the repairs or improvements which Lessor has agreed to make at Lessor's expense and which are set forth on Exhibit "C" attached hereto, if there are any.

4.2 Lessee agrees to make at its own expense all alterations and improvements to the leased premises except as otherwise indicated to be the obligation of Lessor under this Lease Agreement. All such improvements and alterations made by Lessee shall be undertaken only upon advance approval of Lessor, shall be made under the supervision, direction and control of Lessor's architect, shall be made in good and workmanlike manner according to the terms, conditions and requirements set by Lessor and its architect, and shall be in keeping with the historical character of the building. All alterations and improvements performed on the leased premises by Lessee shall be performed by competent contractors and subcontractors approved by Lessor, which approval shall not unreasonably be withheld. Lessee shall pay for all architectural, engineering and other services and all costs incurred by Lessor in connection with Lessee's improvement or alteration of the leased premises, including the work, if any, of Lessor's engineer, architect and other agents connected therewith. Prior to undertaking any alterations or improvements to the leased premises, Lessee shall obtain and deliver to Lessor a valid waiver and release of mechanic's liens by each party who will furnish labor, materials or services to the lease premises.



4.3 At the expiration or termination of the term of this Lease Agreement, all improvements and alterations made to the leased premises by Lessee shall remain with the leased premises and shall be the property of Lessor. Lessee shall, at its expense, remove Lessee's goods and effects, including trade fixtures, machinery, and equipment, and quit and deliver up the leased premises to Lessor, peaceably and quietly in as good order and condition as same were in on the original date of occupancy, reasonable wear and tear excepted. Any property left in the leased premises at the expiration or termination of this term of this lease shall be deemed to have been abandoned and shall become the property of Lessor to be disposed of as Lessor deems expedient, with all costs of cleanup and disposal of goods abandoned at the leased premises to be paid by Lessee. Lessee shall not permit any mechanic's or materialmen's liens to stand against the leased premises or against the Central School and Lessor may require appropriate assurances by way of bond, deposit or other reasonable procedure to protect against such liens and may, should such liens arise out of Lessee's acts hereunder, pay and discharge same and such amounts shall become due and payable to Lessor from Lessee with interest at the rate of eight percent (8%), or such greater amount as shall then be permitted by law, per annum.

#### **ARTICLE 5 - MAINTENANCE, REPAIRS**

5.1 Lessee shall at all times be responsible for maintaining at its own expense the leased premises in a clean, orderly and safety condition, except as hereinafter provided. Lessee shall be responsible, at its own expense, to clean and maintain all trade fixtures, machinery and equipment furnished by Lessee within the leased premises. Lessee shall be responsible to deposit normal office waste and rubbish at a location at the Central School as designated by Lessor.

5.2 Lessee shall be responsible to perform all repairs the need for which is caused by Lessee's use of the premises except that Lessor shall be responsible to perform major repairs of a structural nature. Lessor shall be responsible to arrange for removal of waste and rubbish from the location designated as the deposit location for lessees. All costs incurred by Lessor pursuant to the obligations of this Paragraph shall be included within "operating costs".

5.3 Lessor shall provide custodian services for the common areas of Central School. Costs incurred by Lessor in providing such custodian services shall be included within "operating costs".

#### **ARTICLE 6 - UTILITIES**

6.1 Lessor shall furnish such heat, water, sewer, electricity, elevator services, central air conditioning and garbage removal in and about the leased premises as shall be necessary, in Lessor's judgment, for comfortable occupancy of the leased premises, under normal business conditions. Lessor's obligation to provide electricity to the leased premises shall include only electricity for standard building lighting and office use. Any electricity supplied to the leased premises for extraordinary purposes, such as kitchen equipment, refrigeration equipment and air conditioning units, shall be paid by the Lessee upon Lessor's billing of same.

It is understood and agreed that Lessee shall be responsible to pay to Lessor, as additional rent, the cost of separately-metered-electricity supplied to the leased premises. Lessee shall also be responsible for the construction of insulation of a separate electrical meter when required.

6.2 Lessee shall conserve heat, water and electricity and shall not neglect or misuse water, fixtures, electrical lights, or other equipment or facilities furnished in conjunction with Lessor's provisions of utilities pursuant to this Article.

6.3 In the event energy use restrictions are established by Federal or State authorities or that an energy supply emergency is declared by Federal or State authorities, Lessor may reduce the quantity or quality of any utilities or other services to be provided under this Article as may be necessary to comply with directives and regulations promulgated by said authorities.

6.4 Lessor shall be responsible to provide light, heat and other utility services to the common areas of the Central School as, in Lessor's discretion, is appropriate. The cost of providing such heat, lighting and other utilities shall be included within "operating costs".

## **ARTICLE 7 - BUILDING USE, REGULATIONS, SECURITY**

7.1 Lessee shall use the leased premises only for the purpose of purposes generally described in Exhibit "B". Lessee shall keep the leased premises in a clean, orderly and safe condition and shall not permit any hazardous or dangerous activity thereon or any activity which will increase insurance risks or premiums on the leased premises. Lessee shall at all times comply with all statutes, ordinances, codes, and regulations of any governmental authority concerning the use and maintenance of the leased premises and the Central School. Lessee shall not overload the floors in the leased premises.

7.2 Lessee shall use the leased premises and the common areas of the Central School in accordance with such reasonable rules and regulations as may from time to time be promulgated by Lessor or the Central School Commission for the general safety, comfort and convenience of Lessor and Lessees of the Central School and their invitees and Lessee shall cause its clients, employees and invitees to abide by such rules and regulations. The Lessor will allow the Lessee to utilize up to 12 square feet of floor space in the common areas adjacent to the Lessee's business for display purposes only. Storage of equipment, recycling, or anything deemed not to be display items, is prohibited. The items placed in this space must not be affixed permanently to the floor or wall in any way. The usage of a table, shelf, or rack is acceptable. The Lessee will adhere to all fire and building access codes.

If the Lessee wishes to use more than 12 square feet of floor space, a written letter to the Lessor with the Lessee's intent is required. The Lessee cannot proceed with their plans until the Lessor has granted the request in writing.

The Lessee is required to supply the Lessor with documentation from the Lessee's insurance company that the Lessee's property is covered while in the common areas of Central School.

7.3 Lessee shall keep the leased premises open to the public during such days and hours of operation of the Central School as may from time to time be determined by Lessor.

7.4 Lessee shall be responsible for securing the leased premises by locking doors and windows providing direct access to the leased premises. Lessor covenants that other Lessees within the Central School will have similar responsibilities to those required of Lessee under this Paragraph.

7.5 Lessee shall pay to Lessor on demand for any damage done to the Central School or the leased premises, including broke glass, caused by Lessee, Lessee's agents or employees, or Lessee's invitees.

7.6 Lessee shall not conduct or permit to be conducted on the leased premises any business or permit any act which is contrary to or in violation of the laws, ordinances or regulations of any governmental unit, federal, state or local.

#### **ARTICLE 8 - COMMON AREAS, EXTERNAL GROUNDS**

8.1 Lessee's use of the common areas and external grounds of Central School shall be in compliance with rules and regulations which may be promulgated from time by Lessor.

8.2 Lessee shall place nothing in the common areas of the Central School, including displays, advertising, merchandise, or other items of any sort whatsoever, without the advance written approval of the Central School Commission.

8.3 Lessee shall place no signs which will be visible outside the leased premises, including no signs which may be visible through a window and no signs which may be visible within the common areas of the Central School or from the external grounds of the Central School or beyond, without the advance written approval of Lessor. Lessor shall provide signs, of a number, style and quality as deemed appropriate in Lessor's exclusive judgment, to be placed on the external grounds of the Central School, which signs will identify the lessees within Central School. Cost incurred by Lessor in providing said signs shall be included within "operating costs". Signs within the interior common areas of Central School shall be approved in advance by Lessor and, if provided by Lessor, the expense thereof shall be included within "operating costs".

#### **ARTICLE 9 - INSURANCE**

9.1 Lessor shall maintain general liability, fire and extended coverage insurance on the Central School, including common areas and exterior grounds, and Lessor's fixtures and equipment and Lessor shall cause Lessee to be named as an additional insured. Lessee shall insure its own personal property on the premises as it sees fit. All personal property placed upon or in the leased premises or common areas or external grounds shall be at the risk of Lessee or the owner of the personal property and Lessor shall not be liable to Lessee or any other party for any damage or destruction of said personal property arising from any cause whatsoever. Lessee shall maintain at its own cost and expenses general liability insurance required herein. All insurance coverage is subject to approval of the City and shall be maintained by Lessee at all times this Agreement is in effect. Lessee further agrees that to protect themselves as well as the City of Grand Rapids under the indemnity Contract set forth above, the Lessee shall at all times during the term of the Agreement have and keep in force insurance protection as specified by Minn. Stat. Cpt. 466.04, subd. 1 as may be modified from time to time by the State Legislature and Lessee shall name Lessor as an additional insured on said policy. Throughout the term of this Lease Agreement, Lessee shall provide Lessor with evidence that Lessee has obtained the insurance required by this Article and that Lessor is an additional insured under said policies of insurance. All costs incurred by Lessor in maintaining insurance coverage pursuant to this Article shall be included within "operating costs".

9.2 Notwithstanding anything in this Lease Agreement to the contrary, Lessor shall not be liable to Lessee and Lessee shall not be liable to Lessor for any damage to or destruction of the Central School Building by fire or other perils or for any claim or cause of action arising out of any death, injury or damage to property in, on or about the leased premises or the common areas or exterior grounds of Central School. Lessor and Lessee shall furnish to each other appropriate written consents from their respective insurers to this waiver of liability provision.

#### **ARTICLE 10 - LESSOR ACCESS**

10.1 Lessor, its agents and employees shall have the right to enter the leased premises upon reasonable advance notice for the purpose of inspection, cleaning, repairing, altering or improving the premises, or to exhibit the premises to prospective tenants. Lessor's reserved rights hereunder shall include, without limitation, free, unhampered and unobstructed access to the airways, equipment ducts, stairways, access panels and all utilities and services to the Central School. There

shall be no diminution of rent and no liability on the part of Lessor by reason of any inconvenience, annoyance or injury to business caused by Lessor's reasonable exercise of rights reserved by Lessor in this Article.

#### **ARTICLE 11 - FIRE OR OTHER CASUALTY: CONDEMNATION**

11.1 If during the term of this Lease the leased premises shall be damaged or destroyed by fire or other casualties so that the premises shall thereby be rendered unfit for use or occupation, Lessor shall have the option to either (a) repair such damage with all reasonable diligence and restore the premises to substantially the condition immediately prior to such event, and until such premises have been duly repaired and restored the rent herein reserved, or a just and proportionate part thereof according to the nature and extent of the injury which has been sustained shall be abated, or (b) Lessor may terminate this lease and end the term hereof, and in case of such termination and cancellation the rent shall be paid to the date of such fire or other casualty and all other further obligations on the part of either party hereto shall cease. Lessor is required to notify Lessee of whether it will repair or terminate within thirty (30) days of the date of such damage or destruction. Provided, however, that in the event the premises are not so restored within one hundred eighty (180) days after the occurrence, Lessee may, at its option, terminate this lease.

11.2 Lessee shall be entitled in any full or partial taking by eminent domain to take that portion of the net award representing payment for Lessee's leasehold interest, trade fixtures, moving expenses or business interruption. All amounts paid pursuant to an agreement with a condemning authority in connection with any taking shall be deemed to constitute an award on account of such taking. Lessee agrees that this Lease shall control rights of Lessor and Lessee in any such award, and any contrary provision of any present or future law is hereby waived. If any taking shall result in Lessee being deprived of space in excess of 5 percent of the space then leased to Lessee, Lessee shall have the right on thirty (30) days advance written notice, to terminate the obligations hereunder effective as of such taking. If Lessee continues occupancy following a partial taking, rent will be adjusted on a pro-rata basis for the remainder of the lease term.

#### **ARTICLE 12 - QUIET POSSESSION**

12.1 Lessor hereby warrants and covenants that it has full authority to execute this Lease Agreement and further agrees that Lessee, upon paying rent and performing the covenants and conditions of this Lease Agreement, shall quietly have, hold and enjoy the leased premises during the term hereof.

**ARTICLE 13 - NOTICE**

13.1 Any notice, demand, request or other communication which may or shall be given or served by Lessor or Lessee pursuant to this Lease Agreement shall be deemed to have been given or served on the date the same is deposited in the United States mail, registered or certified, postage prepaid and addressed as follows:

To Lessee: Tom and Becky Markwardt  
Dustables, Inc.  
1419 Fraser Drive  
Grand Rapids, MN 55744

To: Lessor City Administrator  
City Hall  
420 N. Pokegama Avenue  
Grand Rapids, MN 55744

**ARTICLE 14 - ASSIGNMENT, SUBLETTING**

14.1 Lessee agrees that neither the leased premises nor any part thereof shall be sublet nor shall this Lease Agreement be assigned by Lessee without prior written consent of Lessor, which consent shall not be unreasonably withheld. If Lessor does give consent, such consent shall not release Lessee from its obligation hereunder, unless a release is specifically given by Lessor.

**ARTICLE 15 - NO PARTNERSHIP**

15.1 Nothing contained in this Lease Agreement shall be deemed or construed to create a partnership or joint venture of or between Lessor and Lessee or to create any other relationship between the parties hereto other than that of Lessor and Lessee.

**ARTICLE 16 - DEFAULT BY LESSEE**

16.1 Lessor and Lessee agree that this Lease Agreement is made upon the condition that if the Lessee shall neglect or fail to keep, observe and perform any of the covenants and agreements contained in this Lease Agreement which are to be kept, observed or performed by Lessee, so as to be in default, or if the leasehold interest of Lessee shall be taken by execution or other legal process of law, or if Lessee shall petition to be or be declared to be bankrupt or insolvent according to law, or if Lessee shall vacate said premises or abandon the same for a period of 45 days during the term of this Lease Agreement, then and in any of said cases the Lessor may, at its option, immediately or at any time thereafter without further notice or demand, enter into and upon the leased premises, or any part thereof, in the name of the whole, and take absolute possession of the same without such re-entry working a forfeiture of the rents to be paid and the covenants to be performed by Lessee for the full term of this Lease Agreement, and may, at Lessor's election, lease or sublet the leased premises, or any part thereof, on such terms and conditions and for such rents and for such time as the Lessor may elect, and after crediting the rent actually collected by Lessor from such reletting, collect the balance of rent owed pursuant to this Lease Agreement from Lessee, charging Lessee such reasonable expenses as the Lessor may expand in putting the premises in tenable condition and collecting said rentals from Lessee, including reasonable attorney's fees.

Alternatively, Lessor may at its election and upon written notice to Lessee declare this Lease Agreement forfeited and void under the condition set forth above, and Lessor may re-enter and take full and absolute possession of said premises as the owner thereof, free from any right or claim of Lessee or any person or persons claiming through or under Lessee, and such election and re-entry shall be and constitute an absolute bar to any right to enter by Lessee. The commencement by Lessor of any action to recover possession of the leased premises or any part thereof shall not be deemed an election by Lessor to treat this Lease Agreement as void and terminated, without the written notice above specified.

In the event of termination or re-entry by Lessor for default by Lessee, Lessor shall make every reasonable effort to re-rent, lease or sublet the premises. Lessor, at its option, may make such alterations, repairs, replacements and/or decorations to the leased premises as Lessor, in its sole judgment, considers advisable and necessary for the purpose of reletting the premises; and the making of such alterations, repairs, replacements and/or decorations shall not operate to be construed to release Lessee for liability hereunder as aforesaid.



**ARTICLE 17 - DEFAULT BY LESSOR, LESSEE**

17.1 Lessor shall not be deemed to be in default under this Lease Agreement until Lessee shall have given Lessor written notice specifying the nature of the default and Lessor shall have not cured such default within ten (10) days after receipt of such notice, or within such reasonable time thereafter as may be necessary to cure such default where such default is of a character as to reasonably require more than ten (10) days to cure.

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18.2 No amendment or modification of this Lease Agreement shall be valid or binding unless expressed in writing and executed by duly authorized representatives of the parties hereto in the same manner as the execution of this Lease Agreement. The City Council shall consider the recommendation of the Central School Commission in determining whether to approve any amendment or modification of this Lease Agreement.

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20.1 Lessor has established public parking facilities on the grounds of Central School. Lessee warrants that it will enforce regulations providing that its employees will not park their private vehicles in said public parking area during time when said employees are working at the leased premises (except on a short-term basis for emergencies or for deliveries).

**DISCRIMINATION PROHIBITED:** The Landlord shall not discriminate based upon race, color, creed, religion, national origin, sex, marital status, age, handicap, or disability, familial status or recipients of public assistance; and shall comply with all nondiscrimination requirements of Federal, State and local law.

**IN WITNESS WHEREOF**, the parties have hereunto set their hands on the date first written above.

LESSOR:

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
City Clerk

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

LESSEE:

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

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

Its \_\_\_\_\_

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

## Exhibit A – Location in the Building

Dustables, Inc. is located on the First Floor in the Southeast Corner Room (Suite 101) consisting of a total of 867 sq. ft.

## Exhibit B – Use of Space

Dustables is a retail shop which sells arts, crafts and gift items.

Exhibit C – Improvements

None



CITY OF  
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# CITY OF GRAND RAPIDS

## Legislation Details (With Text)

**File #:** 13-0813      **Version:** 1      **Name:**

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

**File created:** 12/12/2013      **In control:** City Council

**On agenda:** 12/16/2013      **Final action:**

**Title:** Accepting terminations of lease between the City and Richard & Shaundell Wascher doing business as The Old School Pastry Company Inc.

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:**

Date	Ver.	Action By	Action	Result
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Accepting terminations of lease between the City and Richard & Shaundell Wascher doing business as The Old School Pastry Company Inc.

**Background Information:**

[Enter Background Information Here]

**Staff Recommendation:**

[Enter Recommendation Here]

**Requested City Council Action**

[Enter Action by Here]



# CITY OF GRAND RAPIDS

## Legislation Details (With Text)

**File #:** 13-0816      **Version:** 1      **Name:** MnDOT Grant Agreement for Improvement and Land Acquisition (\$563,200)  
**Type:** Agenda Item      **Status:** Consent Agenda  
**File created:** 12/12/2013      **In control:** City Council  
**On agenda:** 12/16/2013      **Final action:**  
**Title:** Consider adopting the Resolution to Execute the MNDOT Grant Agreement for Airport Improvement and Land Acquisition and authorizing the Mayor and City Attorney to sign the Grant Agreement in the amount of \$563,200.  
**Sponsors:**  
**Indexes:**  
**Code sections:**  
**Attachments:** [12-16-13 MnDOT Grant Resolution](#)  
[12-16-13 MnDOT Grant Agreement](#)

Date	Ver.	Action By	Action	Result
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Consider adopting the Resolution to Execute the MNDOT Grant Agreement for Airport Improvement and Land Acquisition and authorizing the Mayor and City Attorney to sign the Grant Agreement in the amount of \$563,200.

### **Background Information:**

The City and County recently completed Apron Reconstruction, Obstruction Removal, and Land Acquisition projects at the Grand Rapids - Itasca County Airport. The Apron Reconstruction project qualified for 73.3% federal funding, 9.28% state funding, and 17.42% local funding. The Obstruction Removal and Land Acquisition projects qualified for 90% federal funding and 10% local funding. The total cost for both projects was estimated at \$563,200. Council approved the FAA federal grant agreement in September 2013. The State Grant Agreement is attached and requires that both the County Board and the City approve and execute the grant funding agreement.

### **Staff Recommendation:**

City Staff recommends adopting the Resolution to Execute the MNDOT Grant Agreement for Airport Improvement and Land Acquisition and authorizing the Mayor and City Attorney to sign the Grant Agreement in the amount of \$563,200.

### **Requested City Council Action**

Consider adopting the Resolution to Execute the MNDOT Grant Agreement for Airport Improvement and Land Acquisition and authorizing the Mayor and City Attorney to sign the Grant Agreement in the amount of \$563,200.

**RESOLUTION**

**AUTHORIZATION TO EXECUTE  
MINNESOTA DEPARTMENT OF TRANSPORTATION  
GRANT AGREEMENT FOR AIRPORT IMPROVEMENT AND LAND ACQUISITION**

It is resolved by the City of Grand Rapids and County of Itasca as follows:

1. That the state of Minnesota Agreement No. 05174,  
"Grant Agreement for Airport Improvement and Land Acquisition," for  
State Project No. A3101-91 at the Grand Rapids-Itasca County Airport is  
accepted.

2. That the \_\_\_\_\_ and \_\_\_\_\_ are  
(Title) (Title)  
authorized to execute this Agreement and any amendments on behalf of the  
Grand Rapids - Itasca County Airport.

**CERTIFICATION**

STATE OF MINNESOTA  
COUNTY OF \_\_\_\_\_

I certify that the above Resolution is a true and correct copy of the Resolution adopted by the

\_\_\_\_\_  
(Name of the Recipient)

at an authorized meeting held on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_  
as shown by the minutes of the meeting in my possession.

Signature: \_\_\_\_\_  
(Clerk or Equivalent)

CORPORATE SEAL

/OR/

\_\_\_\_\_  
NOTARY PUBLIC

My Commission Expires: \_\_\_\_\_



**GRANT AGREEMENT FOR AIRPORT IMPROVEMENT AND LAND ACQUISITION**

This Agreement is by and between the State of Minnesota acting through its Commissioner of Transportation (“State”), and the **City of Grand Rapids and County of Itasca** (“Recipient”).

**WHEREAS**, the Recipient desires the financial assistance of the State for an airport improvement project (“Project”) as described in Article 2 below; and

**WHEREAS**, the State is authorized by Minnesota Statutes Sections 360.015 (subdivisions 13 & 14) and 360.305 to provide financial assistance to eligible airport sponsors for the acquisition, construction, improvement, or maintenance of airports and other air navigation facilities; and

**WHEREAS**, the Recipient has provided the State with the plans, specifications, and a detailed description of the airport improvement Project; and

**WHEREAS**, the Recipient desires to acquire land and/or easements described in Exhibit A attached hereto (“Property”) for airport development.

NOW, THEREFORE, it is agreed as follows:

1. This Agreement is effective upon execution by the Recipient and the State, and will remain in effect until **10/30/17**.
2. The following table provides a description of the Project and shows a cost participation breakdown for each item of work:

<u>Item Description</u>	<u>Federal Share</u>	<u>State Share</u>	<u>Local Share</u>
Apron Reconstruction	73.30%	9.28%	17.42%
Obstruction Removal and Land Acquisition	90%	0%	10%

3. The Project costs will not exceed **\$563,200.00**. The proportionate shares of the Project costs are: Federal: Committed: **\$444,635.00**, Multi-Year Amount: **\$0**; State: **\$34,580.26**, and Recipient: **\$83,984.74**. This project is not estimated to be completed this fiscal year and the federal multiyear amount is an estimate only. These additional funds are not committed by the state and are only available after being made so by the U.S. government. Federal funds for the Project will be received and disbursed by the State. In the event federal reimbursement becomes available or is increased for this Project, the State will be entitled to recover from such federal funds an amount not to exceed the state funds advanced for this Project. No funds are committed under this Agreement until they are encumbered by the State. No more than 95% of the amount due under this Agreement will be paid by the State until the State determines that the Recipient has complied with all terms of this Agreement, and furnished all necessary records.
4. The Recipient will designate a registered engineer (the “Project Engineer”) to oversee the Project work. If, with the State’s approval, the Recipient elects not to have such services performed by a registered engineer, then the Recipient will designate another responsible person to oversee such work, and any references herein to the “Project Engineer” will apply to such responsible person.
5. The Recipient will complete the Project in accordance with the plans, specifications, and detailed description of the Project, which are on file with the State’s Office of Aeronautics and are incorporated into this Agreement by reference. Any changes in the plans or specifications of the Project after the date of this Agreement will be valid only if made by written change order signed by the Recipient, the Project Engineer, and the contractor. Change orders must be submitted to the State. Subject to the availability of funds the State may prepare an amendment to this Agreement to reimburse the Recipient for the allowable costs of qualifying change orders.
6. The Recipient will make payments to its contractor on a work-progress basis. The Recipient will submit requests for reimbursement of certified costs to the State on state-approved forms. The State will reimburse the Recipient for the state and federal shares of the approved Project costs.
  - a. At regular intervals, the Recipient or the Project Engineer will prepare a partial estimate in accordance with the terms of the contract, special provisions, and standard specifications for the Project(s). Partial estimates must be completed no later than one month after the work covered by the estimate is completed. The Project Engineer and the contractor must

certify that each partial estimate is true and correct, and that the costs have not been included on a previous estimate.

- b. Following certification of the partial estimate, the Recipient will make partial payments to the contractor in accordance with the terms of the contract, special provisions, and standard specifications for the Project(s).
  - c. Following certification of the partial estimate, the Recipient may request reimbursement from the State for costs eligible for federal and state participation. A copy of the partial estimate must be included with the Recipient's request for payment. Reimbursement requests and partial estimates should not be submitted if they cover a period in which there was no progress on the Project.
  - d. Upon completion of the Project(s), the Recipient will prepare a final estimate in accordance with the terms of the contract, special provisions, and standard specifications for the Project(s). The final estimate must be certified by the Recipient, Project Engineer and the contractor.
  - e. Following certification of the final estimate, the Recipient will make final payment to the contractor in accordance with the terms of the contract, special provisions, and standard specifications for the Project(s).
  - f. Following certification of the final estimate, the Recipient may request reimbursement from the State for costs eligible for federal and state participation. A request for final payment must be submitted to the State along with those project records required by the State.
7. For a Project which involves the purchase of equipment, the Recipient will be reimbursed by the State in one lump sum after the Recipient: (1) has acquired both possession and unencumbered title to the equipment; and (2) has presented proof of payment to the State, and (3) a certificate that the equipment is not defective and is in good working order. The Recipient will keep such equipment, properly stored, in good repair, and will not use the equipment for any purpose other than airport operations.
  8. If the Project involves force-account work or project donations, the Recipient must obtain the written approval of the State and Federal Aviation Administration (FAA). Force-account work performed or project donations received without written approval by the State will not be reimbursed under this Agreement. Force-account work must be done in accordance with the schedule of prices and terms established by the Recipient and approved by the State.
  9. Pursuant to Minnesota Statutes Section 360.305, subdivision 4 (g) (1), the Recipient will operate its airport as a licensed, municipally-owned public airport at all times of the year for a period of 20 years from the date the Recipient receives final reimbursement under this Agreement. The Airport must be maintained in a safe, serviceable manner for public aeronautical purposes only. The Recipient will not transfer, convey, encumber, assign, or abandon its interest in the airport or in any real or personal property, which is purchased or improved with State aid funds without prior written approval from the State. If the State approves such transfer or change in use, the Recipient must comply with such conditions and restrictions as the State may place on such approval. The obligations imposed by this clause survive the expiration or termination of this Agreement.
  10. This Agreement may be terminated by the Recipient or State at any time, with or without cause, upon ninety (90) days written notice to the other party. Such termination will not remove any unfulfilled financial obligations of the Recipient as set forth in this Agreement. In the event of such a termination, the Recipient will be entitled to reimbursement for eligible expenses incurred for work satisfactorily performed on the Project up to the date of termination. The State may immediately terminate this Agreement if it does not receive sufficient funding from the Minnesota Legislature or other funding source, or such funding is not provided at a level sufficient to allow for the continuation of the work covered by this Agreement. In the event of such termination, the Recipient will be reimbursed for work satisfactorily performed up to the effective date of such termination to the extent that funds are available. In the event of any complete or partial state government shutdown due to a failure to have a budget approved at the required time, the State may suspend this Agreement, upon notice to the Recipient, until such government shutdown ends, and the Recipient assumes the risk of non-payment for work performed during such shutdown.
  11. Pursuant to Minnesota Rules 8800.2500, the Recipient certifies that (1) it presently has available sufficient unencumbered funds to pay its share of the Project; (2) the Project will be completed without undue delay; and (3) the Recipient has the legal authority to engage in the Project as proposed.
  12. Pursuant to Minnesota Statutes Section 16C.05, subdivision 5, the Recipient will maintain such records and provide such information, at the request of the State, so as to permit the Department of Transportation, the Legislative Auditor, or the State Auditor to examine those books, records, and accounting procedures and practices of the Recipient relevant to this

Agreement for a minimum of six years after the expiration of this Agreement.

13. The Recipient will save, defend, and hold the State harmless from any claims, liabilities, or damages including, but not limited to, its costs and attorneys' fees arising out of the Project which is the subject of this Agreement.
14. The Recipient will not utilize any state or federal financial assistance received pursuant to this Agreement to compensate, either directly or indirectly, any contractor, corporation, partnership, or business, however organized, which is disqualified or debarred from entering into or receiving a State contract. This restriction applies regardless of whether the disqualified or debarred party acts in the capacity of a general contractor, a subcontractor, or as an equipment or material supplier. This restriction does not prevent the Recipient from utilizing these funds to pay any party who might be disqualified or debarred after the Recipient's contract award on this Project.
15. All contracts for materials, supplies, or construction performed under this Agreement will comply with the equal employment opportunity requirements of Minnesota Statutes Section 181.59.
16. The amount of this Agreement is limited to the dollar amounts as defined in Article 3 above. Any cost incurred above the amount obligated by the State is done without any guarantee that these costs will be reimbursed in any way. A change to this Agreement will be effective only if it is reduced to writing and is executed by the same parties who executed this Agreement, or their successors in office.
17. The State will reimburse the Recipient for the state and federal share of the approved acquisition and relocation costs after the Recipient provides the following documentation to the State:
  - a. A survey, satisfactory to the State, performed by a registered land surveyor and which shows the location of the Property.
  - b. A written appraisal report and review appraisal showing the fair market value of the Property. The report must (1) be satisfactory to the State, and (2) conform to the Uniform Relocation Assistance requirements of Minnesota Statutes Section 117.52, and (3) be prepared by a licensed real estate appraiser approved by the State. For parcels less than \$10,000 in value the Recipient may prepare a waiver valuation.
  - c. Copies of recorded conveyance instruments for all property interests acquired. These instruments must be satisfactory to the State.
  - d. Proof of payment, satisfactory to the State, showing the Recipient's amount and date of payment, name of payee, and purpose of payment. If an administrative settlement is made, written justification supporting such a settlement must be submitted.
  - e. The Recipient's attorney's written opinion or proof of title insurance, satisfactory to the State, showing that the Recipient has valid fee simple absolute title to, or valid easement over, the Property acquired. In the case of an easement, the opinion must also show the fee simple ownership and the Recipient's valid easement. The easement must be superior to interests held by others, and their interests must be shown in the title opinion.
  - f. Satisfactory evidence or certification by the appropriate municipal official that the Recipient has complied with Minnesota Statutes Section 117.52 in any property acquisition under this Agreement.
18. The acquisition costs include an estimated amount to purchase the necessary Property based on appraised values. In the event that the Recipient chooses to acquire the Property by administrative settlement or eminent domain and the total cost of acquisition is more than the estimated amount, the State and the Recipient may enter into an amendment of this Agreement to provide for such additional costs that are incurred in such eminent domain proceedings, but the State has no obligation to do so.
19. The State will evaluate the reasonableness of the acquisition costs in relation to the size and adequacy of the property and the type of property interests acquired. The State reserves the right to limit payment of acquisition costs to those costs determined by the State, in its sole discretion, to be reasonable.
20. Pursuant to Minnesota Statutes Section 360.305, subdivision 4 (g) (2), land purchased under this Agreement will be used for airport purposes for a period of 99 years from the date the Recipient receives final reimbursement under this Agreement. The obligations imposed by this clause survive the expiration or termination of this Agreement. If the Property is no longer used for airport purposes, the Recipient will reimburse the State an amount equal to the State's proportionate share of the appraised fair market value of the Property as of the time of such change in use. The State's proportionate share will be equal to the percentage at which the state participated in the original purchase of the property.

21. For projects that include consultant services, the Recipient and its consultant will conduct the services in accordance with the work plan indicated in the Recipient's contract for consultant services, which shall be on file with the State's Office of Aeronautics. The work plan is incorporated into this Agreement by reference. The Recipient will confer on a regular basis with the State to coordinate the design and development of the services.
22. The parties must comply with the Minnesota Government Data Practices Act, as it relates to all data provided to or by a party pursuant to this Agreement.
23. Minnesota law, without regard to its choice-of-law provisions, governs this Agreement. Venue for all legal proceedings arising out of this Agreement, or its breach, must be in the appropriate state or federal court with competent jurisdiction in Ramsey County, Minnesota.
24. For projects including federal funding, the Recipient must comply with applicable regulations, including, but not limited to, Title 14 Code of Federal Regulations, subchapter I, part 151; and Minnesota Rules Chapter 8800. The Catalog of Federal Domestic Assistance (CFDA) number for the federal Airport Improvement Program is 20.106.
25. For all projects, the Recipient must comply, and require its contractors and consultants to comply, with all federal and state laws, rules, and regulations applicable to the work. The Recipient must advertise, let, and award any contracts for the project in accordance with applicable laws. The State may withhold payment for services performed in violation of applicable laws.
26. Under this Agreement, the State is only responsible for receiving and disbursing federal and state funds. Nothing in this Agreement will be construed to make the State a principal, co-principal, partner, or joint venturer with respect to the Project(s) covered herein. The State may provide technical advice and assistance as requested by the Recipient, however, the Recipient will remain responsible for providing direction to its contractors and consultants and for administering its contracts with such entities. The Recipient's consultants and contractors are not intended to be third party beneficiaries of this Agreement.

**State Encumbrance Verification**

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

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

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

SWIFT Purchase Order: \_\_\_\_\_

**Recipient**

Recipient certifies that the appropriate person(s) have executed the Agreement on behalf of the Recipient as required by applicable resolutions, charter provisions or ordinances.

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

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

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

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

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

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

**Commissioner, Minnesota Department of Transportation**

By: \_\_\_\_\_  
Director, Office of Aeronautics

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

**Mn/DOT Contract Management**

as to form & execution

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

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



CITY OF  
GRAND RAPIDS  
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# CITY OF GRAND RAPIDS

## Legislation Details (With Text)

**File #:** 13-0817      **Version:** 1      **Name:** Airport Land Leases  
**Type:** Agenda Item      **Status:** Consent Agenda  
**File created:** 12/12/2013      **In control:** City Council  
**On agenda:** 12/16/2013      **Final action:**  
**Title:** Land Lease Agreements at the Grand Rapids/Itasca County Airport  
**Sponsors:**  
**Indexes:**  
**Code sections:**  
**Attachments:** [12-16-13 Airport Leases.pdf](#)

Date	Ver.	Action By	Action	Result
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Land Lease Agreements at the Grand Rapids/Itasca County Airport

**Background Information:**

The City has been working with private hangar owners on new land leases for at least five years. Staff have reached agreement with the hangar owners on language within the attached lease agreements. From a city perspective the lease agreements rates increase by \$0.005/square foot per year which is great and the hangar owners have the flexibility of transferring ownership and extending the leases into the future.

**Staff Recommendation:**

City staff is recommending the approval of the attached leases and requesting administrative authority to execute any remaining leases as long as the terms and conditions do not change.

**Requested City Council Action**

Consider the approval of the attached leases and requesting administrative authority to execute any remaining leases as long as the terms and conditions do not change.



CITY OF  
**GRAND RAPIDS**  
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RECEIVED

OCT 31 2013

CITY OF GRAND RAPIDS

ADMINISTRATION DEPARTMENT

120 NORTH PORTGAMA AVENUE, GRAND RAPIDS, MINNESOTA 55744-2602

MEMORANDUM

Date: October 31, 2013

To: Airport Land Lessee

From: Tom Pagel, City Administrator

Re: Revised Land Leases

Enclosed are two original land lease agreements for your consideration at the Grand Rapids/Itasca County Airport.

The enclosed agreements have been revised after meetings and input from some of the existing land lease hangar owners.

If the agreements are acceptable to you, please execute both originals and return them to the City. The City will then execute the agreements and return one fully executed agreement for your records.

Your involvement in the airport is greatly appreciated.

Executed Originals

## AIRPORT LAND LEASE AGREEMENT

THIS AGREEMENT, made and entered into this 5 day of DEC, 2013, by and between the GRAND RAPIDS-ITASCA COUNTY AIRPORT, owned by the City of Grand Rapids, a municipal corporation, and Itasca County, Minnesota, hereinafter referred to as LESSOR, Rusty Eichorn of 31708 Laplant Road, Grand Rapids, MN 55744 hereinafter referred to as LESSEE:

For good and valuable consideration, the LESSOR hereby leases unto said LESSEE the real estate described on Exhibit A (which includes square footage and rental calculations for this lease), subject to the following terms, conditions, covenants and agreements:

- 1) RENT. Lessee shall pay Lessor rent at the rate of \$0.29 per square foot per year, which equates to a total rent as described on the attached Exhibit A. Said rent shall increase at the rate of one-half cent (or \$.005) per square foot per year for the term of the lease, with the first increase to take effect on January 1st of 2015, and then on January 1st of every year thereafter.
- 2) TERM. Lessor shall lease the subject property to Lessee for a period of twenty (20) years beginning January 1, 2014 and ending on December 31, 2033.
- 3) RENEWAL OPTION. This lease will be automatically renewed and extended in twenty (20) year increments, at the same terms and conditions in effect at that time which are consistent with terms and conditions of similar leases at other airports of similar structure, upon the election of the Lessee. The parties agree that on any renewals there will be no changes that would restrict the Lessee's rights as set forth in Paragraph 4 of the Lease Agreement.
- 4) TERMINATION. Lessor may terminate this lease (or any extensions hereto) upon written notice to Lessee, delivered at least five (5) years prior to the expiration of the lease term and annually thereafter. These notices shall either be hand-delivered or by registered mail with return receipt requested. Both parties shall continue to perform their obligations under this Lease Agreement until the leased premises has been vacated. Upon termination, unless the Lessee elects otherwise, Lessor shall pay Lessee for the value of the improvements that remain at that time to be determined either by agreement or by an independent certified appraiser to whom the parties mutually agree. If the parties fail to agree on the appraiser, either or both parties will use a mediator to select an appraiser who shall then determine the value. At Lessee's option, the improvements may be removed and the land restored to its original condition prior to termination of the lease. If this option is exercised and the Lessee fails to remove the property and restore the premises by the termination date, the Lessor may remove the improvements and restore the premises to its original condition and collect any costs incurred with the same. The parties further agree that the indemnification provisions referred to in Paragraph 9 of this Lease Agreement shall survive termination.



- 5) **NON-PAYMENT OF RENT, DEFAULT.** If any one or more of the following occurs: (1) a rent payment or any other payment due from Lessee to Lessor shall be and remain unpaid in whole or in part for more than thirty (30) days after same is due; (2) Lessee shall violate or default on any of the other covenants or agreements herein; or (3) if Lessee shall cease existence, liquidate, dissolve or commence proceedings under a bankruptcy, receivership, insolvency or similar type of action, and which results in default of this lease, then it shall be the option of the Lessor to declare this Lease Agreement forfeited and the said term ended, and to re-enter the Leased Premises, with or without process of law, using such force as may be necessary to remove all persons or chattels therefrom, and Lessor shall not be liable for damages by reason of such re-entry or forfeiture; but notwithstanding re-entry by Lessor or forfeiture or termination of this Lease Agreement, the liability of Lessee for the rent and all other sums provided for herein shall not be relinquished or extinguished for the balance of the term of this Lease Agreement. Lessee shall be responsible for, in addition to the rentals and other sums agreed to be paid hereunder, any and all costs paid by Lessor required to enforce its rights under this Lease Agreement, including but not limited to reasonable attorney fees actually incurred by Lessor in any suit or action instituted by Lessor to enforce the provisions of this Lease Agreement, or the collection of the rentals due Lessor hereunder. Lessee shall also be liable to Lessor for the payment of interest at the highest permissible rate of interest allowed under the usury statutes of the State of Minnesota, or in case no such maximum rate of interest is provided, at the rate of 12% per annum, on all rentals and other sums due Lessor hereunder not paid within thirty (30) days from the date same becomes due and payable. Lessor shall be allowed to lease the hangar on the leased premises to any other party at such terms that allow Lessor to recover any costs and expenses herein.
- 6) **LEASE TRANSFER.** Lessee retains the right to transfer their interest in the property to a new owner subject to Lessor's right of first refusal. Lessee shall provide a written notice to Lessor by certified mail with return receipt requested or by personal service setting forth the price and terms. Lessor, within thirty (30) days receipt of the price and terms, shall agree to enter into a binding agreement with a closing date within forty-five (45) days. Failure to comply with the time requirements shall allow Lessee to transfer to a third party, but not at more favorable terms and conditions as offered to the Lessor. Any transfer by operation of law including through succession of interest upon death shall be authorized and not subject to right of first refusal.
- 7) **PERMITTED USE.** Lessee shall have the right to erect or maintain a hangar for privately owned aircraft. If a hangar is not already situated on the premises at the time this lease is created, the Lessee shall complete construction of such hangar according to plans and specifications as approved in writing by Lessor and according to building permits as authorized by the City of Grand Rapids. Upon issuance of a building permit, if said construction is not completed within the first three (3) years of this lease, this lease shall expire and Lessee shall be responsible for all costs incurred by Lessor to restore the premises to its original condition. Lessor reserves the right to demand good and sufficient bond against liens for any construction or remodeling of structures on the leased premises.

8) RESTRICTIVE COVENANTS. Lessee shall comply with all the following covenants:

8.1) The hangar placed on the leased premises shall be kept in a neat and orderly condition and shall be painted or repainted at such time or times and of such color or colors; all as may reasonably be directed by Lessor, Mn/DOT Office of Aeronautics, any agency of the United States Government, or any other agency having jurisdiction over the airport facility. No additions, modifications or alterations shall be made to the hangar without written consent of Lessor.

8.2) No signs or advertising matter of any kind shall be painted, posted or displayed upon any hangar or the leased premises without written consent of Lessor.

8.3) No excavation shall be made upon the leased premises and no fences or sidewalks shall be constructed thereon without the written consent of Lessor.

8.4) The parties agree that any structure placed on the premises does not become a part of the real property. Removal is subject to Paragraph 4 of this Lease Agreement.

8.5) No buildings or structures placed upon the leased premises shall become a part of the realty, except as hereinafter provided.

8.6) Explosives, gasoline, oil, and other highly flammable material of any kind kept on the leased premises shall be kept in such a manner as the Lessor shall from time to time determine. Storage of such material shall be kept in such manner as to comply with requirements of NFPA and all applicable rules, regulations, ordinances and fire codes. Lessee shall be responsible for the clean-up of all hazardous materials and spills and shall be responsible for the remediation of any hazardous/contaminated soils on the leased premises.

8.7) Lessee agrees that, except in the case of students, only duly-licensed pilots will operate aircraft on any runway or the leased premises and that the operation will be subject to the laws of the United States, the State of Minnesota, the County of Itasca, and the City of Grand Rapids.

8.8) Other than commercial endeavors approved and itemized in the attached Exhibit B, or subsequent approval by the Lessor, the Lessee shall not engage in any commercial aviation endeavors on the leased premises. This prohibition includes but is not limited to performing work on airplanes not owned by the Lessee. Furthermore, Lessee agrees that the leased premises shall be used for aviation purposes only. This strictly prohibits commercial and non-commercial use that is not aviation-related.

8.9) Lessee shall pay all utilities, water, lights and any other service used on the leased premises during the term of this lease or any renewal thereof.

- 9) **INDEMNIFICATION.** Lessee hereby agrees to indemnify and hold harmless Lessor and the leased property from any fine, lien, penalty or forfeiture which shall or may accrue from or by reason of the erection of any buildings or structure on said premises, or by reason of any use of said premises on the airport by the Lessee; and Lessee further agrees to indemnify and hold harmless the Lessor from all liability or claim of liability, and to pay any judgment rendered against Lessor and to reimburse Lessor for any expense incurred by it by reason of any action or suit of law or equity brought against it, in which it is made a party, by reason of the erection of any such building or structure or by reason of the occupancy or use by Lessee of the leased premises or in any way relating to or connected with the use of the leased premises. For the purpose of this paragraph the term "expense" shall be construed to include all costs incurred by Lessor in the defense or settlement of said actions or suits including attorney fees, filing fees, salaries and expenses of any officials or employees of Lessor while engaged in the defense or settlement of said action or suit.
- 10) **TAXES AND ASSESSMENTS.** Lessee shall pay all property taxes, assessments, license fees or other charges that may be levied or assessed during the term of this agreement upon or against any improvements or equipment on the leased premises. If the Lessee shall fail or neglect to pay any of said property taxes, assessments, fees or other charges when due, Lessor may pay the same together with any cost or penalty which may have accrued hereon, and collect the entire amount due to Lessor upon demand, and in default thereof, Lessor shall have a first lien on improvements owned by Lessee for the amounts so paid.
- 11) **INSURANCE.** Lessee shall carry liability insurance on the leased premises in the same amount as the maximum liability to which the Lessor is exposed pursuant to Minnesota Statutes Section 466.04 and subsequent amendments thereto.
- 12) **AMENDMENT.** If this lease should fail to comply in any respect with the ordinances, regulations or laws of the United States, the State of Minnesota, the County of Itasca, or the City of Grand Rapids, then this lease shall be amended to comply with the requirements of said ordinances, laws and regulations. If said amendment would result in a material deviation from the general terms and conditions of this lease, then Lessor or Lessee has the right to renegotiate or terminate this lease.
- 13) **NON-DISCRIMINATION.** Lessee does hereby covenant and agree that with respect to all matter relating to use of the leased premises, no persons on the grounds of race, color, or natural origin shall be excluded from participation and denied the benefits or otherwise be subject to discriminations; and Lessee shall use the premises in compliance with all other requirements imposed by or pursuant to any laws or regulations imposed by the United States Government or the State of Minnesota.

LESSOR:

GRAND RAPIDS-ITASCA COUNTY  
AIRPORT:BY THE GRAND RAPIDS CITY COUNCIL  
THROUGH DESIGNATION OF THE PARTIES JOINT  
POWERS AGREEMENT

By:

\_\_\_\_\_  
Dale Adams  
Grand Rapids City Mayor

ATTEST:

\_\_\_\_\_  
Tom Pagel  
Grand Rapids City Administrator

LESSEE

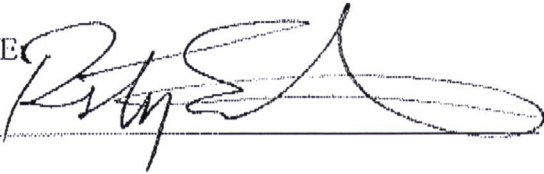
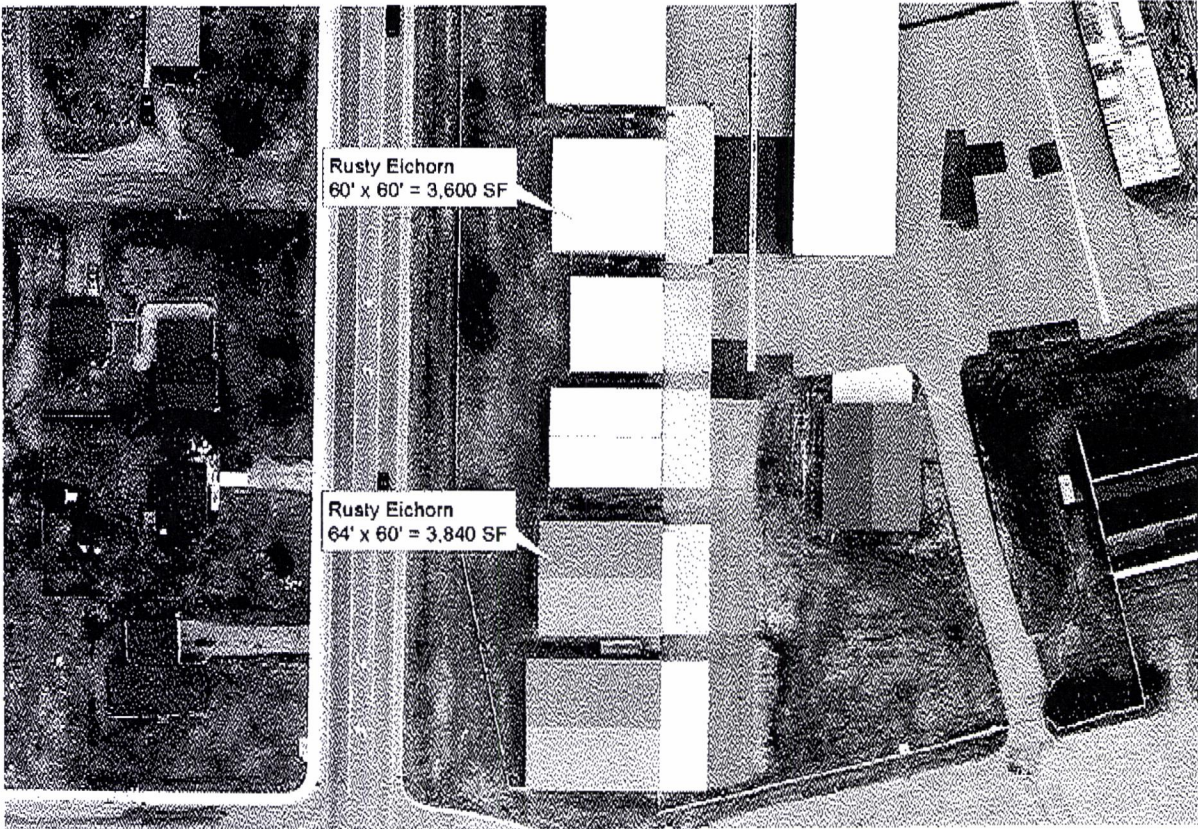
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EXHIBIT A  
LEASE LEGAL DESCRIPTION



## AIRPORT LAND LEASE AGREEMENT

THIS AGREEMENT, made and entered into this 25<sup>th</sup> day of NOVEMBER, 2013, by and between the GRAND RAPIDS-ITASCA COUNTY AIRPORT, owned by the City of Grand Rapids, a municipal corporation, and Itasca County, Minnesota, hereinafter referred to as LESSOR, and Northern Air Transport, Inc of 841 Forest Avenue, Mora, MN 55051 hereinafter referred to as LESSEE:

For good and valuable consideration, the LESSOR hereby leases unto said LESSEE the real estate described on Exhibit A (which includes square footage and rental calculations for this lease), subject to the following terms, conditions, covenants and agreements:

- 1) RENT. Lessee shall pay Lessor rent at the rate of \$0.29 per square foot per year, which equates to a total rent as described on the attached Exhibit A. Said rent shall increase at the rate of one-half cent (or \$.005) per square foot per year for the term of the lease, with the first increase to take effect on January 1st of 2015, and then on January 1st of every year thereafter.
- 2) TERM. Lessor shall lease the subject property to Lessee for a period of twenty (20) years beginning January 1, 2014 and ending on December 31, 2033.
- 3) RENEWAL OPTION. This lease will be automatically renewed and extended in twenty (20) year increments, at the same terms and conditions in effect at that time which are consistent with terms and conditions of similar leases at other airports of similar structure, upon the election of the Lessee. The parties agree that on any renewals there will be no changes that would restrict the Lessee's rights as set forth in Paragraph 4 of the Lease Agreement.
- 4) TERMINATION. Lessor may terminate this lease (or any extensions hereto) upon written notice to Lessee, delivered at least five (5) years prior to the expiration of the lease term and annually thereafter. These notices shall either be hand-delivered or by registered mail with return receipt requested. Both parties shall continue to perform their obligations under this Lease Agreement until the leased premises has been vacated. Upon termination, unless the Lessee elects otherwise, Lessor shall pay Lessee for the value of the improvements that remain at that time to be determined either by agreement or by an independent certified appraiser to whom the parties mutually agree. If the parties fail to agree on the appraiser, either or both parties will use a mediator to select an appraiser who shall then determine the value. At Lessee's option, the improvements may be removed and the land restored to its original condition prior to termination of the lease. If this option is exercised and the Lessee fails to remove the property and restore the premises by the termination date, the Lessor may remove the improvements and restore the premises to its original condition and collect any costs incurred with the same. The parties further agree that the indemnification provisions referred to in Paragraph 9 of this Lease Agreement shall survive termination.

- 5) **NON-PAYMENT OF RENT, DEFAULT.** If any one or more of the following occurs: (1) a rent payment or any other payment due from Lessee to Lessor shall be and remain unpaid in whole or in part for more than thirty (30) days after same is due; (2) Lessee shall violate or default on any of the other covenants or agreements herein; or (3) if Lessee shall cease existence, liquidate, dissolve or commence proceedings under a bankruptcy, receivership, insolvency or similar type of action, and which results in default of this lease, then it shall be the option of the Lessor to declare this Lease Agreement forfeited and the said term ended, and to re-enter the Leased Premises, with or without process of law, using such force as may be necessary to remove all persons or chattels therefrom, and Lessor shall not be liable for damages by reason of such re-entry or forfeiture; but notwithstanding re-entry by Lessor or forfeiture or termination of this Lease Agreement, the liability of Lessee for the rent and all other sums provided for herein shall not be relinquished or extinguished for the balance of the term of this Lease Agreement. Lessee shall be responsible for, in addition to the rentals and other sums agreed to be paid hereunder, any and all costs paid by Lessor required to enforce its rights under this Lease Agreement, including but not limited to reasonable attorney fees actually incurred by Lessor in any suit or action instituted by Lessor to enforce the provisions of this Lease Agreement, or the collection of the rentals due Lessor hereunder. Lessee shall also be liable to Lessor for the payment of interest at the highest permissible rate of interest allowed under the usury statutes of the State of Minnesota, or in case no such maximum rate of interest is provided, at the rate of 12% per annum, on all rentals and other sums due Lessor hereunder not paid within thirty (30) days from the date same becomes due and payable. Lessor shall be allowed to lease the hangar on the leased premises to any other party at such terms that allow Lessor to recover any costs and expenses herein.
- 6) **LEASE TRANSFER.** Lessee retains the right to transfer their interest in the property to a new owner subject to Lessor's right of first refusal. Lessee shall provide a written notice to Lessor by certified mail with return receipt requested or by personal service setting forth the price and terms. Lessor, within thirty (30) days receipt of the price and terms, shall agree to enter into a binding agreement with a closing date within forty-five (45) days. Failure to comply with the time requirements shall allow Lessee to transfer to a third party, but not at more favorable terms and conditions as offered to the Lessor. Any transfer by operation of law including through succession of interest upon death shall be authorized and not subject to right of first refusal.
- 7) **PERMITTED USE.** Lessee shall have the right to erect or maintain a hangar for privately owned aircraft. If a hangar is not already situated on the premises at the time this lease is created, the Lessee shall complete construction of such hangar according to plans and specifications as approved in writing by Lessor and according to building permits as authorized by the City of Grand Rapids. Upon issuance of a building permit, if said construction is not completed within the first three (3) years of this lease, this lease shall expire and Lessee shall be responsible for all costs incurred by Lessor to restore the premises to its original condition. Lessor reserves the right to demand good and sufficient bond against liens for any construction or remodeling of structures on the leased premises.

8) RESTRICTIVE COVENANTS. Lessee shall comply with all the following covenants:

8.1) The hangar placed on the leased premises shall be kept in a neat and orderly condition and shall be painted or repainted at such time or times and of such color or colors; all as may reasonably be directed by Lessor, Mn/DOT Office of Aeronautics, any agency of the United States Government, or any other agency having jurisdiction over the airport facility. No additions, modifications or alterations shall be made to the hangar without written consent of Lessor.

8.2) No signs or advertising matter of any kind shall be painted, posted or displayed upon any hangar or the leased premises without written consent of Lessor.

8.3) No excavation shall be made upon the leased premises and no fences or sidewalks shall be constructed thereon without the written consent of Lessor.

8.4) The parties agree that any structure placed on the premises does not become a part of the real property. Removal is subject to Paragraph 4 of this Lease Agreement.

8.5) No buildings or structures placed upon the leased premises shall become a part of the realty, except as hereinafter provided.

8.6) Explosives, gasoline, oil, and other highly flammable material of any kind kept on the leased premises shall be kept in such a manner as the Lessor shall from time to time determine. Storage of such material shall be kept in such manner as to comply with requirements of NFPA and all applicable rules, regulations, ordinances and fire codes. Lessee shall be responsible for the clean-up of all hazardous materials and spills and shall be responsible for the remediation of any hazardous/contaminated soils on the leased premises.

8.7) Lessee agrees that, except in the case of students, only duly-licensed pilots will operate aircraft on any runway or the leased premises and that the operation will be subject to the laws of the United States, the State of Minnesota, the County of Itasca, and the City of Grand Rapids.

8.8) The Lessee shall not engage in any commercial aviation endeavors on the leased premises with the exception of operating a charter air service, unless approved by Lessor. This prohibition includes but is not limited to performing work on airplanes not owned by the Lessee. Furthermore, Lessee agrees that the leased premises shall be used for aviation purposes only. This strictly prohibits commercial and non-commercial use that is not aviation-related.

8.9) Lessee shall pay all utilities, water, lights and any other service used on the leased premises during the term of this lease or any renewal thereof.



- 9) **INDEMNIFICATION.** Lessee hereby agrees to indemnify and hold harmless Lessor and the leased property from any fine, lien, penalty or forfeiture which shall or may accrue from or by reason of the erection of any buildings or structure on said premises, or by reason of any use of said premises on the airport by the Lessee; and Lessee further agrees to indemnify and hold harmless the Lessor from all liability or claim of liability, and to pay any judgment rendered against Lessor and to reimburse Lessor for any expense incurred be it by reason of any action or suit of law or equity brought against it, in which it is made a party, by reason of the erection of any such building or structure or by reason of the occupancy or use by Lessee of the leased premises or in any way relating to or connected with the use of the leased premises. For the purpose of this paragraph the term "expense" shall be construed to include all costs incurred by Lessor in the defense or settlement of said actions or suits including attorney fees, filing fees, salaries and expenses of any officials or employees of Lessor while engaged in the defense or settlement of said action or suit.
- 10) **TAXES AND ASSESSMENTS.** Lessee shall pay all property taxes, assessments, license fees or other charges that may be levied or assessed during the term of this agreement upon or against any improvements or equipment on the leased premises. If the Lessee shall fail or neglect to pay any of said property taxes, assessments, fees or other charges when due, Lessor may pay the same together with any cost or penalty which may have accrued hereon, and collect the entire amount due to Lessor upon demand, and in default thereof, Lessor shall have a first lien on improvements owned by Lessee for the amounts so paid.
- 11) **INSURANCE.** Lessee shall carry liability insurance on the leased premises in the same amount as the maximum liability to which the Lessor is exposed pursuant to Minnesota Statutes Section 466.04 and subsequent amendments thereto.
- 12) **AMENDMENT.** If this lease should fail to comply in any respect with the ordinances, regulations or laws of the United States, the State of Minnesota, the County of Itasca, or the City of Grand Rapids, then this lease shall be amended to comply with the requirements of said ordinances, laws and regulations. If said amendment would result in a material deviation from the general terms and conditions of this lease, then Lessor or Lessee has the right to renegotiate or terminate this lease.
- 13) **NON-DISCRIMINATION.** Lessee does hereby covenant and agree that with respect to all matter relating to use of the leased premises, no persons on the grounds of race, color, or natural origin shall be excluded from participation and denied the benefits or otherwise be subject to discriminations; and Lessee shall use the premises in compliance with all other requirements imposed by or pursuant to any laws or regulations imposed by the United States Government or the State of Minnesota.

LESSOR:

GRAND RAPIDS-ITASCA COUNTY  
AIRPORT:BY THE GRAND RAPIDS CITY COUNCIL  
THROUGH DESIGANTION OF THE PARTIES JOINT  
POWERS AGREEMENT

By:

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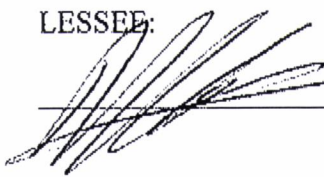
Dale Adams  
Grand Rapids City Mayor

ATTEST:

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Tom Pagel  
Grand Rapids City Administrator

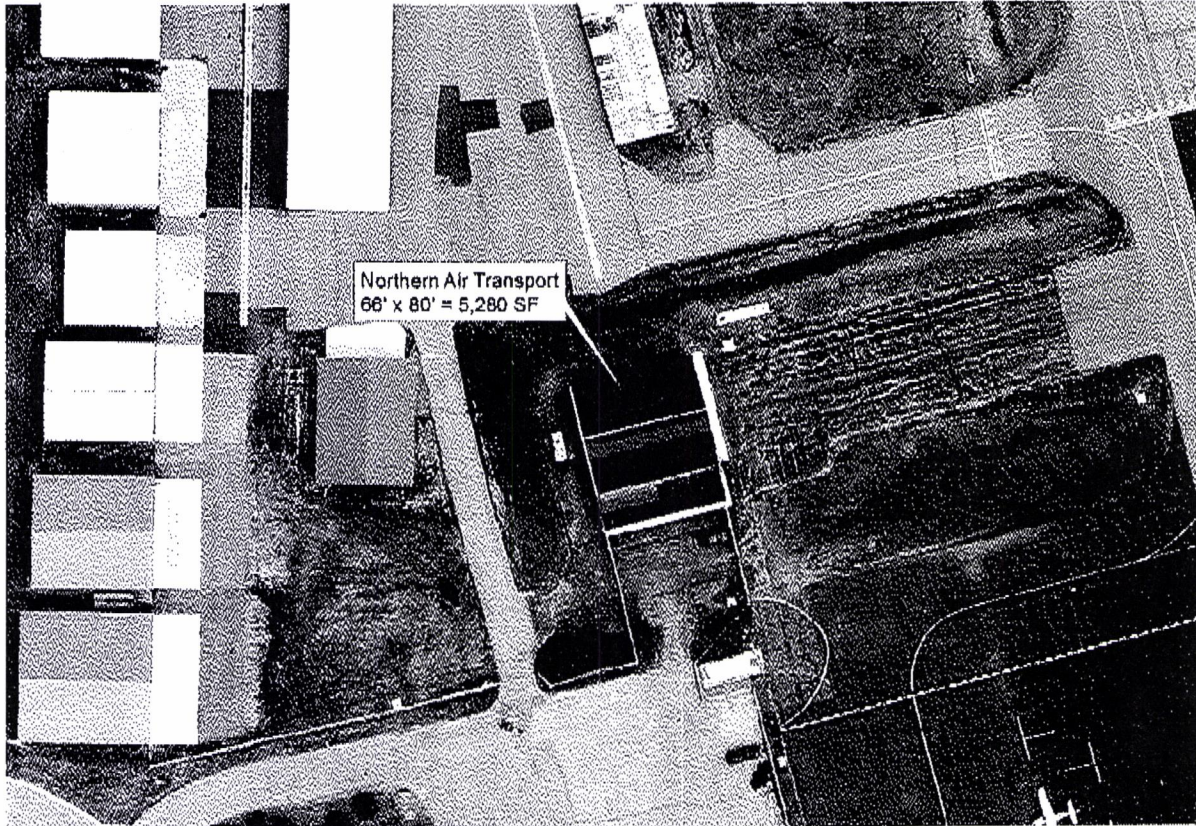
LESSEE:



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MIKE GORHAM

EXHIBIT A  
LEASE LEGAL DESCRIPTION



## AIRPORT LAND LEASE AGREEMENT

THIS AGREEMENT, made and entered into this 1 day of JAN, 2014, by and between the GRAND RAPIDS-ITASCA COUNTY AIRPORT, owned by the City of Grand Rapids, a municipal corporation, and Itasca County, Minnesota, hereinafter referred to as LESSOR, and Roger Ralston of 1115 NW 4<sup>th</sup> Avenue, Grand Rapids, MN 55744 hereinafter referred to as LESSEE:

For good and valuable consideration, the LESSOR hereby leases unto said LESSEE the real estate described on Exhibit A (which includes square footage and rental calculations for this lease), subject to the following terms, conditions, covenants and agreements:

- 1) RENT. Lessee shall pay Lessor rent at the rate of \$0.29 per square foot per year, which equates to a total rent as described on the attached Exhibit A. Said rent shall increase at the rate of one-half cent (or \$.005) per square foot per year for the term of the lease, with the first increase to take effect on January 1st of 2015, and then on January 1st of every year thereafter.
- 2) TERM. Lessor shall lease the subject property to Lessee for a period of twenty (20) years beginning January 1, 2014 and ending on December 31, 2033.
- 3) RENEWAL OPTION. This lease will be automatically renewed and extended in twenty (20) year increments, at the same terms and conditions in effect at that time which are consistent with terms and conditions of similar leases at other airports of similar structure, upon the election of the Lessee. The parties agree that on any renewals there will be no changes that would restrict the Lessee's rights as set forth in Paragraph 4 of the Lease Agreement.
- 4) TERMINATION. Lessor may terminate this lease (or any extensions hereto) upon written notice to Lessee, delivered at least five (5) years prior to the expiration of the lease term and annually thereafter. These notices shall either be hand-delivered or by registered mail with return receipt requested. Both parties shall continue to perform their obligations under this Lease Agreement until the leased premises has been vacated. Upon termination, unless the Lessee elects otherwise, Lessor shall pay Lessee for the value of the improvements that remain at that time to be determined either by agreement or by an independent certified appraiser to whom the parties mutually agree. If the parties fail to agree on the appraiser, either or both parties will use a mediator to select an appraiser who shall then determine the value. At Lessee's option, the improvements may be removed and the land restored to its original condition prior to termination of the lease. If this option is exercised and the Lessee fails to remove the property and restore the premises by the termination date, the Lessor may remove the improvements and restore the premises to its original condition and collect any costs incurred with the same. The parties further agree that the indemnification provisions referred to in Paragraph 9 of this Lease Agreement shall survive termination.

- 5) **NON-PAYMENT OF RENT, DEFAULT.** If any one or more of the following occurs: (1) a rent payment or any other payment due from Lessee to Lessor shall be and remain unpaid in whole or in part for more than thirty (30) days after same is due; (2) Lessee shall violate or default on any of the other covenants or agreements herein; or (3) if Lessee shall cease existence, liquidate, dissolve or commence proceedings under a bankruptcy, receivership, insolvency or similar type of action, and which results in default of this lease, then it shall be the option of the Lessor to declare this Lease Agreement forfeited and the said term ended, and to re-enter the Leased Premises, with or without process of law, using such force as may be necessary to remove all persons or chattels therefrom, and Lessor shall not be liable for damages by reason of such re-entry or forfeiture; but notwithstanding re-entry by Lessor or forfeiture or termination of this Lease Agreement, the liability of Lessee for the rent and all other sums provided for herein shall not be relinquished or extinguished for the balance of the term of this Lease Agreement. Lessee shall be responsible for, in addition to the rentals and other sums agreed to be paid hereunder, any and all costs paid by Lessor required to enforce its rights under this Lease Agreement, including but not limited to reasonable attorney fees actually incurred by Lessor in any suit or action instituted by Lessor to enforce the provisions of this Lease Agreement, or the collection of the rentals due Lessor hereunder. Lessee shall also be liable to Lessor for the payment of interest at the highest permissible rate of interest allowed under the usury statutes of the State of Minnesota, or in case no such maximum rate of interest is provided, at the rate of 12% per annum, on all rentals and other sums due Lessor hereunder not paid within thirty (30) days from the date same becomes due and payable. Lessor shall be allowed to lease the hangar on the leased premises to any other party at such terms that allow Lessor to recover any costs and expenses herein.
- 6) **LEASE TRANSFER.** Lessee retains the right to transfer their interest in the property to a new owner subject to Lessor's right of first refusal. Lessee shall provide a written notice to Lessor by certified mail with return receipt requested or by personal service setting forth the price and terms. Lessor, within thirty (30) days receipt of the price and terms, shall agree to enter into a binding agreement with a closing date within forty-five (45) days. Failure to comply with the time requirements shall allow Lessee to transfer to a third party, but not at more favorable terms and conditions as offered to the Lessor. Any transfer by operation of law including through succession of interest upon death shall be authorized and not subject to right of first refusal.
- 7) **PERMITTED USE.** Lessee shall have the right to erect or maintain a hangar for privately owned aircraft. If a hangar is not already situated on the premises at the time this lease is created, the Lessee shall complete construction of such hangar according to plans and specifications as approved in writing by Lessor and according to building permits as authorized by the City of Grand Rapids. Upon issuance of a building permit, if said construction is not completed within the first three (3) years of this lease, this lease shall expire and Lessee shall be responsible for all costs incurred by Lessor to restore the premises to its original condition. Lessor reserves the right to demand good and sufficient bond against liens for any construction or remodeling of structures on the leased premises.

8) RESTRICTIVE COVENANTS. Lessee shall comply with all the following covenants:

8.1) The hangar placed on the leased premises shall be kept in a neat and orderly condition and shall be painted or repainted at such time or times and of such color or colors; all as may reasonably be directed by Lessor, Mn/DOT Office of Aeronautics, any agency of the United States Government, or any other agency having jurisdiction over the airport facility. No additions, modifications or alterations shall be made to the hangar without written consent of Lessor.

8.2) No signs or advertising matter of any kind shall be painted, posted or displayed upon any hangar or the leased premises without written consent of Lessor.

8.3) No excavation shall be made upon the leased premises and no fences or sidewalks shall be constructed thereon without the written consent of Lessor.

8.4) The parties agree that any structure placed on the premises does not become a part of the real property. Removal is subject to Paragraph 4 of this Lease Agreement.

8.5) No buildings or structures placed upon the leased premises shall become a part of the realty, except as hereinafter provided.

8.6) Explosives, gasoline, oil, and other highly flammable material of any kind kept on the leased premises shall be kept in such a manner as the Lessor shall from time to time determine. Storage of such material shall be kept in such manner as to comply with requirements of NFPA and all applicable rules, regulations, ordinances and fire codes. Lessee shall be responsible for the clean-up of all hazardous materials and spills and shall be responsible for the remediation of any hazardous/contaminated soils on the leased premises.

8.7) Lessee agrees that, except in the case of students, only duly-licensed pilots will operate aircraft on any runway or the leased premises and that the operation will be subject to the laws of the United States, the State of Minnesota, the County of Itasca, and the City of Grand Rapids.

8.8) Other than commercial endeavors approved and itemized in the attached Exhibit B, or subsequent approval by the Lessor, the Lessee shall not engage in any commercial aviation endeavors on the leased premises. This prohibition includes but is not limited to performing work on airplanes not owned by the Lessee. Furthermore, Lessee agrees that the leased premises shall be used for aviation purposes only. This strictly prohibits commercial and non-commercial use that is not aviation-related.

8.9) Lessee shall pay all utilities, water, lights and any other service used on the leased premises during the term of this lease or any renewal thereof.

- 9) **INDEMNIFICATION.** Lessee hereby agrees to indemnify and hold harmless Lessor and the leased property from any fine, lien, penalty or forfeiture which shall or may accrue from or by reason of the erection of any buildings or structure on said premises, or by reason of any use of said premises on the airport by the Lessee; and Lessee further agrees to indemnify and hold harmless the Lessor from all liability or claim of liability, and to pay any judgment rendered against Lessor and to reimburse Lessor for any expense incurred be it by reason of any action or suit of law or equity brought against it, in which it is made a party, by reason of the erection of any such building or structure or by reason of the occupancy or use by Lessee of the leased premises or in any way relating to or connected with the use of the leased premises. For the purpose of this paragraph the term "expense" shall be construed to include all costs incurred by Lessor in the defense or settlement of said actions or suits including attorney fees, filing fees, salaries and expenses of any officials or employees of Lessor while engaged in the defense or settlement of said action or suit.
- 10) **TAXES AND ASSESSMENTS.** Lessee shall pay all property taxes, assessments, license fees or other charges that may be levied or assessed during the term of this agreement upon or against any improvements or equipment on the leased premises. If the Lessee shall fail or neglect to pay any of said property taxes, assessments, fees or other charges when due, Lessor may pay the same together with any cost or penalty which may have accrued hereon, and collect the entire amount due to Lessor upon demand, and in default thereof, Lessor shall have a first lien on improvements owned by Lessee for the amounts so paid.
- 11) **INSURANCE.** Lessee shall carry liability insurance on the leased premises in the same amount as the maximum liability to which the Lessor is exposed pursuant to Minnesota Statutes Section 466.04 and subsequent amendments thereto.
- 12) **AMENDMENT.** If this lease should fail to comply in any respect with the ordinances, regulations or laws of the United States, the State of Minnesota, the County of Itasca, or the City of Grand Rapids, then this lease shall be amended to comply with the requirements of said ordinances, laws and regulations. If said amendment would result in a material deviation from the general terms and conditions of this lease, then Lessor or Lessee has the right to renegotiate or terminate this lease.
- 13) **NON-DISCRIMINATION.** Lessee does hereby covenant and agree that with respect to all matter relating to use of the leased premises, no persons on the grounds of race, color, or natural origin shall be excluded from participation and denied the benefits or otherwise be subject to discriminations; and Lessee shall use the premises in compliance with all other requirements imposed by or pursuant to any laws or regulations imposed by the United States Government or the State of Minnesota.

LESSOR:

GRAND RAPIDS-ITASCA COUNTY  
AIRPORT:BY THE GRAND RAPIDS CITY COUNCIL  
THROUGH DESIGNATION OF THE PARTIES JOINT  
POWERS AGREEMENT

By:

\_\_\_\_\_  
Dale Adams  
Grand Rapids City Mayor

ATTEST:

\_\_\_\_\_  
Tom Pagel  
Grand Rapids City Administrator

LESSEE:


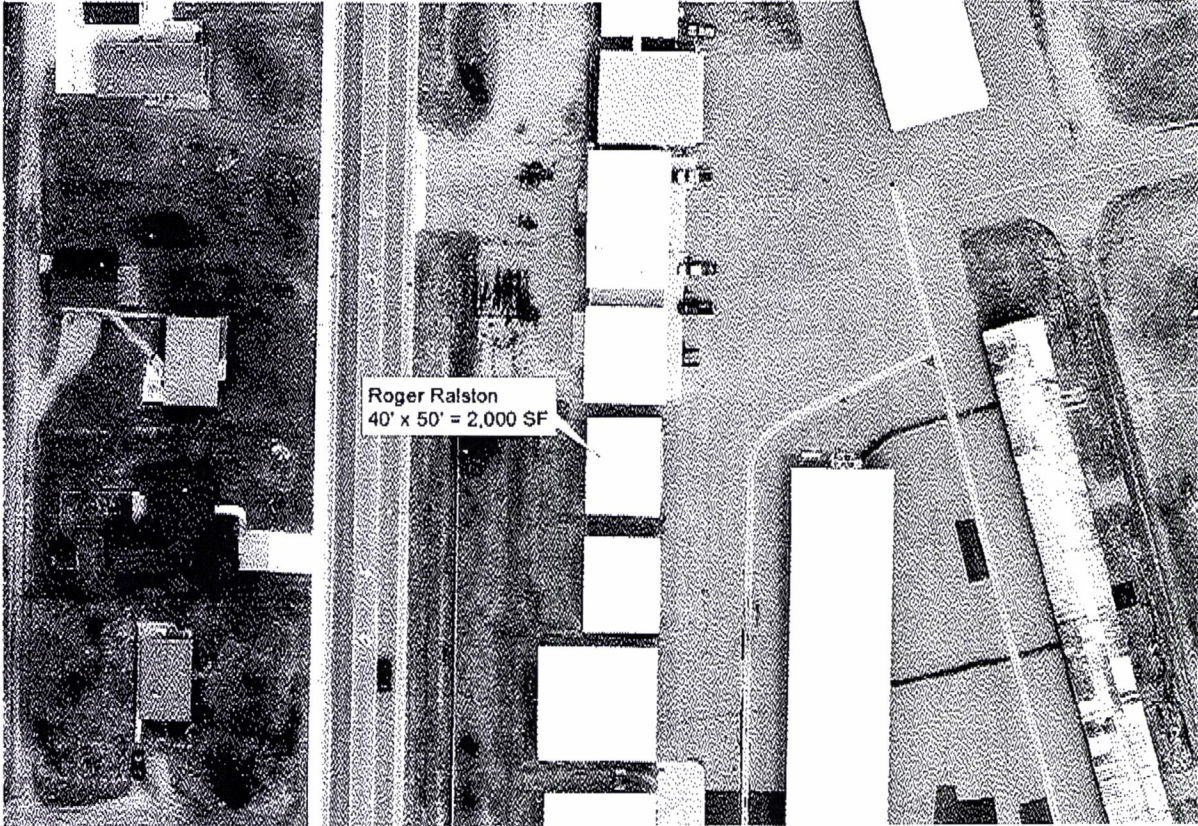
  
\_\_\_\_\_



EXHIBIT A  
LEASE LEGAL DESCRIPTION



## AIRPORT LAND LEASE AGREEMENT

THIS AGREEMENT, made and entered into this 15 day of November, 2013 by and between the GRAND RAPIDS-ITASCA COUNTY AIRPORT, owned by the City of Grand Rapids, a municipal corporation, and Itasca County, Minnesota, hereinafter referred to as LESSOR, and Stan Bostyancic of 35189 Rolland Road, Cohasset, MN 55721 hereinafter referred to as LESSEE:

For good and valuable consideration, the LESSOR hereby leases unto said LESSEE the real estate described on Exhibit A (which includes square footage and rental calculations for this lease), subject to the following terms, conditions, covenants and agreements:

- 1) RENT. Lessee shall pay Lessor rent at the rate of \$0.29 per square foot per year, which equates to a total rent as described on the attached Exhibit A. Said rent shall increase at the rate of one-half cent (or \$.005) per square foot per year for the term of the lease, with the first increase to take effect on January 1st of 2015, and then on January 1st of every year thereafter.
- 2) TERM. Lessor shall lease the subject property to Lessee for a period of twenty (20) years beginning January 1, 2014 and ending on December 31, 2033.
- 3) RENEWAL OPTION. This lease will be automatically renewed and extended in twenty (20) year increments, at the same terms and conditions in effect at that time which are consistent with terms and conditions of similar leases at other airports of similar structure, upon the election of the Lessee. The parties agree that on any renewals there will be no changes that would restrict the Lessee's rights as set forth in Paragraph 4 of the Lease Agreement.
- 4) TERMINATION. Lessor may terminate this lease (or any extensions hereto) upon written notice to Lessee, delivered at least five (5) years prior to the expiration of the lease term and annually thereafter. These notices shall either be hand-delivered or by registered mail with return receipt requested. Both parties shall continue to perform their obligations under this Lease Agreement until the leased premises has been vacated. Upon termination, unless the Lessee elects otherwise, Lessor shall pay Lessee for the value of the improvements that remain at that time to be determined either by agreement or by an independent certified appraiser to whom the parties mutually agree. If the parties fail to agree on the appraiser, either or both parties will use a mediator to select an appraiser who shall then determine the value. At Lessee's option, the improvements may be removed and the land restored to its original condition prior to termination of the lease. If this option is exercised and the Lessee fails to remove the property and restore the premises by the termination date, the Lessor may remove the improvements and restore the premises to its original condition and collect any costs incurred with the same. The parties further agree that the indemnification provisions referred to in Paragraph 9 of this Lease Agreement shall survive termination.

- 5) **NON-PAYMENT OF RENT, DEFAULT.** If any one or more of the following occurs: (1) a rent payment or any other payment due from Lessee to Lessor shall be and remain unpaid in whole or in part for more than thirty (30) days after same is due; (2) Lessee shall violate or default on any of the other covenants or agreements herein; or (3) if Lessee shall cease existence, liquidate, dissolve or commence proceedings under a bankruptcy, receivership, insolvency or similar type of action, and which results in default of this lease, then it shall be the option of the Lessor to declare this Lease Agreement forfeited and the said term ended, and to re-enter the Leased Premises, with or without process of law, using such force as may be necessary to remove all persons or chattels therefrom, and Lessor shall not be liable for damages by reason of such re-entry or forfeiture; but notwithstanding re-entry by Lessor or forfeiture or termination of this Lease Agreement, the liability of Lessee for the rent and all other sums provided for herein shall not be relinquished or extinguished for the balance of the term of this Lease Agreement. Lessee shall be responsible for, in addition to the rentals and other sums agreed to be paid hereunder, any and all costs paid by Lessor required to enforce its rights under this Lease Agreement, including but not limited to reasonable attorney fees actually incurred by Lessor in any suit or action instituted by Lessor to enforce the provisions of this Lease Agreement, or the collection of the rentals due Lessor hereunder. Lessee shall also be liable to Lessor for the payment of interest at the highest permissible rate of interest allowed under the usury statutes of the State of Minnesota, or in case no such maximum rate of interest is provided, at the rate of 12% per annum, on all rentals and other sums due Lessor hereunder not paid within thirty (30) days from the date same becomes due and payable. Lessor shall be allowed to lease the hangar on the leased premises to any other party at such terms that allow Lessor to recover any costs and expenses herein.
- 6) **LEASE TRANSFER.** Lessee retains the right to transfer their interest in the property to a new owner subject to Lessor's right of first refusal. Lessee shall provide a written notice to Lessor by certified mail with return receipt requested or by personal service setting forth the price and terms. Lessor, within thirty (30) days receipt of the price and terms, shall agree to enter into a binding agreement with a closing date within forty-five (45) days. Failure to comply with the time requirements shall allow Lessee to transfer to a third party, but not at more favorable terms and conditions as offered to the Lessor. Any transfer by operation of law including through succession of interest upon death shall be authorized and not subject to right of first refusal.
- 7) **PERMITTED USE.** Lessee shall have the right to erect or maintain a hangar for privately owned aircraft. If a hangar is not already situated on the premises at the time this lease is created, the Lessee shall complete construction of such hangar according to plans and specifications as approved in writing by Lessor and according to building permits as authorized by the City of Grand Rapids. Upon issuance of a building permit, if said construction is not completed within the first three (3) years of this lease, this lease shall expire and Lessee shall be responsible for all costs incurred by Lessor to restore the premises to its original condition. Lessor reserves the right to demand good and sufficient bond against liens for any construction or remodeling of structures on the leased premises.

8) RESTRICTIVE COVENANTS. Lessee shall comply with all the following covenants:

8.1) The hangar placed on the leased premises shall be kept in a neat and orderly condition and shall be painted or repainted at such time or times and of such color or colors; all as may reasonably be directed by Lessor, Mn/DOT Office of Aeronautics, any agency of the United States Government, or any other agency having jurisdiction over the airport facility. No additions, modifications or alterations shall be made to the hangar without written consent of Lessor.

8.2) No signs or advertising matter of any kind shall be painted, posted or displayed upon any hangar or the leased premises without written consent of Lessor.

8.3) No excavation shall be made upon the leased premises and no fences or sidewalks shall be constructed thereon without the written consent of Lessor.

8.4) The parties agree that any structure placed on the premises does not become a part of the real property. Removal is subject to Paragraph 4 of this Lease Agreement.

8.5) No buildings or structures placed upon the leased premises shall become a part of the realty, except as hereinafter provided.

8.6) Explosives, gasoline, oil, and other highly flammable material of any kind kept on the leased premises shall be kept in such a manner as the Lessor shall from time to time determine. Storage of such material shall be kept in such manner as to comply with requirements of NFPA and all applicable rules, regulations, ordinances and fire codes. Lessee shall be responsible for the clean-up of all hazardous materials and spills and shall be responsible for the remediation of any hazardous/contaminated soils on the leased premises.

8.7) Lessee agrees that, except in the case of students, only duly-licensed pilots will operate aircraft on any runway or the leased premises and that the operation will be subject to the laws of the United States, the State of Minnesota, the County of Itasca, and the City of Grand Rapids.

8.8) Other than commercial endeavors approved and itemized in the attached Exhibit B, or subsequent approval by the Lessor, the Lessee shall not engage in any commercial aviation endeavors on the leased premises. This prohibition includes but is not limited to performing work on airplanes not owned by the Lessee. Furthermore, Lessee agrees that the leased premises shall be used for aviation purposes only. This strictly prohibits commercial and non-commercial use that is not aviation-related.

8.9) Lessee shall pay all utilities, water, lights and any other service used on the leased premises during the term of this lease or any renewal thereof.

- 9) **INDEMNIFICATION.** Lessee hereby agrees to indemnify and hold harmless Lessor and the leased property from any fine, lien, penalty or forfeiture which shall or may accrue from or by reason of the erection of any buildings or structure on said premises, or by reason of any use of said premises on the airport by the Lessee; and Lessee further agrees to indemnify and hold harmless the Lessor from all liability or claim of liability, and to pay any judgment rendered against Lessor and to reimburse Lessor for any expense incurred by it by reason of any action or suit of law or equity brought against it, in which it is made a party, by reason of the erection of any such building or structure or by reason of the occupancy or use by Lessee of the leased premises or in any way relating to or connected with the use of the leased premises. For the purpose of this paragraph the term "expense" shall be construed to include all costs incurred by Lessor in the defense or settlement of said actions or suits including attorney fees, filing fees, salaries and expenses of any officials or employees of Lessor while engaged in the defense or settlement of said action or suit.
- 10) **TAXES AND ASSESSMENTS.** Lessee shall pay all property taxes, assessments, license fees or other charges that may be levied or assessed during the term of this agreement upon or against any improvements or equipment on the leased premises. If the Lessee shall fail or neglect to pay any of said property taxes, assessments, fees or other charges when due, Lessor may pay the same together with any cost or penalty which may have accrued hereon, and collect the entire amount due to Lessor upon demand, and in default thereof, Lessor shall have a first lien on improvements owned by Lessee for the amounts so paid.
- 11) **INSURANCE.** Lessee shall carry liability insurance on the leased premises in the same amount as the maximum liability to which the Lessor is exposed pursuant to Minnesota Statutes Section 466.04 and subsequent amendments thereto.
- 12) **AMENDMENT.** If this lease should fail to comply in any respect with the ordinances, regulations or laws of the United States, the State of Minnesota, the County of Itasca, or the City of Grand Rapids, then this lease shall be amended to comply with the requirements of said ordinances, laws and regulations. If said amendment would result in a material deviation from the general terms and conditions of this lease, then Lessor or Lessee has the right to renegotiate or terminate this lease.
- 13) **NON-DISCRIMINATION.** Lessee does hereby covenant and agree that with respect to all matter relating to use of the leased premises, no persons on the grounds of race, color, or natural origin shall be excluded from participation and denied the benefits or otherwise be subject to discriminations; and Lessee shall use the premises in compliance with all other requirements imposed by or pursuant to any laws or regulations imposed by the United States Government or the State of Minnesota.

LESSOR:

GRAND RAPIDS-ITASCA COUNTY  
AIRPORT:BY THE GRAND RAPIDS CITY COUNCIL  
THROUGH DESIGNATION OF THE PARTIES JOINT  
POWERS AGREEMENT

By:

\_\_\_\_\_  
Dale Adams  
Grand Rapids City Mayor

ATTEST:

\_\_\_\_\_  
Tom Pagel  
Grand Rapids City Administrator

LESSEE:

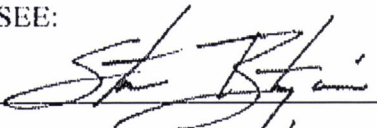
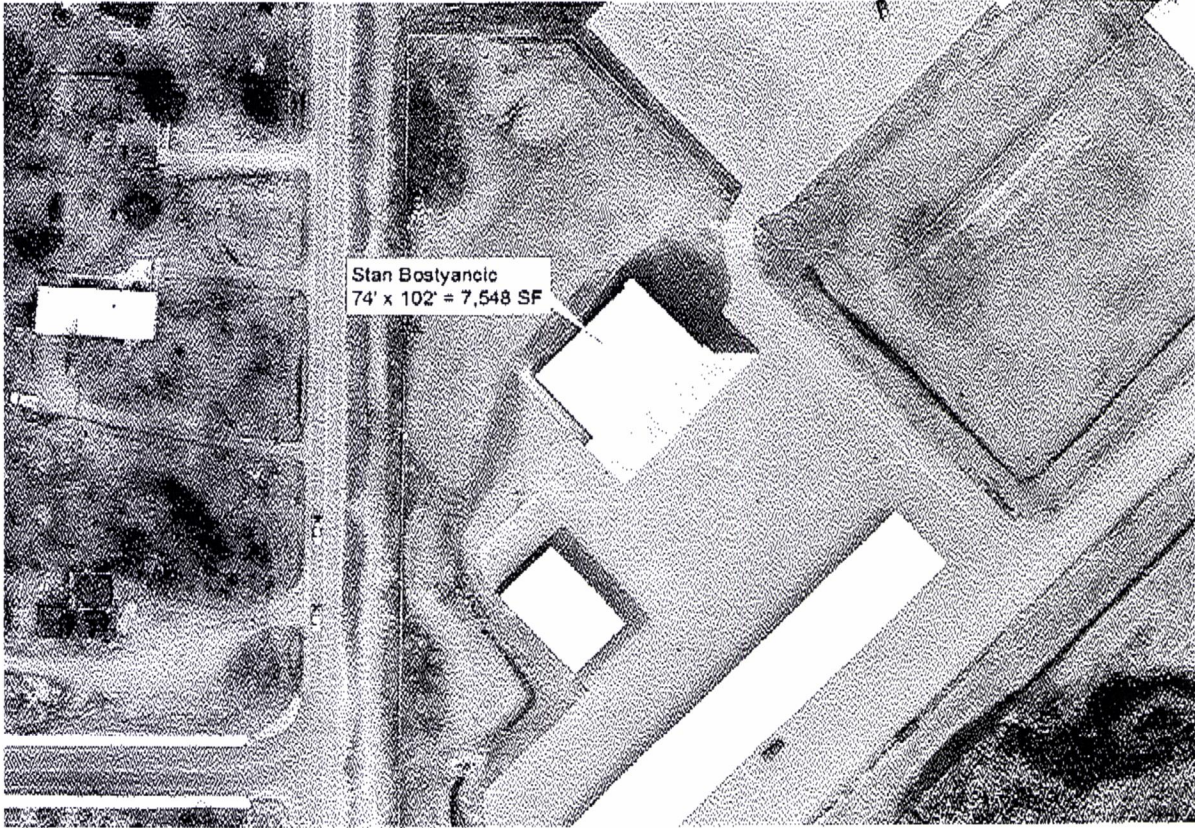
  
\_\_\_\_\_  
Stan Bostynancic

EXHIBIT A  
LEASE LEGAL DESCRIPTION



## AIRPORT LAND LEASE AGREEMENT

THIS AGREEMENT, made and entered into this 15 day of November, 2013, by and between the GRAND RAPIDS-ITASCA COUNTY AIRPORT, owned by the City of Grand Rapids, a municipal corporation, and Itasca County, Minnesota, hereinafter referred to as LESSOR, and Ron Enright of 1612 E Cliff Road, Burnsville, MN 55337 hereinafter referred to as LESSEE:

For good and valuable consideration, the LESSOR hereby leases unto said LESSEE the real estate described on Exhibit A (which includes square footage and rental calculations for this lease), subject to the following terms, conditions, covenants and agreements:

- 1) RENT. Lessee shall pay Lessor rent at the rate of \$0.29 per square foot per year, which equates to a total rent as described on the attached Exhibit A. Said rent shall increase at the rate of one-half cent (or \$.005) per square foot per year for the term of the lease, with the first increase to take effect on January 1st of 2015, and then on January 1st of every year thereafter.
- 2) TERM. Lessor shall lease the subject property to Lessee for a period of twenty (20) years beginning January 1, 2014 and ending on December 31, 2033.
- 3) RENEWAL OPTION. This lease will be automatically renewed and extended in twenty (20) year increments, at the same terms and conditions in effect at that time which are consistent with terms and conditions of similar leases at other airports of similar structure, upon the election of the Lessee. The parties agree that on any renewals there will be no changes that would restrict the Lessee's rights as set forth in Paragraph 4 of the Lease Agreement.
- 4) TERMINATION. Lessor may terminate this lease (or any extensions hereto) upon written notice to Lessee, delivered at least five (5) years prior to the expiration of the lease term and annually thereafter. These notices shall either be hand-delivered or by registered mail with return receipt requested. Both parties shall continue to perform their obligations under this Lease Agreement until the leased premises has been vacated. Upon termination, unless the Lessee elects otherwise, Lessor shall pay Lessee for the value of the improvements that remain at that time to be determined either by agreement or by an independent certified appraiser to whom the parties mutually agree. If the parties fail to agree on the appraiser, either or both parties will use a mediator to select an appraiser who shall then determine the value. At Lessee's option, the improvements may be removed and the land restored to its original condition prior to termination of the lease. If this option is exercised and the Lessee fails to remove the property and restore the premises by the termination date, the Lessor may remove the improvements and restore the premises to its original condition and collect any costs incurred with the same. The parties further agree that the indemnification provisions referred to in Paragraph 9 of this Lease Agreement shall survive termination.



- 5) **NON-PAYMENT OF RENT, DEFAULT.** If any one or more of the following occurs: (1) a rent payment or any other payment due from Lessee to Lessor shall be and remain unpaid in whole or in part for more than thirty (30) days after same is due; (2) Lessee shall violate or default on any of the other covenants or agreements herein; or (3) if Lessee shall cease existence, liquidate, dissolve or commence proceedings under a bankruptcy, receivership, insolvency or similar type of action, and which results in default of this lease, then it shall be the option of the Lessor to declare this Lease Agreement forfeited and the said term ended, and to re-enter the Leased Premises, with or without process of law, using such force as may be necessary to remove all persons or chattels therefrom, and Lessor shall not be liable for damages by reason of such re-entry or forfeiture; but notwithstanding re-entry by Lessor or forfeiture or termination of this Lease Agreement, the liability of Lessee for the rent and all other sums provided for herein shall not be relinquished or extinguished for the balance of the term of this Lease Agreement. Lessee shall be responsible for, in addition to the rentals and other sums agreed to be paid hereunder, any and all costs paid by Lessor required to enforce its rights under this Lease Agreement, including but not limited to reasonable attorney fees actually incurred by Lessor in any suit or action instituted by Lessor to enforce the provisions of this Lease Agreement, or the collection of the rentals due Lessor hereunder. Lessee shall also be liable to Lessor for the payment of interest at the highest permissible rate of interest allowed under the usury statutes of the State of Minnesota, or in case no such maximum rate of interest is provided, at the rate of 12% per annum, on all rentals and other sums due Lessor hereunder not paid within thirty (30) days from the date same becomes due and payable. Lessor shall be allowed to lease the hangar on the leased premises to any other party at such terms that allow Lessor to recover any costs and expenses herein.
- 6) **LEASE TRANSFER.** Lessee retains the right to transfer their interest in the property to a new owner subject to Lessor's right of first refusal. Lessee shall provide a written notice to Lessor by certified mail with return receipt requested or by personal service setting forth the price and terms. Lessor, within thirty (30) days receipt of the price and terms, shall agree to enter into a binding agreement with a closing date within forty-five (45) days. Failure to comply with the time requirements shall allow Lessee to transfer to a third party, but not at more favorable terms and conditions as offered to the Lessor. Any transfer by operation of law including through succession of interest upon death shall be authorized and not subject to right of first refusal.
- 7) **PERMITTED USE.** Lessee shall have the right to erect or maintain a hangar for privately owned aircraft. If a hangar is not already situated on the premises at the time this lease is created, the Lessee shall complete construction of such hangar according to plans and specifications as approved in writing by Lessor and according to building permits as authorized by the City of Grand Rapids. Upon issuance of a building permit, if said construction is not completed within the first three (3) years of this lease, this lease shall expire and Lessee shall be responsible for all costs incurred by Lessor to restore the premises to its original condition. Lessor reserves the right to demand good and sufficient bond against liens for any construction or remodeling of structures on the leased premises.

8) RESTRICTIVE COVENANTS. Lessee shall comply with all the following covenants:

8.1) The hangar placed on the leased premises shall be kept in a neat and orderly condition and shall be painted or repainted at such time or times and of such color or colors; all as may reasonably be directed by Lessor, Mn/DOT Office of Aeronautics, any agency of the United States Government, or any other agency having jurisdiction over the airport facility. No additions, modifications or alterations shall be made to the hangar without written consent of Lessor.

8.2) No signs or advertising matter of any kind shall be painted, posted or displayed upon any hangar or the leased premises without written consent of Lessor.

8.3) No excavation shall be made upon the leased premises and no fences or sidewalks shall be constructed thereon without the written consent of Lessor.

8.4) The parties agree that any structure placed on the premises does not become a part of the real property. Removal is subject to Paragraph 4 of this Lease Agreement.

8.5) No buildings or structures placed upon the leased premises shall become a part of the realty, except as hereinafter provided.

8.6) Explosives, gasoline, oil, and other highly flammable material of any kind kept on the leased premises shall be kept in such a manner as the Lessor shall from time to time determine. Storage of such material shall be kept in such manner as to comply with requirements of NFPA and all applicable rules, regulations, ordinances and fire codes. Lessee shall be responsible for the clean-up of all hazardous materials and spills and shall be responsible for the remediation of any hazardous/contaminated soils on the leased premises.

8.7) Lessee agrees that, except in the case of students, only duly-licensed pilots will operate aircraft on any runway or the leased premises and that the operation will be subject to the laws of the United States, the State of Minnesota, the County of Itasca, and the City of Grand Rapids.

8.8) Other than commercial endeavors approved and itemized in the attached Exhibit B, or subsequent approval by the Lessor, the Lessee shall not engage in any commercial aviation endeavors on the leased premises. This prohibition includes but is not limited to performing work on airplanes not owned by the Lessee. Furthermore, Lessee agrees that the leased premises shall be used for aviation purposes only. This strictly prohibits commercial and non-commercial use that is not aviation-related.

8.9) Lessee shall pay all utilities, water, lights and any other service used on the leased premises during the term of this lease or any renewal thereof.

- 9) **INDEMNIFICATION.** Lessee hereby agrees to indemnify and hold harmless Lessor and the leased property from any fine, lien, penalty or forfeiture which shall or may accrue from or by reason of the erection of any buildings or structure on said premises, or by reason of any use of said premises on the airport by the Lessee; and Lessee further agrees to indemnify and hold harmless the Lessor from all liability or claim of liability, and to pay any judgment rendered against Lessor and to reimburse Lessor for any expense incurred by it by reason of any action or suit of law or equity brought against it, in which it is made a party, by reason of the erection of any such building or structure or by reason of the occupancy or use by Lessee of the leased premises or in any way relating to or connected with the use of the leased premises. For the purpose of this paragraph the term "expense" shall be construed to include all costs incurred by Lessor in the defense or settlement of said actions or suits including attorney fees, filing fees, salaries and expenses of any officials or employees of Lessor while engaged in the defense or settlement of said action or suit.
- 10) **TAXES AND ASSESSMENTS.** Lessee shall pay all property taxes, assessments, license fees or other charges that may be levied or assessed during the term of this agreement upon or against any improvements or equipment on the leased premises. If the Lessee shall fail or neglect to pay any of said property taxes, assessments, fees or other charges when due, Lessor may pay the same together with any cost or penalty which may have accrued hereon, and collect the entire amount due to Lessor upon demand, and in default thereof, Lessor shall have a first lien on improvements owned by Lessee for the amounts so paid.
- 11) **INSURANCE.** Lessee shall carry liability insurance on the leased premises in the same amount as the maximum liability to which the Lessor is exposed pursuant to Minnesota Statutes Section 466.04 and subsequent amendments thereto.
- 12) **AMENDMENT.** If this lease should fail to comply in any respect with the ordinances, regulations or laws of the United States, the State of Minnesota, the County of Itasca, or the City of Grand Rapids, then this lease shall be amended to comply with the requirements of said ordinances, laws and regulations. If said amendment would result in a material deviation from the general terms and conditions of this lease, then Lessor or Lessee has the right to renegotiate or terminate this lease.
- 13) **NON-DISCRIMINATION.** Lessee does hereby covenant and agree that with respect to all matter relating to use of the leased premises, no persons on the grounds of race, color, or natural origin shall be excluded from participation and denied the benefits or otherwise be subject to discriminations; and Lessee shall use the premises in compliance with all other requirements imposed by or pursuant to any laws or regulations imposed by the United States Government or the State of Minnesota.

LESSOR:

GRAND RAPIDS-ITASCA COUNTY  
AIRPORT: BY THE GRAND RAPIDS CITY COUNCIL  
THROUGH DESIGNATION OF THE PARTIES JOINT  
POWERS AGREEMENT

By:

\_\_\_\_\_  
Dale Adams  
Grand Rapids City Mayor

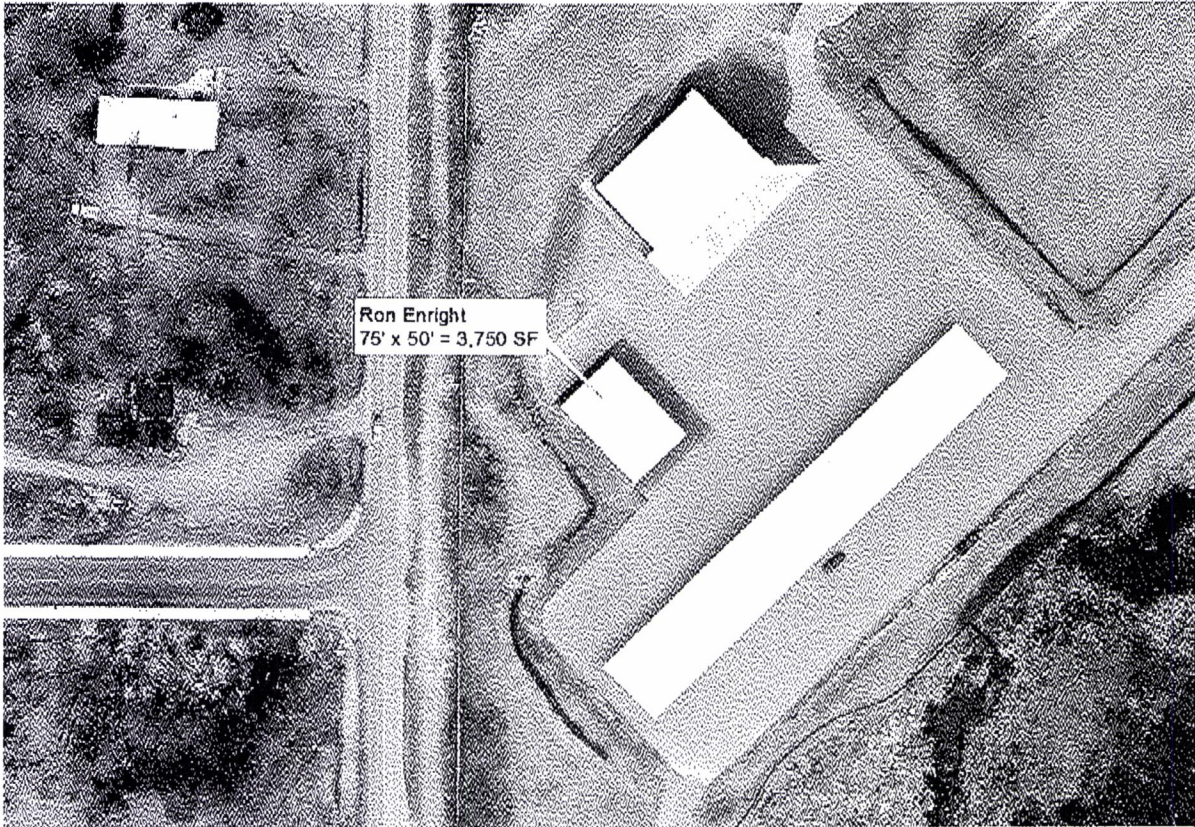
ATTEST:

\_\_\_\_\_  
Tom Pagel  
Grand Rapids City Administrator

LESSEE:

  
\_\_\_\_\_

EXHIBIT A  
LEASE LEGAL DESCRIPTION





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

# CITY OF GRAND RAPIDS

## Legislation Details (With Text)

<b>File #:</b>	13-0819	<b>Version:</b>	1	<b>Name:</b>	Leave of Absence for David Protelsch.
<b>Type:</b>	Agenda Item	<b>Status:</b>		<b>Status:</b>	Consent Agenda
<b>File created:</b>	12/12/2013	<b>In control:</b>		<b>In control:</b>	City Council
<b>On agenda:</b>	12/16/2013	<b>Final action:</b>		<b>Final action:</b>	
<b>Title:</b>	Leave of Absence for David Protelsch.				
<b>Sponsors:</b>					
<b>Indexes:</b>					
<b>Code sections:</b>					
<b>Attachments:</b>					

Date	Ver.	Action By	Action	Result
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Leave of Absence for David Protelsch.

**Background Information:**

David Protelsch, Firefighter, has requested an unpaid leave of absence beginning January 1, 2014 for a period of time not to exceed six (6) months. According to the Grand Rapids Fire Department Organizational and Operating Policies and Procedures, *"Employment on the department shall automatically terminate not more than ninety (90) days after an employee's residence or place of employment moves outside the (6) six minute radius of travel time and/or does not meet the percentage qualifications. However, an employee may be granted a leave of absence for not more than six months, provide further that not more than (4) members may be on leave of absence at the same time."*

**Staff Recommendation:**

Fire Chief Steve Flaherty and Human Resources Director Lynn DeGrio recommend granting an unpaid leave of absence to David Protelsch, Firefighter, from January 1, 2014 for a term not to exceed six months..

**Requested City Council Action**

Consider approving an unpaid leave of absence for David Protelsch, Firefighter, effective January 1, 2014 for a term not to exceed six months.



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

# CITY OF GRAND RAPIDS

## Legislation Details (With Text)

**File #:** 13-0822      **Version:** 1      **Name:** Taxi license renewal  
**Type:** Agenda Item      **Status:** Consent Agenda  
**File created:** 12/12/2013      **In control:** City Council  
**On agenda:** 12/16/2013      **Final action:**  
**Title:** Approve taxi license for calendar year 2014 for Northwoods Cab Inc. contingent upon receipt of proper documentation, satisfactory vehicle inspections and fees.

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** [Northwoods Cab Inc](#)

Date	Ver.	Action By	Action	Result
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Approve taxi license for calendar year 2014 for Northwoods Cab Inc. contingent upon receipt of proper documentation, satisfactory vehicle inspections and fees.

**Background Information:**

Northwoods Cab Inc. has submitted application for renewal of taxi cab licenses for three vehicles. All vehicle reports are attached. Vehicle inspections are pending and fees have not been received so this request is pending the completion of those steps.

**Staff Recommendation:**

Approve with contingencies.

**Requested City Council Action**

Approve taxi license for calendar year 2014 for Northwoods Cab Inc. contingent upon receipt of proper documentation, satisfactory vehicle inspections and fees.



GRAND RAPIDS  
MINNESOTA

CITY OF GRAND RAPIDS  
TAXICAB LICENSE APPLICATION

Business Phone Number 527-2389 Applicant's Home Phone Number 244-8020

1. I, Katieanne Backlund as Bookkeeper  
*(Individual owner, Officer or Partner)*  
for and on behalf of Northwoods Cab Inc.  
*(Legal name and Trade Name, if any)*  
hereby apply for a Taxicab license to be located at 1900 McKinney Lk Rd  
in the City of Grand Rapids, Minnesota, in accordance with the City Taxicab Chapter 14,  
Article III.

2. Applicant's date of birth 05-10-81

3. Are all drivers or operators in possession of a current valid Minnesota Class C driver's license? Yes  No

4. Are all drivers and operators citizens of the United States and of legal age to own and operate a motor vehicle? Yes  No

5. Are taxicabs in good, safe operating condition and comply with all federal, state and local laws and regulations pertaining to the condition and operation of a motor vehicle to be operated on streets? Yes  No

6. Is each taxicab insured for not less than State Statute amount as listed in Minnesota Statute 466.04? (attached) Yes  No

I swear that the foregoing statements are true and correct to the best of my knowledge and that I agree to comply with all ordinances under which this license is granted.

Signed: [Signature]  
Company: Northwood Cab Inc  
Date: 11-15-13

See back for vehicle equipment and operating requirements that will be verified during vehicle inspection.



### *Equipment & Operating Requirements*


1. Two-way communication equipment of sufficient capability to communicate anywhere within the City with any other place in the City, to accommodate dispatching.
2. Display a lighted "taxicab" or "taxi" device on the outside roof of the vehicle
3. Each vehicle display the designation "taxicab" or "taxi" in plain, visible letters not less than four inches in height, on each side of the taxicab?
4. Each taxicab must have four doors at a minimum.
5. Must have an accurately functioning taximeter which is located so as to be plainly visible and readable inside the taxicab by passengers.
6. Visible fare card, displaying taxi license, maximum fare rates, statement that any packages left in vehicle will be return by driver to Police Department for identification and claims.
7. Seat belts – must all be present and functioning properly.
8. Windows are clean and functioning properly.
9. Mirrors in good condition.
10. Windshield wipers in good condition and functioning properly.
11. Windshield washer functioning properly.
12. Heater and Defroster – proper operations
13. Horn secured and operating properly.
14. License plates and holders properly attached and clean.
15. Doors & Fenders: proper fit, function, alignment.
16. Front grill & headlight assemblies secure and in proper working condition.
17. Brake lights, turn signals in proper working order.
18. Hood & trunk panels open & close properly.
19. Windshields free from rock chips in driver's view, no more than 2.
20. Vehicle interior clean and clear of personal items and debris.
21. Fuel cap present and free of cracks or breaks.



CITY OF  
GRAND RAPIDS  
MICHIGAN

CITY OF GRAND RAPIDS  
TAXICAB VEHICLE REPORT

1. Address of Registered owner of vehicle: 31847 Wabana Rd, Grand Rapid
2. Vehicle Make and Year: 2000 Ford Windstar
3. State License Number: VPA 780
4. Class of Vehicle and Passenger Carrying Capacity: Mini-van 5
5. Length of time vehicle has been in use: 1 year
6. Vehicle Engine Number: 2FM2A5346YBC67651
7. Serial Number of Vehicle: —
8. Is Vehicle Mortgaged? NO
9. Name and Address of Mortgagee and amount of Mortgage —
10. Holder of Legal Title to Vehicle if other than applicant Katherine Backlund
11. Is Vehicle Leased, Licensed or under any form of contract permitted to be used and operated by some other person than the one holding the legal title? NO
12. What person collects the revenues from the operation of said taxicab and pays the expenses of operating the same? Owner

Signed:   
Company: Dorfwoods Cab Inc.  
Date: 11-15-13



CITY OF  
GRAND RAPIDS  
IT'S IN MINNESOTA, NAILED.

CITY OF GRAND RAPIDS  
TAXICAB VEHICLE REPORT

1. Address of Registered owner of vehicle: 1900 McKinney Ct Rd
2. Vehicle Make and Year: 2001 Ford Windstar
3. State License Number: 640 KWA
4. Class of Vehicle and Passenger Carrying Capacity: Minivan 5
5. Length of time vehicle has been in use: New
6. Vehicle Engine Number: 2FMZA51474BA81975
7. Serial Number of Vehicle: —
8. Is Vehicle Mortgaged? NO
9. Name and Address of Mortgagee and amount of Mortgage —
10. Holder of Legal Title to Vehicle if other than applicant Al Backlund
11. Is Vehicle Leased, Licensed or under any form of contract permitted to be used and operated by some other person than the one holding the legal title? NO
12. What person collects the revenues from the operation of said taxicab and pays the expenses of operating the same? owner

Signed: [Signature]

Company: Northwoods Cab Inc

Date: 11-15-13



GRAND RAPIDS  
MICHIGAN

CITY OF GRAND RAPIDS  
TAXICAB VEHICLE REPORT

RECEIVED

NOV 26 2013

CITY OF GRAND RAPIDS

1. Address of Registered owner of vehicle: 1900 McKinney Ct Rd
2. Vehicle Make and Year: 1999 Mercury Villager
3. State License Number: 104KWA
4. Class of Vehicle and Passenger Carrying Capacity: Mini Van 5
5. Length of time vehicle has been in use: 1+ year
6. Vehicle Engine Number: 4M2XVII T9XDJ 03493
7. Serial Number of Vehicle: —
8. Is Vehicle Mortgaged? No
9. Name and Address of Mortgagee and amount of Mortgage: Al Backlund
10. Holder of Legal Title to Vehicle if other than applicant: ↔
11. Is Vehicle Leased, Licensed or under any form of contract permitted to be used and operated by some other person than the one holding the legal title? No
12. What person collects the revenues from the operation of said taxicab and pays the expenses of operating the same? owner

Signed:

Company:

Northwoods Cabs Inc

Date:

\_\_\_\_\_

# Certificate of Compliance Minnesota Workers' Compensation Law

PRINT IN INK or TYPE.

Minnesota Statutes, Section 176.182 requires every state and local licensing agency to withhold the issuance or renewal of a license or permit to operate a business or engage in any activity in Minnesota until the applicant presents acceptable evidence of compliance with the workers' compensation insurance coverage requirement of Minnesota Statutes, Chapter 176. The required workers' compensation insurance information is the name of the insurance company, the policy number, and the dates of coverage, or the permit to self-insure. If the required information is not provided or is falsely stated, it shall result in a \$2,000 penalty assessed against the applicant by the commissioner of the Department of Labor and Industry.

**A valid workers' compensation policy must be kept in effect at all times by employers as required by law.**

BUSINESS NAME (Individual name only if no company name used) <i>Northwoods Cab Inc</i>	LICENSE OR PERMIT NO (if applicable) —
---	---

DBA (doing business as name) (if applicable)  
*Northwoods Cab Inc*

BUSINESS ADDRESS (PO Box must include street address) <i>1900 McKinney Ck Rd</i>	CITY <i>Carand Rapids</i>	STATE <i>MN</i>	ZIP CODE <i>55744</i>
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**YOUR LICENSE OR CERTIFICATE WILL NOT BE ISSUED WITHOUT THE FOLLOWING INFORMATION. You must complete number 1, 2 or 3 below.**

**NUMBER 1 COMPLETE THIS PORTION IF YOU ARE INSURED:**

WORKERS' COMPENSATION INSURANCE COMPANY NAME (not the insurance agent)

WORKERS' COMPENSATION INSURANCE POLICY NO.	EFFECTIVE DATE	EXPIRATION DATE
--	----------------	-----------------

**NUMBER 2 COMPLETE THIS PORTION IF SELF-INSURED:**

I have attached a copy of the permit to self-insure.

**NUMBER 3 COMPLETE THIS PORTION IF EXEMPT:**

I am not required to have workers' compensation insurance coverage because:

- I have no employees.
- I have employees but they are not covered by the workers' compensation law. (See Minn. Stat. § 176.041 for a list of excluded employees.) Explain why your employees are not covered: \_\_\_\_\_
- Other: \_\_\_\_\_

**ALL APPLICANTS COMPLETE THIS PORTION:**

I certify that the information provided on this form is accurate and complete. If I am signing on behalf of a business, I certify that I am authorized to sign on behalf of the business.

APPLICANT SIGNATURE (mandatory) <i>[Signature]</i>	TITLE <i>Bookkeeper</i>	DATE <i>11-15-13</i>
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**NOTE:** If your Workers' Compensation policy is cancelled within the license or permit period, you must notify the agency who issued the license or permit by resubmitting this form.  
This material can be made available in different forms, such as large print, Braille or on a tape. To request, call 1-800-342-5354 (DIAL-DLI) Voice or TDD (651) 297-4198.



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

# CITY OF GRAND RAPIDS

## Legislation Details (With Text)

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**File #:** 13-0823      **Version:** 1      **Name:** Dept Head Report  
**Type:** Agenda Item      **Status:** Department Head Report  
**File created:** 12/12/2013      **In control:** City Council  
**On agenda:** 12/16/2013      **Final action:**  
**Title:** Civic Center, Park & Recreation ~ Dale Anderson

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** [Civic Center-Park and Rec](#)

Date	Ver.	Action By	Action	Result
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Civic Center, Park & Recreation ~ Dale Anderson



**GRAND RAPIDS**  
IT'S IN MINNESOTA'S NATURE

**Recreation and Park Department  
IRA Civic Center  
420 N Pokegama Avenue  
Grand Rapids, MN 55744  
218.326.2500 Phone  
218.326.5410 Fax**

## **Memorandum**

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**To:** Mayor and City Council  
**From:** Dale Anderson, Director of Parks & Recreation  
**Date:** December 16, 2013  
**Re:** Department Head Report

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On Tuesday, December 17<sup>th</sup> we will be holding a public meeting to review the Final Draft of our City's Parks & Trails Plan. The Final Draft is the result of gathering input from local residents at two previously held public meetings. Some key points in the draft recommend a redesign of Blandin Beach Park adding a pavilion and splash pad, designating a fenced dog park, establishing new parks on Islevue Road and in the Remer/Deschepper neighborhood, and supporting prior efforts of the City to construct a pedestrian bridge across the Mississippi River near the Library. The Parks & Recreation Advisory Board will make final revisions and recommend Council adoption at its January meeting. The updated Parks and Trails Plan will serve as an important tool in the C.I.P. process.

In September, Affinity Plus Federal Credit Union along with a strong contingency of neighborhood residents raised more than \$20,000 to purchase and construct a new playground at Maplewood Park. In addition to the playground, volunteers also constructed a new sandbox, refurbished benches, painted backboards, and resurfaced the basketball court. The Grand Rapids Rotary Club also constructed a pavilion at Crystal Lake Park. We are hoping, upon Council approval of a Park Sponsorship Policy, that we can meet with area businesses and service organizations to encourage similar involvement at other City Parks.

With the launching of the City's new website, we will be offering on-line registration and payments for Recreation, Civic Center and Golf Course programs and services. Our staff is currently training with our software provider, with hopes of going live next week. This will be a huge convenience for our customers as well as reduce staff time required for data entry.

**An Equal Opportunity / Affirmative Action Employer**

High School hockey, figure skating, and youth hockey practices, games and tournaments are in full gear at the IRA Civic Center. GRAHA increased the number of tournaments held and the number of teams per tournament this season. The increased number of teams forces Friday morning games requiring many teams' an additional night of lodging here in Grand Rapids. Staff began conducting surveys for the economic impact study at the IRA Civic Center last Sunday. The public has been very receptive to participating in our project which should allow for excellent data collection.

The Northern MN Mudrun was once again a huge success. More than 230 runners (up 20% from last year) tested their endurance as the course continues to get tougher every year. We maintained solid numbers in our our fall recreation programs as 138 boys and girls participated in soccer while 32 more played flag football. Outdoor rinks are now open. Warming houses are staffed from 3:30 – 9:00 pm on weekdays and 12:00 – 8:00 pm on weekends. We did not open until December 14<sup>th</sup> as the snowstorm interrupted flodding, making this our latest start in 10 years.

Feel free to contact me anytime at 326-2500.





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

# CITY OF GRAND RAPIDS

## Legislation Details (With Text)

**File #:** 13-0809      **Version:** 1      **Name:** Closing of City Hall on Tuesday, December 24, 2013.  
**Type:** Agenda Item      **Status:** Administration Department  
**File created:** 12/10/2013      **In control:** City Council  
**On agenda:** 12/16/2013      **Final action:**  
**Title:** Closing of City Hall on Tuesday, December 24, 2013.

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:**

Date	Ver.	Action By	Action	Result
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Closing of City Hall on Tuesday, December 24, 2013.

**Background Information:**

City Hall will be closed on the afternoon of Tuesday, December 24, 2013 and all day Wednesday, December 25, 2013, as it is an official holiday. Because many employees will typically submit a Flexible Time Off (FTO) request for 1/2 day Tuesday, December 24, 2013, and it's a very slow day for public inquiries, we would like to propose closing City Hall all day Tuesday as well. Because it's not an official holiday, employees would have the option of working behind closed doors or utilizing FTO.

Often times there are many projects that need to be done that are difficult, if not impossible, to do while dealing with the day to day public inquiries. One of the key projects is records retention and relocating items to storage.

**Staff Recommendation:**

City Administrator Tom Pagel has recommended closing City Hall on Tuesday, December 24, 2013.

**Requested City Council Action**

Consider authorizing the closing of City Hall all day on Tuesday, December 24, 2013 and allow employees to either work behind closed doors or utilize four (4) hours of Flexible Time Off.



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

# CITY OF GRAND RAPIDS

## Legislation Details (With Text)

**File #:** 13-0815      **Version:** 1      **Name:** Civil Legal Services Agreement  
**Type:** Agenda Item      **Status:** Administration Department  
**File created:** 12/12/2013      **In control:** City Council  
**On agenda:** 12/16/2013      **Final action:**  
**Title:** Consider an Agreement for Legal Services with Sterle Law Office, LLC

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** [12-16-13 Civil Attorney Contract.pdf](#)

Date	Ver.	Action By	Action	Result
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Consider an Agreement for Legal Services with Sterle Law Office, LLC

**Background Information:**

The City advertised regionally during the month of November for the services of a a civil law firm. Two proposals were submitted. One was submitted by Sterle Law of Grand Rapids and the other by Colosimo, Patchin, Kearney & Brunfelt, LTD. of Virginia. The proposal submitted by the Sterle Law firm met the RFP requirements. The proposal sent by the Colosimo Etal firm did not. The Colosimo firm was provided another opportunity to resubmit, but the second submittal still did not meet the requirements of the RFP.

The review committee of Council Members Sanderson, Christy, and Police Chief Denny directed Administrator Pagel to further negotiate a fee with the Sterle Law firm. The proposed five year agreement is attached. All civil services provided by the Sterle Law firm would be on a flat retainer fee of \$9,200/month in calendar year 2014 and increase to \$9,500, \$10,000, \$10,500, and \$11,000 in each successive year. All litigation would be at an hourly rate of \$140/hour in 2014 with \$5/hour increases in each successive year.

**Staff Recommendation:**

City staff is recommending the approval of an agreement with the Sterle Law firm for calendar years 2014 through 2018.

**Requested City Council Action**

Consider approval of an agreement with the Sterle Law firm for calendar years 2014 through 2018.

## **CONTRACT FOR PROFESSIONAL CIVIL LEGAL SERVICES**

THIS CONTRACT is made and entered into as of the \_\_\_\_ day of \_\_\_\_\_, 2013 by and between the **City of Grand Rapids**, a Minnesota municipal corporation, hereinafter referred to as "City", and **Chad B. Sterle, Attorney at Law**, hereinafter referred to as "Attorney".

### **RECITALS**

- A. City requires professional civil legal services.
- B. Attorney can provide those services.

### **AGREEMENT**

In consideration of the mutual covenants and terms below, it is agreed by and between City and Attorney as follows:

#### **1. Scope of Services**

It shall be the general intent of the Scope of Services to have Attorney perform all services as defined in Exhibit "A1" (Civil Legal Services Retainer and Hourly Service).

#### **2. Rate of Compensation**

Compensation to Attorney in full for work listed in Exhibit "A1" as follows.

##### Exhibit "A1": Civil Retainer/Hourly Rate

All parties agree that Chad B. Sterle will represent the City of Grand Rapids in civil matters based upon an initial retainer of \$9,200 monthly for the calendar year of 2014 and would provide all services listed under the column headed *Retainer Civil*, which is contained in *Schedule A* provided by the City of Grand Rapids. The monthly retainer would increase in years two through five as follows: in 2015 the monthly retainer will be increased to \$9,500, in 2016 the monthly retainer will be increased to \$10,000, in 2017 the monthly retainer will be increased to \$10,500, and in 2018 the monthly retainer will be increased to \$11,000.

Chad B. Sterle will provide all services listed under *Special Projects/hrly.* in Schedule A at an hourly charge of \$140 billed monthly during the calendar year of 2014, the hourly rate will increase to \$145 during the calendar year of 2015, the hourly rate will increase to \$150 during the calendar year of 2016, the hourly rate will increase to \$155 during the calendar year of 2017, and the hourly rate will increase to \$160 during the calendar year of 2018. The minimum billing increment for hourly services will be .1 hours or six minutes. Invoices organized by City department will be submitted on a monthly basis for hourly work performed.

Moreover, both the City and the Attorney reserve the right to, upon a yearly basis, review the monthly retainer services performed and discuss whether the monthly retainer amount adjusted based upon the amount of services provided. The City and the law firm are expected to negotiate with the other in good faith in addressing the adjustment of the monthly retainer. Any adjustment must be by mutual consent of both parties and be documented in writing.

**3. Condition of Payment**

All services provided by Attorney pursuant to this Contract shall be performed to the satisfaction of City, and in accordance with all applicable federal, state and local laws, ordinances, rules and regulations, as well as the Minnesota Rules of Professional Conduct. Payment shall be withheld for work found by City to be unsatisfactory, or performed in violation of federal, state, and local laws, ordinances, rules or regulations.

**4. Time of Performance**

All work will be performed in a timely manner and in accordance with time schedules agreed upon between Attorney and the City.

**5. Ownership of Documents**

The originals of all documents generated by Attorney shall be held according to the Minnesota Rules of Professional Conduct. Rule #1.15

**6. Termination of the Contract**

Either party may cancel this Contract (or any part thereof) at any time by giving written notice to the other party at least 30 days prior to the effective date of the termination. Attorney shall be paid for the work performed prior to the effective date of termination provided, however, that Attorney's cancellation of this contract shall be governed by the MN Rules of Professional Conduct, Rule 1.16, based upon the payment terms of this Contract. Such payment shall not exceed the maximum amount provided for by the terms of this Contract. Notice to City shall be mailed or delivered to City Council, Grand Rapids City Hall, 420 N. Pokegama Avenue, Grand Rapids, MN 55744. Notice to Attorney shall be delivered to Chad B. Sterle, Attorney at Law, 502 NW Fifth Ave., Grand Rapids, MN 55744.

**7. Length of Contract**

This contract will not begin until January 1, 2014 and will terminate on December 31, 2018 unless early termination is exercised under Section 6 of this contract. All terms and conditions of the prior contract remains in effect until December 31, 2013.

**8. Independent Contractor**

It is agreed that nothing contained in this Contract is intended or should be construed as creating the relationship of co-partner, joint venturer, or an association with City and Attorney. Attorney is an independent contractor and neither Attorney, nor his employees, agents, subcontractors or representatives shall be considered employees, agents, or representatives of City. The Attorney shall be deemed the legal representative of City for all purposes contemplated by this Contract and by the Minnesota Rules of Professional Conduct. Except as otherwise provided herein, Attorney shall maintain, in all respects, present control over the means and personnel by which this Contract is performed. From any amounts due Attorney, there shall be no deductions for federal income tax or FICA payments nor for any state income tax, nor for any other purposes which are associated with an employer/employee relationship unless otherwise required by law. Payment of federal income tax, FICA payments, state

income tax, unemployment compensation taxes, and other payroll deductions and taxes are the sole responsibility of Attorney.

**9. Choice of Law**

The laws of the State of Minnesota shall govern all questions as to the execution, nature, obligation, instruction, validity, and performance of this Contract.

**10. Additional Services**

In the event that a substantial change is made in the scope, complexity or character of the work contemplated under this Contract, or if it becomes necessary for Attorney to make substantial revisions to documentation completed or in progress and which has been approved by City, such work will be deemed "extra work". For "extra work", Attorney will be compensated as mutually agreed upon by the parties to this Contract.

Time extensions may be granted by City to Attorney for completion of specific services if City feels that the "extra work" warrants the extension.

**11. Accuracy of Work**

Attorney shall be responsible for the accuracy of the work and shall promptly make necessary revisions or corrections resulting from errors and omissions on the part of Attorney without additional compensation.

All items of work to be performed by Attorney shall be done in accordance with the requirements and recommendations of, and subject to the approval of, the City.

**12. Subletting, Assignment, or Transfer**

No portion of the work under the contract shall be sublet, sold, transferred, assigned or otherwise disposed of except with the prior written consent of the City. The Attorney specified above is assigned the authority to perform services addressed in this contract.

The City may need from time to time specialized legal services which Attorney cannot perform and which the City will need to procure through Attorney practicing in limited areas of specialized practice. In order that Attorney be fully informed in advising the City, its Council, Boards and Commissions, the City will consult with the Attorney when it utilizes specialized services of other counsel, except for labor and employment legal services which are separately contracted. In the event that City retains other counsel for a specialized matter, Attorney will continue to act as liaison with the outside counsel insuring that duplicate work is not being done by outside counsel and Attorney, and to insure that legal work done by outside counsel is limited to that which is beyond Attorney's expertise to minimize the cost of outside counsel. At such times as City utilizes services of other counsel, arrangements shall be made for such other counsel to provide copies to a specified member of Attorney of all communications and documents provided to City.

Additionally, it may be necessary for the Attorney to decline to represent the City regarding a matter that would result in a conflict of interest. If in the Attorney's view there is a conflict of interest the Attorney will refer the matter to another qualified Attorney. The Attorney will require the Council's authority to employ another attorney's assistance.

**13. Indemnity**

Attorney shall save and protect, hold harmless, indemnify and defend City, its council members, officers, agents, employees and volunteer workers against any and all liability, causes of action, claims, loss, damages or cost and expense arising from any professional errors and omissions and/or negligent acts and omissions of Attorney in the performance of this Contract.

Attorney shall be responsible for the professional quality, technical accuracy, and the coordination of all services furnished by Attorney under this Contract. Attorney shall, without additional compensation, correct or revise any errors or deficiencies in Attorney's reports and services.

**14. Insurance**

Attorney shall not commence work under this Contract until they have obtained at their own cost and expenses all insurance required herein. All insurance coverage is subject to approval of City and shall be maintained by Attorney at all times this Contract is in effect. Attorney further agree that to protect themselves as well as City under the indemnity Contract set forth above, they shall at all times during the term of the Contract have and keep in force:

A. Comprehensive General Liability

- 1. Bodily Injury: \$1,000,000 per occurrence  
\$1,000,000 products & completed operations
- 2. Property Damage: \$1,000,000 per occurrence
- 3. Personal Injury  
Liability Limit: \$1,000,000 per occurrence
- 4. Contract Liability (identifying the Contract)  
  
Bodily Injury: \$1,000,000 per occurrence  
Property Damage: \$1,000,000 per occurrence

B. Professional Liability

Professional liability insurance in a policy form acceptable to City with a combined single limit of \$1,000,000 per occurrence. Coverage shall be provided in the usual form of attorney professional liability policy available in the State of Minnesota.

C. Workers' Compensation

Attorney shall obtain and maintain for the duration of this Contract, statutory workers' compensation insurance and employer's liability insurance as required under the laws of the State of Minnesota.

- 1. State: Minnesota – Statutory
- 2. Employer's Liability

Insurance certificates evidencing that the above insurance is in force with companies acceptable shall be submitted for examination and approval prior to the execution of the Contract, after which they shall be filed with City. The insurance certificates shall specifically provide that a certificate shall not be modified, canceled, or non-renewed except upon thirty (30) days prior written notice. Neither City's failure to require or insist upon certificates or other evidence of insurance showing a variance from the specified coverage changes Attorney's responsibility to comply with the insurance specifications.

City may withhold payment for failure of Attorney to furnish certificates of insurance as required above.

**15. Settlement of Claims**

In any case where Attorney deem that extra compensation is due for services, materials or damages not expressly required by the Contract or not ordered in writing by City as extra work, Attorney shall notify City in writing before they begin any such work on which they base the claim. If such notification is not previously given or the claim is not separately and strictly accounted for, Attorney hereby waive and release forever any claim or costs for such extra compensation. However, such notice or accounting shall not in any way be construed as proving the validity of any claim by Attorney.

City shall decide all claims, questions, and disputes of whatever nature which are referred to it relative to the prosecution and fulfillment of this Contract; and its decision upon all claims, questions, and disputes shall be final and conclusive upon the parties thereto administratively. Nothing in this Contract shall be construed as making final the decision of City on a question of law.

**16. Arbitration**

Any differences, claims, or matters in dispute arising between or among the parties out of or in connection with this Agreement shall be submitted to arbitration by a single Arbitrator mutually selected by the parties. If a single Arbitrator cannot be agreed upon, each party shall select an Arbitrator. The Arbitrators selected by the parties shall select a third Arbitrator whose cost will be shared equally by the parties to this contract. The determination of the Arbitrators shall be final and absolute. The Arbitrators shall be governed by the subject matter of this Agreement and the pertinent provisions of the laws of the State of Minnesota relating to arbitration. The decision of the Arbitrators may be entered as a judgment in any court of the State of Minnesota or elsewhere. Except as otherwise determined by the Arbitrators for the convenience of the Arbitrators, all arbitration proceedings shall be held in Itasca County, Minnesota.

**17. Successors and Assigns**

City and Attorney, respectively, bind themselves, their partners, successors, assigns, and legal representatives to the other party to this Contract and to the partners, successors, assigns, and legal representatives of such other party with respect to all covenants of this Contract. Neither City nor Attorney shall assign, sublet, or transfer any interest in this Contract without the prior written consent of the other.

**18. Equal Employment and Nondiscrimination and Affirmative Action**

In connection with the work under this Contract, Attorney agrees to comply with the applicable provisions of state and federal equal employment opportunity and nondiscrimination statutes and regulations.

**19. Severability**

In the event any provision of this Contract shall be held invalid and unenforceable, the remaining provisions shall be valid and binding upon the parties unless such invalidity or non-enforceability would cause the Contract to fail its purpose. One or more waivers by either party of any provision, term, condition, or covenant shall not be construed by the other party as a waiver of a subsequent breach of the same by the other party.

**20. Entire Contract**

It is understood and agreed that the entire Contract of the parties is contained herein and that this Contract supersedes all oral agreements and negotiations between the parties relating to the subject matter hereof as well as any previous contracts presently in effect between City and Attorney relating to the subject matter hereof.

**21. Relationship with Others**

Attorney shall cooperate fully with City, other municipalities, local government officials, public utility companies, and others as may be directed by City. This shall include attendance at meetings, discussions, and hearings as may be requested by City, furnishing data as may be requested from time to time by City to effect such cooperation and compliance with all directives issued by City.

**22. Covenant Against Contingent Fees**

Attorney warrant that they have not employed or retained any company or person other than a bona fide employee working solely for Attorney to solicit or secure this Contract and that they have not paid or agreed to pay any company or person other than a bona fide employee working solely for Attorney any fee, commission, percentage, brokerage fee, gifts, or any other consideration contingent upon or resulting from the award or making of this Contract. For breach or violation of this warranty, City shall have the right to annul this Contract without liability, or in its discretion, to deduct from the Contract price or consideration or otherwise recover the full amount of such fee, commission, percentage, brokerage fee, gifts or contingent fee.

**23. Laws**

Attorney shall keep themselves fully informed of all existing and current regulations of the city, county, state and federal laws which in any way limit or control the actions or operations of those engaged upon the work or affecting the materials supplied to or by them. Attorney shall at all times observe and comply with all ordinances, laws, and regulations and shall protect and indemnify City as provided in Article 12 of this Contract.



**24. Authorized Agent of City**

City shall appoint an authorized agent for the purpose of administration of this Contract. Attorney is notified that the authorized agent of City is as follows:

City Administrator  
420 North Pokegama Avenue  
Grand Rapids, Minnesota 55744

The City Administrator will be responsible for managing the services provided under the Civil Legal Services Component of Exhibit "A" of this contract.

**25. Working Relationship**

In order to maintain a positive working relationship over the term of this contract the Attorney and the City agree to conduct periodic reviews (once a year in December after the signing of this Contract) of the Attorney's work under this contract. The method and forum for the reviews will be developed by the Attorney and the City Administrator and approved by the Council.

**26. Modification of Contract**

Any alterations, variations, modifications, or waivers of provisions of this Contract shall only be valid when they have been reduced to writing, signed by the Mayor and City Administrator/Clerk and by Attorney and attached to the original of this Contract.

**27. Conflict of Interest**

Chad Sterle does represent defendants in criminal cases which are alleged to have occurred within Grand Rapids City limits when there is a separate and distinct prosecuting entity such as the Itasca County Attorney's Office.

Mr. Sterle brought this issue to the Grand Rapids City Council for its consideration in 2006, pursuant to Rule of Profession Responsibility 1.7. Which states:

*(a) A lawyer shall not represent a client if the representation of that client will be directly adverse to another client, unless:*

- (1) the lawyer reasonably believes the representation will not adversely affect the relationship with the other client; and*
- (2) each client consents after consultation.*

*(b) A lawyer shall not represent a client if the representation of that client may be materially limited by the lawyer's responsibilities to another client or to a third person, or by the lawyer's own interests, unless:*

- (1) the lawyer reasonably believes the representation will not be adversely affected; and*
- (2) the client consents after consultation. When representation of multiple clients in a single matter is undertaken, the consultation shall include explanation of the implications of the common representation and the advantages and risks involved.*

The Grand Rapids City Council has previously authorized Mr. Sterle to represent criminal defendants who were alleged to have committed a crime within Grand Rapids city limits, but who are being prosecuted by a separate and distinct prosecuting agency.

Now that Mr. Sterle in no way prosecutes for the City of Grand Rapids, the City Council does hereby consent that Mr. Sterle may represent criminal defendants who are alleged to have committed a crime within the municipal boundaries of Grand Rapids in that the matter will be prosecuted by the Itasca County Attorneys Office, or John P. Dimich.

City and Attorney have executed this agreement by the authorized signatures below.

DATE: \_\_\_\_\_

CITY OF GRAND RAPIDS

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

Dale Adams, Its Mayor

ATTEST: \_\_\_\_\_

Thomas Pagel, Its City Administrator

DATE: \_\_\_\_\_

CHAD B. STERLE, ATTORNEY AT LAW

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

Chad B. Sterle

**EXHIBIT "A1"**  
**SCHEDULE OF RETAINER AND HOURLY SERVICES**

<b>CIVIL LEGAL SERVICES</b>	
<b>Monthly Retainer Civil</b>	<b>Special Projects/hrly</b>
<p>1. Attend and prepare for City Council Meetings on the second and fourth Monday of each Month with some exception due to holiday schedules.</p> <p>2. Occasional Special meetings.</p> <p>3. Attending and preparing for the following Boards and Commissions meetings as directed by the City Administrator:</p> <ul style="list-style-type: none"> <li>• Park &amp; Rec Advisory Board</li> <li>• Area Library Board</li> <li>• Planning Commission</li> <li>• Police Civil Service Commission</li> <li>• EDA</li> <li>• Civic Center Board</li> <li>• Golf Course Board</li> <li>• PUC</li> <li>• Airport Advisory Board</li> <li>• Central School Board</li> <li>• Cable TV Board</li> <li>• Human Rights Commission</li> <li>• Policy and Ordinance Review Committee.</li> <li>• Arts and Culture Commission.</li> <li>• * HRA retains counsel of their choosing separately from this agreement and compensates said attorney independently of this agreement.</li> </ul>	<ul style="list-style-type: none"> <li>• 1. Represent/Defend the City in all litigation matters (<i>except those cases where insurance companies are required to exclusively provide defense</i>) including, but not limited to: <ul style="list-style-type: none"> <li>• (A) condemnation and eminent domain proceedings for public improvement projects;</li> <li>• (B) zoning and land use regulation matters;</li> <li>• (C) the razing and removing of hazardous buildings;</li> <li>• (D) prosecution/resolution of alleged land use violations;</li> <li>• (E) special assessment appeals;</li> <li>• (F) conciliation court matters and unlawful detainer (eviction) actions; and</li> <li>• (G) any other matters requiring litigation services.</li> </ul> </li> </ul>
<p>4. Meeting with the City Administrator and department heads every two weeks to</p>	

<p>review Council agenda items, the status of all legal matters before the City and providing a quarterly written status report on all current litigation and unresolved matters.</p> <p>5. Contracts, Agreement drafting</p>	
<p>6. Review financing, special assessments, bonds and insurance requirement required by or for City contracts or activities</p>	
<p>7. Contract Review</p>	
<p>8. Agenda review for all City departments, boards &amp; commissions</p>	
<p>9. Review documents and advising</p>	
<p>10. Review of municipal contracts, including contracts for public improvement, joint power agreements, construction, purchase of equipment, special use conditional agreements, subdivision bonds and development agreements</p>	
<p>11. Legal briefing before City Council regarding new and or proposed legislation affecting municipal operations and activities</p>	
<p>12. Provide advise on open meeting law and data practices/privacy issues</p>	
<p>13. Advice and representation on environmental matters</p>	

14. Statute interpretation without a written legal opinion	
15. Research and submission of legal opinions on municipal or other legal matters requested by city Council or City Administrator.	
16. Other projects deemed appropriate by the City Council/City Administrator.	
17. Represent the City in all allegations of employee misconduct, discipline, policy violations, as well as, perform investigation of such claims.	



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

# CITY OF GRAND RAPIDS

## Legislation Details (With Text)

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**File #:** 13-0818      **Version:** 1      **Name:** VERIFIED CLAIMS  
**Type:** Agenda Item      **Status:** Verified Claims  
**File created:** 12/12/2013      **In control:** City Council  
**On agenda:** 12/16/2013      **Final action:**  
**Title:** Consider approving the verified claims for the period December 3, 2013 to December 9, 2013 in the total amount of \$724,825.94.  
**Sponsors:**  
**Indexes:**  
**Code sections:**  
**Attachments:** [12/16/13 Bill List](#)

Date	Ver.	Action By	Action	Result
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Consider approving the verified claims for the period December 3, 2013 to December 9, 2013 in the total amount of \$724,825.94.

### Requested City Council Action

Consider approving the verified claims for the period December 3, 2013 to December 9, 2013 in the total amount of \$724,825.94.

GRAND RAPIDS CITY COUNCIL BILL LIST - DECEMBER 16, 2013

DATE: 12/12/2013  
 TIME: 13:59:43  
 ID: AP443000.CGR

CITY OF GRAND RAPIDS  
 DEPARTMENT SUMMARY REPORT

PAGE: 1

INVOICES DUE ON/BEFORE 12/16/2013

VENDOR #	NAME	AMOUNT DUE
GENERAL FUND		
CITY WIDE		
0920042	ITASCA COUNTY HIGHWAY DEPT	24,928.80
	TOTAL CITY WIDE	24,928.80
SPECIAL PROJECTS-NON BUDGETED		
1916650	SPRINGSTED	1,440.00
	TOTAL SPECIAL PROJECTS-NON BUDGETED	1,440.00
SPECIAL PROJECTS-BUDGETED		
0920113	ITASCA SKI & OUTING CLUB	15,000.00
	TOTAL SPECIAL PROJECTS-BUDGETED	15,000.00
ADMINISTRATION		
0718060	GRAND RAPIDS NEWSPAPERS INC	927.05
1415377	NORTHERN BUSINESS PRODUCTS INC	54.15
1920240	STERLE LAW OFFICE	487.50
	TOTAL ADMINISTRATION	1,468.70
BUILDING MAINTENANCE-CITY HALL		
0113233	AMERIPRIDE LINEN & APPAREL	24.83
0701650	GARTNER REFRIGERATION CO	2,694.26
0920060	ITASCA COUNTY TREASURER	234.46
2018680	TRU NORTH ELECTRIC LLC	1,051.62
	TOTAL BUILDING MAINTENANCE-CITY HALL	4,005.17
COMMUNITY DEVELOPMENT		
0718060	GRAND RAPIDS NEWSPAPERS INC	92.00
0920060	ITASCA COUNTY TREASURER	41.24
1415377	NORTHERN BUSINESS PRODUCTS INC	72.65
1920240	STERLE LAW OFFICE	650.00
2018225	TREASURE BAY PRINTING INC	13.73
	TOTAL COMMUNITY DEVELOPMENT	869.62
FINANCE		
1415377	NORTHERN BUSINESS PRODUCTS INC	4.25

GRAND RAPIDS CITY COUNCIL BILL LIST - DECEMBER 16, 2013

DATE: 12/12/2013  
 TIME: 13:59:44  
 ID: AP443000.CGR

CITY OF GRAND RAPIDS  
 DEPARTMENT SUMMARY REPORT

PAGE: 2

INVOICES DUE ON/BEFORE 12/16/2013

VENDOR #	NAME	AMOUNT DUE
GENERAL FUND		
FINANCE		
TOTAL FINANCE		4.25
FIRE		
0113233	AMERIPRIDE LINEN & APPAREL	10.44
0114200	ANDERSON GLASS	800.00
0221650	BURGGRAF'S ACE HARDWARE INC	68.11
0301666	CARROT-TOP INDUSTRIES INC	128.00
0401804	DAVIS OIL	290.84
0609646	FIRE EQUIPMENT SPECIALTIES INC	138.00
0718020	G.R. FIRE DEPT SPECIAL ACCOUNT	550.00
0718060	GRAND RAPIDS NEWSPAPERS INC	610.30
0805350	HEIMAN INC	13,224.63
0920060	ITASCA COUNTY TREASURER	80.91
1301016	MADDEN'S DUTCH ROOM &	42.86
1805165	RED POWER DIESEL SERVICE INC	88.23
2300600	W.P. & R.S. MARS COMPANY	78.95
TOTAL FIRE		16,111.27
INFORMATION TECHNOLOGY		
0400015	D.C.R. COMMUNICATIONS INC	70.00
2315634	WORKS COMPUTING INC	43.00
TOTAL INFORMATION TECHNOLOGY		113.00
PUBLIC WORKS		
0100046	ASV, INC.	31.69
0103325	ACHESON TIRE COMPANY INC	897.75
0221650	BURGGRAF'S ACE HARDWARE INC	65.57
0301655	CARGILL INCORPORATED	3,768.61
0301685	CARQUEST AUTO PARTS	136.76
0315455	COLE HARDWARE INC	17.51
0401425	DAKOTA SUPPLY GROUP	663.31
0401804	DAVIS OIL	384.49
0409730	DIVERSIFIED INSPECTIONS, INC.	398.48
0514802	ENVIROTECH SERVICES INC	5,728.24
0920060	ITASCA COUNTY TREASURER	937.85
0920120	ITASCA UTILITIES INC	2,986.60
1401650	NARDINI FIRE EQUIPMENT CO. INC	46.36
1415005	NORTH AMERICAN SALT COMPANY	6,687.26
1415536	NORTHLAND HYDRAULIC SERVICE	160.85
1415640	NORTRAX EQUIPMENT COMPANY	111.64



DATE: 12/12/2013  
 TIME: 13:59:44  
 ID: AP443000.CGR

CITY OF GRAND RAPIDS  
 DEPARTMENT SUMMARY REPORT

PAGE: 3

INVOICES DUE ON/BEFORE 12/16/2013

VENDOR #	NAME	AMOUNT DUE
GENERAL FUND		
PUBLIC WORKS		
1421155	NUCH'S IN THE CORNER	330.07
1503150	OCCUPATIONAL DEVELOPMENT CTR	1,474.88
2305453	WESCO RECEIVABLE CORP	350.89
T000935	GEORGE KOROL	38.45
TOTAL PUBLIC WORKS		25,217.26
FLEET MAINTENANCE		
0103325	ACHESON TIRE COMPANY INC	331.31
0121721	AUTO VALUE - GRAND RAPIDS	19.16
0301685	CARQUEST AUTO PARTS	110.62
0315455	COLE HARDWARE INC	8.57
0318900	CRYSTEEL TRUCK EQUIPMENT INC	522.08
0609305	FIGGINS TRUCK & TRAILER REPAIR	38.17
1201850	LAWSON PRODUCTS INC	276.02
1301720	MATCO TOOLS	27.38
1605740	PETROCHOICE-ANDERSON LUBRICANT	553.79
1801590	RAPIDS FORD LINCOLN	339.13
TOTAL FLEET MAINTENANCE		2,226.23
POLICE		
0121721	AUTO VALUE - GRAND RAPIDS	10.24
0301685	CARQUEST AUTO PARTS	40.37
0312750	CLUSIAU SALES	1,435.79
0315455	COLE HARDWARE INC	4.69
0920060	ITASCA COUNTY TREASURER	3,893.31
1301025	MAKI BODY & GLASS	1,074.50
1415377	NORTHERN BUSINESS PRODUCTS INC	140.65
1801570	RAPIDS AUTO WASH	31.50
1801609	RAPIDS TOWING	520.00
1920233	STREICHER'S INC	562.94
1920240	STERLE LAW OFFICE	617.50
TOTAL POLICE		8,331.49
RECREATION		
1903330	SCHOOL DISTRICT #318	23.36
TOTAL RECREATION		23.36
CENTRAL SCHOOL		

GRAND RAPIDS CITY COUNCIL BILL LIST - DECEMBER 16, 2013

DATE: 12/12/2013  
 TIME: 13:59:44  
 ID: AP443000.CGR

CITY OF GRAND RAPIDS  
 DEPARTMENT SUMMARY REPORT

PAGE: 4

INVOICES DUE ON/BEFORE 12/16/2013

VENDOR #	NAME	AMOUNT DUE
CENTRAL SCHOOL		
0405223	DEER RIVER HIRED HANDS INC	50.00
1401650	NARDINI FIRE EQUIPMENT CO. INC	225.00
1503150	OCCUPATIONAL DEVELOPMENT CTR	69.47
1909510	SIM SUPPLY INC	107.54
1920240	STERLE LAW OFFICE	1,202.50
	TOTAL	1,654.51
AIRPORT		
0801836	HAWKINSON SAND & GRAVEL	256.74
1401650	NARDINI FIRE EQUIPMENT CO. INC	420.00
1920240	STERLE LAW OFFICE	87.14
	TOTAL	763.88
TERMINAL EXPENDITURES		
1401650	NARDINI FIRE EQUIPMENT CO. INC	452.87
	TOTAL TERMINAL EXPENDITURES	452.87
CIVIC CENTER		
GENERAL ADMINISTRATION		
0113233	AMERIPRIDE LINEN & APPAREL	13.03
0116605	APPERTS INC	266.91
0221525	BUNES SEPTIC SERVICE INC	271.30
0221650	BURGGRAF'S ACE HARDWARE INC	17.06
0315455	COLE HARDWARE INC	14.52
0405223	DEER RIVER HIRED HANDS INC	15.00
0501656	THE EARTHGRAINS COMPANY INC	32.28
0605670	FERRELLGAS	248.77
0920060	ITASCA COUNTY TREASURER	67.35
1009508	JIM'S HYDRAULIC JACK SVC LLC	324.44
1105640	KERNEL CONCESSION SUPPLY	78.22
1209302	LIGHTNING BOOSTER CLUB	208.44
1300200	MDF INDUSTRIES INC	194.00
1301168	MARKETPLACE FOODS	85.12
1415655	NORVEND INC	80.00
1605611	PEPSI-COLA	2,928.18
1800655	R & R SPECIALTIES	50.64
1901535	SANDSTROM COMPANY INC	4,127.84
1905150	SECURITY ACCESS CONTROL	57.71
1909510	SIM SUPPLY INC	370.96

DATE: 12/12/2013  
 TIME: 13:59:44  
 ID: AP443000.CGR

CITY OF GRAND RAPIDS  
 DEPARTMENT SUMMARY REPORT

PAGE: 5

INVOICES DUE ON/BEFORE 12/16/2013

VENDOR #	NAME	AMOUNT DUE
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CIVIC CENTER		
GENERAL ADMINISTRATION		
2116600	UPPER LAKE FOODS INC	600.14
2209421	VIKING ELECTRIC SUPPLY INC	127.77
TOTAL GENERAL ADMINISTRATION		10,179.68
RECREATION PROGRAMS		
0116617	APPLIED INSIGHTS NORTH	1,290.00
TOTAL		1,290.00
CEMETERY		
0221650	BURGGRAF'S ACE HARDWARE INC	83.64
0920060	ITASCA COUNTY TREASURER	178.02
1920240	STERLE LAW OFFICE	552.50
TOTAL		814.16
DOMESTIC ANIMAL CONTROL FAC		
0701650	GARTNER REFRIGERATION CO	286.50
0920060	ITASCA COUNTY TREASURER	148.64
1401650	NARDINI FIRE EQUIPMENT CO. INC	207.65
TOTAL		642.79
GO IMPROVEMENT BONDS 2013B		
0920055	ITASCA COUNTY RECORDER	46.00
TOTAL		46.00
CAPITAL EQPT REPLACEMENT FUND		
CAPITAL OUTLAY-FIRE DEPT		
0221650	BURGGRAF'S ACE HARDWARE INC	88.67
2300600	W.P. & R.S. MARS COMPANY	638.84
TOTAL CAPITAL OUTLAY-FIRE DEPT		727.51

GRAND RAPIDS CITY COUNCIL BILL LIST - DECEMBER 16, 2013

DATE: 12/12/2013  
 TIME: 13:59:44  
 ID: AP443000.CGR

CITY OF GRAND RAPIDS  
 DEPARTMENT SUMMARY REPORT

PAGE: 6

INVOICES DUE ON/BEFORE 12/16/2013

VENDOR #	NAME	AMOUNT DUE
2013 INFRASTRUCTURE BONDS		
2010-02 CITY WIDE OVERLAYS		
0801825	HAWKINSON CONSTRUCTION CO INC	3,626.58
TOTAL 2010-02 CITY WIDE OVERLAYS		3,626.58
2011-5 GC ROAD IMPROVEMENTS		
0920042	ITASCA COUNTY HIGHWAY DEPT	265,625.40
TOTAL 2011-5 GC ROAD IMPROVEMENTS		265,625.40
STORM WATER UTILITY		
0401804	DAVIS OIL	283.82
1421155	NUCH'S IN THE CORNER	176.01
1621125	PUBLIC UTILITIES COMMISSION	2,200.00
TOTAL		2,659.83
TOTAL UNPAID TO BE APPROVED IN THE SUM OF:		\$388,222.36
CHECKS ISSUED-PRIOR APPROVAL		
PRIOR APPROVAL		
0114210	D. ANDERSON - CHANGE FUND	3,000.00
0201354	B. BAIRD-PETTY CASH FUND	10.81
0218100	BRENT BRADLEY	80.00
0409655	TIMOTHY DIRKES	40.00
0605191	FIDELITY SECURITY LIFE INS CO	40.78
0612224	FLEET SERVICES	1,857.11
0718015	GRAND RAPIDS CITY PAYROLL	255,192.25
0718070	GRAND RAPIDS STATE BANK	103.79
0815464	SARA HOLUM	150.00
1201402	LAKE COUNTRY POWER	55.37
1309199	MINNESOTA ENERGY RESOURCES	676.20
1309332	MN STATE RETIREMENT SYSTEM	2,119.00
1315295	CHAD MOEN	40.00
1502645	GARY O'BRIEN	80.00
1516220	OPERATING ENGINEERS LOCAL #49	31,631.00
1601750	PAUL BUNYAN COMMUNICATIONS	293.65
1621130	P.U.C.	12,092.73
2205637	VERIZON WIRELESS	3,629.80
2209665	VISA	1,830.32
2209705	VISIT GRAND RAPIDS	23,286.02
T000934	CENTRAL PENINSULA	394.75
TOTAL PRIOR APPROVAL ALLOWED IN THE SUM OF		\$336,603.58
TOTAL ALL DEPARTMENTS		724,825.94