

**AGENDA**  
**CITY COUNCIL MEETING**  
**September 30, 2015**  
**6:30 P.M.**

A. 6:30 Call to Order

B. Roll Call

C. Open Forum

*The public is invited to speak at this time. Open Forum is limited to one half-hour. No person may speak more than five (5) minutes or more than once. Each subject will have a limit of ten (10) minutes. Council members may ask questions of the speaker. With the agreement of the Council, such matters taken up during the open forum may be scheduled on the current agenda or a future agenda.*

D. 6:35 Approve Consent Agenda

1. Approve Agenda
2. Approve Meeting Minutes
3. Approve Payment of Bills
4. Visit Cook County Moose Madness Moose Mosey Permit

E. 6:40 Liability Insurance Renewal—Paul Coe

F. 7:00 Library Budget Update

G. 7:15 Cedar Grove Reassessment Hearing  
Resolution 2015-19 Adopting Reassessment

H. 7:25 1800 W Highway 61 Purchase Agreement

I. 7:45 IRRRB Development Infrastructure Grant Agreement--CCNSH

J. Other items as necessary

K. 7:50 Council & Staff Reports

L. Attached correspondence:

1. Other Meeting Minutes
2. Upcoming Meeting Schedule

M. 8:00 Adjourn

*CITY OF GRAND MARAIS  
MINUTES  
September 9, 2015*

Acting Mayor Kennedy called the meeting to order at 6:30 p.m.  
 Members present: Tim Kennedy, Dave Mills, and Tracy Benson  
 Members absent: Jay Arrowsmith-DeCoux and Anton Moody  
 Staff present: Mike Roth and Chris Hood

Acting Mayor Kennedy invited the public to speak during a period of open forum. Open Forum is limited to one half-hour. No person may speak more than 5 minutes or more than once. No one spoke during open forum.

**Motion by Mills, seconded by Benson to approve the Agenda; August 26, 2015, Minutes; Payment of Bills, and MN Deer Hunter’s Association Raffle Permit. Approved unanimously.**

Nancy Shultz, CR-BPS, presented the City Hall Assessment. City Hall was constructed in stages from the 1940’s until the 1980’s. The assessment identified the building components, their replacement cost and expected life, and their age to determine a facility condition index. The index is a ratio of the cost to bring the building into like-new condition with the replacement cost of the building. An index of 0 indicates a new building, and an index of 1 indicates a total loss. Buildings with an index above .5 are generally not a good investment to repair, but rather are candidates for replacement. City Hall has an index of at least .56. Combined with the unsure foundations and potential for flooding, City Hall is not a good candidate for remodeling.

The facility assessment tool also allows the City to create a long-term capital improvement plan and explore the costs and effects on building condition index of different investment strategies. This tool will be more useful for City building in fair or good condition.

The Council considered liquor license renewals.

**Motion by Mills, seconded by Benson to approve the following Liquor License renewals.**

<b>Licensee</b>	<b>Business</b>	<b>License Type</b>	<b>Fee</b>
Larsen Borthers LLC	Birch Terrace Supper Club	Liquor/Sunday	\$2,500
Sven & Ole's Inc.	Sven & Ole's Pizza	Liquor/Sunday	\$2,500
Gunflint Tavern on the Lake LLC	Gun Flint Tavern	Liquor/Sunday/Growler	\$2,720
Harbor House Grille LLC	Harbor House Grille	Liquor/Sunday	\$2,500
Am Leg 413	American Legion Lounge	Club	\$700
My Sisters Place Inc.	My Sister’s Place	Wine/Beer	\$440
The Crooked Spoon Café, Inc.	The Crooked Spoon Café	Wine/Beer	\$440
Northwind Sailing Inc.	Angry Trout Café	Wine/Beer	\$440
The Little Canteen LLC	Hughie’s Taco House	Wine/Beer	\$440

Toftey, Harley/Shelly	Dockside Fish Market	Wine/Beer	\$440
Moose Cream LLC	Sydney's Frozen Custard	Wine/Beer	\$440
Three Families Brewing LLC	Voyageur Brewing Company	Taproom/Growler	\$440
Grand Marais Superamerica	Grand Marais Superamerica	Beer Off-Sale	\$110
Cook County Curling Club	Cook County Curling Club	Beer On-Sale	\$110

**Approved unanimously.**

Parks Manager Dave Tersteeg presented the latest plans for a DNR water access facility in the Southwest corner of the Harbor. The City and Park Board have been working with the DNR to develop a boat launch for a number of years. The Park Board and City Council approved a resolution with specific requested design criteria. The Park Board conducted a public review of the designs and is satisfied that the DNR has met the City's requested criteria. They recommend that the City council approve the plans, and cooperate with the DNR to seek state bond funds for its construction.

**Motion by Mills, seconded by Benson to approve the plans for the DNR boat launch facility and request state bonding fund support. Approved unanimously.**

The Council reviewed a proposed reassessment role for the Cedar Grove Business Park.

**Motion by Benson, seconded by Mills to approve Resolution 2015-17, Accepting the reassessment role for Cedar Grove Business Park and setting a Public Hearing for September 30, 2015 at 7:00 p.m. Approved unanimously.**

There are no further changes to the City's draft budget at this time.

**Motion by Mills, seconded by Benson to approve Resolution 2015-18 setting the preliminary levy at \$924,767.76. Approved unanimously.**

**Motion by Mills, seconded by Benson to approve a contract with the Sawtooth Mountain Clinic to reimburse the City for expenses related to the MN APA conference presentation up to \$600. Approved unanimously.**

The Council reviewed the last joint City County School Tribe Meeting.

Councilor Benson's Report:

- 1) Would like to attend the League of MN Cities regional meeting in Mountain Iron October 8.

There being no further business, the meeting adjourned at 8:29 p.m.



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**Payments**

Current Period: October 2015

Batch Name	10012015AP	User Dollar Amt	\$106,442.88
	Payments	Computer Dollar Amt	\$106,442.88
			\$0.00 In Balance

Refer	65812	ARROWHEAD LIBRARY SYSTEM			
Cash Payment	E 211-45500-200	Office Supplies (GENER			\$20.95
Invoice	00013671	8/31/2015			
Cash Payment	E 211-45500-200	Office Supplies (GENER			-\$16.62
Invoice	00013583	5/31/2015			
Transaction Date	9/21/2015	MAIN CHECKING G	10100	Total	\$4.33
Refer	65813	DALCO			
Cash Payment	E 211-45500-200	Office Supplies (GENER			\$285.08
Invoice	2926083	8/31/2015			
Cash Payment	E 101-41940-210	Operating Supplies (GE			\$516.97
Invoice	2926083	8/31/2015			
Cash Payment	E 101-41940-210	Operating Supplies (GE			\$124.04
Invoice	2910850	7/23/2015			
Transaction Date	9/21/2015	MAIN CHECKING G	10100	Total	\$926.09
Refer	65815	BAKER & TAYLOR			
Cash Payment	E 211-45500-435	Books, Periodicals			\$990.86
Invoice	2031010096	8/26/2015			
Transaction Date	9/21/2015	MAIN CHECKING G	10100	Total	\$990.86
Refer	65816	CENTER POINT LARGE PRINT			
Cash Payment	E 211-45500-435	Books, Periodicals			\$295.00
Invoice	1321660	8/31/2015			
Transaction Date	9/21/2015	MAIN CHECKING G	10100	Total	\$295.00
Refer	65817	RECORDED BOOKS, INC.			
Cash Payment	E 211-45500-437	Audio Visual / DVD			\$6.95
Invoice	75201585	9/4/2015			
Cash Payment	E 211-45500-437	Audio Visual / DVD			\$6.95
Invoice	75201586	9/4/2015			
Transaction Date	9/21/2015	MAIN CHECKING G	10100	Total	\$13.90
Refer	65818	GENE S FOODS			
Cash Payment	E 613-45125-255	Food For Resale			\$23.87
Invoice	3871848	8/31/2015			
Transaction Date	9/21/2015	MAIN CHECKING G	10100	Total	\$23.87
Refer	65819	VOYAGEUR BREWING COMPANY			
Cash Payment	E 609-49750-252	Beer For Resale			\$300.00
Invoice	9172015	9/17/2015			
Cash Payment	E 609-49750-252	Beer For Resale			\$210.00
Invoice	9162015	9/16/2015			
Cash Payment	E 609-49750-252	Beer For Resale			\$830.00
Invoice	9232015	9/23/2015			
Transaction Date	9/21/2015	MAIN CHECKING G	10100	Total	\$1,340.00
Refer	65820	BERNICKS			
Cash Payment	E 609-49750-260	Soft Drinks/Mix For Resa			\$80.75
Invoice	474073	9/17/2015			



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Current Period: October 2015

Cash Payment	E 609-49750-252 Beer For Resale			\$3,471.90
Invoice	474074	9/17/2015		
Cash Payment	E 613-45125-255 Food For Resale			\$74.52
Invoice	17817	9/9/2015		
Cash Payment	E 609-49750-252 Beer For Resale			\$5,429.66
Invoice	475072	9/24/2015		
Cash Payment	E 609-49750-260 Soft Drinks/Mix For Resa			\$49.50
Invoice	475071	9/24/2015		
Transaction Date	9/21/2015	MAIN CHECKING G 10100	<b>Total</b>	<b>\$9,106.33</b>
Refer	65821 JOHNSON BROTHER LIQUOR			
Cash Payment	E 609-49750-251 Liquor For Resale			\$2,756.79
Invoice	5259331	9/16/2015		
Cash Payment	E 609-49750-333 Freight and Express			\$80.32
Invoice	5259331	9/16/2015		
Cash Payment	E 609-49750-251 Liquor For Resale			-\$37.25
Invoice	536379	7/31/2015		
Cash Payment	E 609-49750-333 Freight and Express			-\$2.51
Invoice	536379	7/31/2015		
Cash Payment	E 609-49750-251 Liquor For Resale			-\$768.00
Invoice	538293	8/14/2015		
Cash Payment	E 609-49750-333 Freight and Express			-\$17.57
Invoice	538293	8/14/2015		
Cash Payment	E 609-49750-251 Liquor For Resale			-\$20.21
Invoice	539206	8/21/2015		
Cash Payment	E 609-49750-333 Freight and Express			-\$0.21
Invoice	539206	8/21/2015		
Cash Payment	E 609-49750-251 Liquor For Resale			-\$38.85
Invoice	540020	8/28/2015		
Cash Payment	E 609-49750-333 Freight and Express			-\$2.51
Invoice	540020	8/28/2015		
Cash Payment	E 609-49750-251 Liquor For Resale			\$665.35
Invoice	5259332	9/16/2015		
Cash Payment	E 609-49750-333 Freight and Express			\$35.14
Invoice	5259332	9/16/2015		
Cash Payment	E 609-49750-251 Liquor For Resale			-\$66.20
Invoice	540024	8/28/2015		
Cash Payment	E 609-49750-333 Freight and Express			-\$2.51
Invoice	540024	8/28/2015		
Cash Payment	E 609-49750-251 Liquor For Resale			-\$81.00
Invoice	540023	8/28/2015		
Cash Payment	E 609-49750-333 Freight and Express			-\$2.51
Invoice	540023	8/28/2015		
Cash Payment	E 609-49750-251 Liquor For Resale			-\$4.13
Invoice	540021	8/28/2015		
Cash Payment	E 609-49750-251 Liquor For Resale			-\$31.50
Invoice	540022	8/28/2015		
Cash Payment	E 609-49750-251 Liquor For Resale			\$4,038.77
Invoice	5264463	9/23/2015		
Cash Payment	E 609-49750-333 Freight and Express			\$107.93
Invoice	5264463	9/23/2015		



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Cash Payment	E 609-49750-251 Liquor For Resale				\$3,420.00
Invoice	5264462	9/23/2015			
Cash Payment	E 609-49750-333 Freight and Express				\$136.17
Invoice	5264462	9/23/2015			
Transaction Date	9/21/2015	MAIN CHECKING G	10100	<b>Total</b>	\$10,165.51
Refer	65822 PHILLIPS WINE & SPIRITS				
Cash Payment	E 609-49750-251 Liquor For Resale				\$3,177.12
Invoice	2852271	9/16/2015			
Cash Payment	E 609-49750-333 Freight and Express				\$85.34
Invoice	2852271	9/16/2015			
Cash Payment	E 609-49750-251 Liquor For Resale				-\$39.00
Invoice	218831	8/14/2015			
Cash Payment	E 609-49750-251 Liquor For Resale				\$4,695.87
Invoice	2855855	9/23/2015			
Cash Payment	E 609-49750-333 Freight and Express				\$144.96
Invoice	2855855	9/23/2015			
Transaction Date	9/21/2015	MAIN CHECKING G	10100	<b>Total</b>	\$8,064.29
Refer	65823 SUNDEW TECHNICAL SERVICES				
Cash Payment	E 101-41400-570 Office Equip and Furnish				\$1,950.44
Invoice	GM CITY	9/16/2015			
Cash Payment	E 609-49750-221 Equipment Parts/Bulling				\$319.30
Invoice	GMLIQUOR	9/16/2015			
Transaction Date	9/21/2015	MAIN CHECKING G	10100	<b>Total</b>	\$2,269.74
Refer	65824 TWIN PORTS PAPER & SUPPLY IN				
Cash Payment	E 609-49750-210 Operating Supplies (GE				\$75.29
Invoice	272704	9/15/2015			
Cash Payment	E 101-45100-210 Operating Supplies (GE				\$613.49
Invoice	270619	9/1/2015			
Cash Payment	E 101-45100-210 Operating Supplies (GE				\$537.98
Invoice	272311	9/15/2015			
Transaction Date	9/21/2015	MAIN CHECKING G	10100	<b>Total</b>	\$1,226.76
Refer	65825 NORTHERN WILDS				
Cash Payment	E 609-49750-340 Advertising				\$296.50
Invoice	2016HOTELDIRE	9/21/2015			
Cash Payment	E 101-45100-340 Advertising				\$296.50
Invoice	2016HOTELDIRE	9/21/2015			
Transaction Date	9/21/2015	MAIN CHECKING G	10100	<b>Total</b>	\$593.00
Refer	65826 ROHLFING INC.				
Cash Payment	E 609-49750-252 Beer For Resale				\$3,860.35
Invoice	416553	9/16/2015			
Cash Payment	E 609-49750-252 Beer For Resale				\$5,015.40
Invoice	416863	9/23/2015			
Transaction Date	9/21/2015	MAIN CHECKING G	10100	<b>Total</b>	\$8,875.75
Refer	65827 SUPERIOR BEVERAGES LLP				
Cash Payment	E 609-49750-252 Beer For Resale				\$2,818.65
Invoice	481381	9/16/2015			
Transaction Date	9/21/2015	MAIN CHECKING G	10100	<b>Total</b>	\$2,818.65



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Refer	65828	WIRTZ BEVERAGE MINNESOTA			
Cash Payment	E 609-49750-251	Liquor For Resale			\$4,142.34
Invoice	1080372754	9/15/2015			
Cash Payment	E 609-49750-333	Freight and Express			\$74.00
Invoice	1080372754	9/15/2015			
Transaction Date	9/21/2015	MAIN CHECKING G	10100	<b>Total</b>	\$4,216.34
Refer	65829	BUCK S HARDWARE HANK			
Cash Payment	E 613-45125-211	Operating Supplies			\$101.87
Invoice	9988	8/31/2015			
Cash Payment	E 101-43100-220	Repair/Maint Supply (GE			\$60.75
Invoice	3125	8/31/2015			
Cash Payment	E 101-41400-210	Operating Supplies (GE			\$8.54
Invoice	1848	8/31/2015			
Cash Payment	E 211-45500-200	Office Supplies (GENER			\$8.98
Invoice	1140	8/31/2015			
Cash Payment	E 101-45100-220	Repair/Maint Supply (GE			\$261.18
Invoice	1712	8/31/2015			
Transaction Date	9/21/2015	MAIN CHECKING G	10100	<b>Total</b>	\$441.32
Refer	65830	STEVE S SPORTS AND AUTO			
Cash Payment	E 613-45125-211	Operating Supplies			\$97.03
Invoice	CITY OF GM	8/31/2015			
Transaction Date	9/21/2015	MAIN CHECKING G	10100	<b>Total</b>	\$97.03
Refer	65831	ISAK HANSEN INC.			
Cash Payment	E 613-45125-211	Operating Supplies			\$491.91
Invoice	1533	8/31/2015			
Cash Payment	E 101-45100-220	Repair/Maint Supply (GE			\$88.45
Invoice	1534	8/31/2015			
Transaction Date	9/21/2015	MAIN CHECKING G	10100	<b>Total</b>	\$580.36
Refer	65832	ARROWHEAD COOPERATIVE			
Cash Payment	E 613-45125-321	Telephone			\$110.63
Invoice	1234	9/1/2015			
Transaction Date	9/21/2015	MAIN CHECKING G	10100	<b>Total</b>	\$110.63
Refer	65833	GRAND MARAIS AUTO PARTS, INC			
Cash Payment	E 101-43100-220	Repair/Maint Supply (GE			\$24.68
Invoice	3125	8/22/2015			
Transaction Date	9/21/2015	MAIN CHECKING G	10100	<b>Total</b>	\$24.68
Refer	65834	ARCTIC GLACIER INC.			
Cash Payment	E 609-49750-259	Other For Resale			\$738.80
Invoice	GM LIQUOR	8/31/2015			
Transaction Date	9/21/2015	MAIN CHECKING G	10100	<b>Total</b>	\$738.80
Refer	65835	DUNSMOOR, ANNETTE (KIM)			
Cash Payment	E 101-41400-330	Transportation/School			\$329.13
Invoice	BEMIDJI	9/15/2015			
Transaction Date	9/21/2015	MAIN CHECKING G	10100	<b>Total</b>	\$329.13
Refer	65836	COOK COUNTY NEWS HERALD			



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Cash Payment	E 609-49750-340 Advertising	2014		\$120.00
Invoice	CITYOFGM	11/30/2014		
Cash Payment	E 101-41400-350 Publishing			\$61.25
Invoice	CITYOFGM	5/31/2015		
Cash Payment	E 101-42200-200 Office Supplies (GENER			\$23.75
Invoice	CITYOFGM	5/31/2015		
Cash Payment	E 101-45100-250 Merchandise Resale (GE			\$63.70
Invoice	CITYOFGM	8/31/2015		
Cash Payment	E 211-45500-340 Advertising			\$48.00
Invoice	CITYOFGM	8/31/2015		
Transaction Date	9/21/2015	MAIN CHECKING G	10100	<b>Total</b> \$316.70
Refer	65837	TOSHIBA BUSINESS SOLUTIONS		
Cash Payment	E 101-41400-210 Operating Supplies (GE			\$27.59
Invoice		9/10/2015		
Transaction Date	9/21/2015	MAIN CHECKING G	10100	<b>Total</b> \$27.59
Refer	65838	COOK COUNTY LAW ENFORCEME		
Cash Payment	E 101-42100-317 Contracted Services			\$11,666.67
Invoice	SEPT. 2015	9/21/2015		
Transaction Date	9/21/2015	MAIN CHECKING G	10100	<b>Total</b> \$11,666.67
Refer	65839	AMERICAN SOLUTIONS FOR BUSI		
Cash Payment	E 101-41400-200 Office Supplies (GENER			\$494.82
Invoice	INV02279939	9/15/2015		
Transaction Date	9/21/2015	MAIN CHECKING G	10100	<b>Total</b> \$494.82
Refer	65840	ARROWHEAD ANIMAL RESCUE		
Cash Payment	E 101-42700-310 Service Agreements			\$232.00
Invoice	2014	9/21/2015		
Cash Payment	E 101-42700-310 Service Agreements			\$50.00
Invoice	2013	9/21/2015		
Transaction Date	9/21/2015	MAIN CHECKING G	10100	<b>Total</b> \$282.00
Refer	65841	G&G SEPTIC		
Cash Payment	E 101-43100-418 Portable Toilet Rentals			\$48.25
Invoice	10366	8/31/2015		
Cash Payment	E 101-45100-418 Portable Toilet Rentals			\$355.52
Invoice	10416	9/1/2015		
Cash Payment	E 101-45184-418 Portable Toilet Rentals			\$126.97
Invoice	10416	9/1/2015		
Cash Payment	E 101-45189-418 Portable Toilet Rentals			\$1,690.93
Invoice	10416	9/1/2015		
Transaction Date	9/21/2015	MAIN CHECKING G	10100	<b>Total</b> \$2,221.67
Refer	65842	AMERIPRIDE LINEN AND APPARE		
Cash Payment	E 101-41940-210 Operating Supplies (GE			\$130.15
Invoice	350001765	9/7/2015		
Transaction Date	9/21/2015	MAIN CHECKING G	10100	<b>Total</b> \$130.15
Refer	65843	LYLE S ACE HARDWARE		
Cash Payment	E 101-43100-220 Repair/Maint Supply (GE			\$56.80
Invoice	3125	8/31/2015		



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Cash Payment	E 101-43100-224 Street Maint Materials			\$51.09
Invoice	3125	8/31/2015		
Cash Payment	E 101-45100-220 Repair/Maint Supply (GE)			\$180.29
Invoice	1712	8/31/2015		
Cash Payment	E 613-45125-211 Operating Supplies			\$70.42
Invoice	9988	8/31/2015		
Transaction Date	9/21/2015	MAIN CHECKING G	10100	Total \$358.60
Refer	65844 NORTH SHORE WASTE			
Cash Payment	E 101-43100-384 Refuse/Garbage Dispos			\$1,940.15
Invoice	16042	8/31/2015		
Cash Payment	E 101-41940-384 Refuse/Garbage Dispos			\$107.79
Invoice	16060	8/31/2015		
Cash Payment	E 101-45100-384 Refuse/Garbage Dispos			\$7,557.77
Invoice	16027	8/31/2015		
Cash Payment	E 101-45184-384 Refuse/Garbage Dispos			\$200.00
Invoice	16027	8/31/2015		
Transaction Date	9/21/2015	MAIN CHECKING G	10100	Total \$9,805.71
Refer	65845 US POSTMASTER			
Cash Payment	E 609-49750-310 Service Agreements			\$50.00
Invoice	PO BOX 391	9/21/2015		
Transaction Date	9/21/2015	MAIN CHECKING G	10100	Total \$50.00
Refer	65846 BOREAL ACCESS			
Cash Payment	E 101-45100-210 Operating Supplies (GE)			\$84.95
Invoice	150915-0167	9/15/2015		
Cash Payment	E 211-45500-449 Automation			\$59.85
Invoice	150915-0574	9/15/2015		
Transaction Date	9/22/2015	MAIN CHECKING G	10100	Total \$144.80
Refer	65847 FIRE & INDUSTRIAL SALES, INC.			
Cash Payment	E 101-45100-220 Repair/Maint Supply (GE)			\$337.64
Invoice	98168	9/1/2015		
Cash Payment	E 613-45125-211 Operating Supplies			\$335.15
Invoice	98168	9/1/2015		
Cash Payment	E 609-49750-310 Service Agreements			\$31.65
Invoice	98168	9/1/2015		
Cash Payment	E 211-45500-220 Repair/Maint Supply (GE)			\$31.65
Invoice	98168	9/1/2015		
Cash Payment	E 101-43100-220 Repair/Maint Supply (GE)			\$100.50
Invoice	98168	9/1/2015		
Cash Payment	E 101-41940-220 Repair/Maint Supply (GE)			\$175.36
Invoice	98168	9/1/2015		
Cash Payment	E 101-42200-310 Service Agreements			\$101.10
Invoice	98168	9/1/2015		
Transaction Date	9/22/2015	MAIN CHECKING G	10100	Total \$1,113.05
Refer	65848 INTELLIGENT PRODUCTS INC.			
Cash Payment	E 101-45100-210 Operating Supplies (GE)			\$640.47
Invoice	198561A	9/9/2015		
Cash Payment	E 101-45189-210 Operating Supplies (GE)			\$400.00
Invoice	198561A	9/9/2015		



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Transaction Date	9/22/2015	MAIN CHECKING G	10100	Total	\$1,040.47
Refer	65849 VISIT DULUTH				
Cash Payment	E 101-45100-340 Advertising				\$225.00
Invoice 429	7/15/2015				
Transaction Date	9/22/2015	MAIN CHECKING G	10100	Total	\$225.00
Refer	65850 EDWIN E. THORESON, INC.				
Cash Payment	E 101-45100-220 Repair/Maint Supply (GE				\$175.00
Invoice 22877	8/31/2015				
Transaction Date	9/22/2015	MAIN CHECKING G	10100	Total	\$175.00
Refer	65851 SAWTOOTH LUMBER				
Cash Payment	E 101-45100-220 Repair/Maint Supply (GE				\$48.50
Invoice 3280	8/31/2015				
Transaction Date	9/22/2015	MAIN CHECKING G	10100	Total	\$48.50
Refer	65852 DEX MEDIA EAST LLC				
Cash Payment	E 101-45100-340 Advertising				\$42.00
Invoice 110220314	9/1/2015				
Transaction Date	9/22/2015	MAIN CHECKING G	10100	Total	\$42.00
Refer	65853 QUILL CORPORATION				
Cash Payment	E 101-45100-200 Office Supplies (GENER				\$216.01
Invoice 7025158	8/20/2015				
Cash Payment	E 101-45100-200 Office Supplies (GENER				\$2.13
Invoice 7037594	8/20/2015				
Cash Payment	E 101-45100-200 Office Supplies (GENER				\$13.62
Invoice 7094390	8/20/2015				
Transaction Date	9/22/2015	MAIN CHECKING G	10100	Total	\$231.76
Refer	65854 NORTH SHORE OIL AND PROPAN				
Cash Payment	E 101-45184-215 Marina Fuel for Resale				\$2,069.10
Invoice Z6761	9/3/2015				
Transaction Date	9/22/2015	MAIN CHECKING G	10100	Total	\$2,069.10
Refer	65855 COMO OIL & PROPANE				
Cash Payment	E 101-45100-217 Heating Fuel				\$274.69
Invoice 834750	9/16/2015				
Transaction Date	9/22/2015	MAIN CHECKING G	10100	Total	\$274.69
Refer	65856 CARLSON REFRIGERATION				
Cash Payment	E 101-45100-250 Merchandise Resale (GE				\$594.49
Invoice GM CAMPGROU	9/2/2015				
Transaction Date	9/22/2015	MAIN CHECKING G	10100	Total	\$594.49
Refer	65857 GRAND MARAIS SUPERAMERICA				
Cash Payment	E 101-45100-212 Motor Fuels				\$54.93
Invoice 975644	8/8/2015				
Transaction Date	9/22/2015	MAIN CHECKING G	10100	Total	\$54.93
Refer	65858 MCI MEGA PREFERRED				
Cash Payment	E 101-41400-321 Telephone				\$49.37
Invoice 08678993875	9/22/2015				



**CITY OF GRAND MARAIS**  
**Payments**

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**City of Grand Marais**

Current Period: October 2015

Cash Payment	E 211-45500-321 Telephone			\$2.17
Invoice	08678993875	9/22/2015		
Cash Payment	E 609-49750-321 Telephone			\$7.03
Invoice	08678993875	9/22/2015		
Cash Payment	E 101-43100-321 Telephone			\$0.64
Invoice	08678993875	9/22/2015		
<b>Transaction Date</b>	<b>9/22/2015</b>	<b>MAIN CHECKING G</b>	<b>10100</b>	<b>Total</b> <b>\$59.21</b>
<b>Refer</b>	<b>65859 CALLAWAY GOLF</b>			
Cash Payment	E 613-45125-254 Golf Supplies For Resale			\$615.68
Invoice	926306207	9/2/2015		
Cash Payment	E 613-45125-254 Golf Supplies For Resale			\$1,092.76
Invoice	926312055	9/4/2015		
Cash Payment	E 613-45125-254 Golf Supplies For Resale			\$289.05
Invoice	926312054	9/4/2015		
Cash Payment	E 613-45125-254 Golf Supplies For Resale			\$243.25
Invoice	926325941	9/11/2015		
<b>Transaction Date</b>	<b>9/22/2015</b>	<b>MAIN CHECKING G</b>	<b>10100</b>	<b>Total</b> <b>\$2,240.74</b>
<b>Refer</b>	<b>65860 WILD NORTH GOLF</b>			
Cash Payment	E 613-45125-340 Advertising			\$900.00
Invoice	2015 DUES	9/22/2015		
<b>Transaction Date</b>	<b>9/22/2015</b>	<b>MAIN CHECKING G</b>	<b>10100</b>	<b>Total</b> <b>\$900.00</b>
<b>Refer</b>	<b>65861 HORNUNG S PRO GOLF SALES, IN</b>			
Cash Payment	E 613-45125-253 Clothes For Resale			\$117.63
Invoice	365461	8/31/2015		
<b>Transaction Date</b>	<b>9/22/2015</b>	<b>MAIN CHECKING G</b>	<b>10100</b>	<b>Total</b> <b>\$117.63</b>
<b>Refer</b>	<b>65862 ARROWHEAD COOPERATIVE</b>			
Cash Payment	E 613-45125-380 Utility Services (GENER			\$127.00
Invoice	901298	8/31/2015		
Cash Payment	E 613-45125-380 Utility Services (GENER			\$380.00
Invoice	908127	8/31/2015		
<b>Transaction Date</b>	<b>9/22/2015</b>	<b>MAIN CHECKING G</b>	<b>10100</b>	<b>Total</b> <b>\$507.00</b>
<b>Refer</b>	<b>65863 BELLBOY CORPORATION - LIQUO</b>			
Cash Payment	E 609-49750-259 Other For Resale			\$123.67
Invoice	92696600	9/15/2015		
Cash Payment	E 609-49750-251 Liquor For Resale			\$350.00
Invoice	50086100	9/15/2015		
Cash Payment	E 609-49750-333 Freight and Express			\$14.70
Invoice	50086100	9/15/2015		
<b>Transaction Date</b>	<b>9/22/2015</b>	<b>MAIN CHECKING G</b>	<b>10100</b>	<b>Total</b> <b>\$488.37</b>
<b>Refer</b>	<b>65864 SOUTHERN WINE &amp; SPIRITS OF M</b>			
Cash Payment	E 609-49750-251 Liquor For Resale			\$6,203.57
Invoice	1327934	9/17/2015		
Cash Payment	E 609-49750-333 Freight and Express			\$178.87
Invoice	1327934	9/17/2015		
<b>Transaction Date</b>	<b>9/22/2015</b>	<b>MAIN CHECKING G</b>	<b>10100</b>	<b>Total</b> <b>\$6,382.44</b>
<b>Refer</b>	<b>65865 BAKER &amp; TAYLOR</b>			



CITY OF GRAND MARAIS

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Payments

City of Grand Marais

Current Period: October 2015

Cash Payment	E 211-45500-435 Books, Periodicals				\$80.30
Invoice	2031057671	9/8/2015			
Transaction Date	9/23/2015	MAIN CHECKING G	10100	Total	\$80.30
Refer	65875	COOK COUNTY AUDITOR-TREASU			
Cash Payment	E 101-41610-306 Attorney (Criminal)				\$3,125.00
Invoice	5505	9/20/2015			
Transaction Date	9/24/2015	MAIN CHECKING G	10100	Total	\$3,125.00
Refer	65876	TURFWERKS			
Cash Payment	E 613-45125-221 Equipment Parts/Bulling				\$70.36
Invoice	EI90940	9/15/2015			
Cash Payment	E 613-45125-221 Equipment Parts/Bulling				\$54.64
Invoice	OI37620	9/15/2015			
Transaction Date	9/24/2015	MAIN CHECKING G	10100	Total	\$125.00
Refer	65877	WTIP			
Cash Payment	E 609-49750-340 Advertising				\$1,000.00
Invoice	1206	9/14/2015			
Transaction Date	9/24/2015	MAIN CHECKING G	10100	Total	\$1,000.00
Refer	65878	COCA-COLA REFRESHMENTS			
Cash Payment	E 609-49750-260 Soft Drinks/Mix For Resa				\$120.36
Invoice	0618043014	9/23/2015			
Transaction Date	9/24/2015	MAIN CHECKING G	10100	Total	\$120.36
Refer	65879	SUPERIOR BEVERAGES LLP			
Cash Payment	E 609-49750-252 Beer For Resale				\$2,245.80
Invoice	481806	9/23/2015			
Cash Payment	E 609-49750-252 Beer For Resale				\$110.90
Invoice	481845	9/23/2015			
Transaction Date	9/24/2015	MAIN CHECKING G	10100	Total	\$2,356.70
Refer	65880	DENNY S LAWN AND GARDEN			
Cash Payment	E 101-45100-220 Repair/Maint Supply (GE				\$104.17
Invoice	210171	8/7/2015			
Transaction Date	9/24/2015	MAIN CHECKING G	10100	Total	\$104.17
Refer	65881	NINAWORKS/			
Cash Payment	E 101-45100-340 Advertising				\$599.00
Invoice	NSVIS.BOOK	9/24/2015			
Cash Payment	E 101-45184-340 Advertising				\$250.00
Invoice	NSVIS.BOOK	9/24/2015			
Cash Payment	E 613-45125-340 Advertising				\$250.00
Invoice	NSVIS.BOOK	9/24/2015			
Transaction Date	9/24/2015	MAIN CHECKING G	10100	Total	\$1,099.00
Refer	65882	COOK COUNTY VISITORS BUREA			
Cash Payment	E 613-45125-340 Advertising				\$100.00
Invoice	LODG.PACKC	9/24/2015			
Cash Payment	E 101-45184-340 Advertising				\$100.00
Invoice	LODG.PACKC	9/24/2015			
Cash Payment	E 101-45100-340 Advertising				\$350.00
Invoice	LODG.PACKC	9/24/2015			



**CITY OF GRAND MARAIS**

**Payments**

**City of Grand Marais**

Current Period: October 2015

Transaction Date	9/24/2015	MAIN CHECKING G	10100	Total	\$550.00
Refer	65883	FRAPE & SONS			
Cash Payment	E 609-49750-259 Other For Resale				\$648.00
Invoice	014				9/24/2015
Transaction Date	9/24/2015	MAIN CHECKING G	10100	Total	\$648.00
Refer	65884	ARTISAN BEER COMPANY			
Cash Payment	E 609-49750-252 Beer For Resale				\$240.30
Invoice	3056180				9/23/2015
Transaction Date	9/24/2015	MAIN CHECKING G	10100	Total	\$240.30
Refer	65885	WINE MERCHANTS			
Cash Payment	E 609-49750-251 Liquor For Resale				\$865.00
Invoice	7048033				9/23/2015
Cash Payment	E 609-49750-333 Freight and Express				\$25.10
Invoice	7048033				9/23/2015
Cash Payment	E 609-49750-251 Liquor For Resale				-\$60.00
Invoice	703834				7/31/2015
Cash Payment	E 609-49750-333 Freight and Express				-\$2.51
Invoice	703834				7/31/2015
Transaction Date	9/24/2015	MAIN CHECKING G	10100	Total	\$827.59
Refer	65897	COOK COUNTY RECORDER			
Cash Payment	E 101-41400-350 Publishing				\$46.00
Invoice	632				8/28/2015
Transaction Date	9/25/2015	MAIN CHECKING G	10100	Total	\$46.00
Refer	65898	FLAHERTY & HOOD, P.A.			
Cash Payment	E 101-41610-304 Attorney(Civil)				\$805.00
Invoice	8064				9/2/2015
Transaction Date	9/25/2015	MAIN CHECKING G	10100	Total	\$805.00

**Fund Summary**

10100 MAIN CHECKING GMSB

101 GENERAL FUND	\$40,862.31
211 LIBRARY	\$1,820.12
609 MUNICIPAL LIQUOR FUND	\$58,214.68
613 GOLF COURSE	\$5,545.77
	<u>\$106,442.88</u>

Pre-Written Checks	\$0.00
Checks to be Generated by the Computer	\$106,442.88
Total	<u>\$106,442.88</u>



City of Grand Marais

CITY OF GRAND MARAIS

Payments

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Current Period: September 2015

Batch Name 091515 CPAP
Payment
Computer Dollar Amt \$102,185.57 Posted

Table with columns: Refer, Description, Ck#, Date, Transaction Date, Due, Account, Total. Includes entries for MN DEPT OF REVENUE-EFTPS, DEPT OT THE TREASURY IRS, PERA, EMPOWER, MII LIFE-FLEX, CENTURYLINK, and COOK COUNTY VISITORS BUREA.



Payments

City of Grand Marais

Current Period: September 2015

Cash Payment	E 101-41400-321 Telephone				\$149.99
Invoice 985	9/1/2015				
Transaction Date	9/15/2015	Due 0	MAIN CHECKING G 10100	Total	\$149.99
Refer	65784 VISA		Ck# 073547 9/15/2015		
Cash Payment	E 211-45500-200 Office Supplies (GENER	Amazon			\$197.82
Invoice 8757	9/2/2015				
Cash Payment	E 211-45500-435 Books, Periodicals	Amazon			\$289.30
Invoice 8757	9/2/2015				
Cash Payment	E 211-45500-437 Audio Visual / DVD	Amazon			\$179.16
Invoice 8757	9/2/2015				
Cash Payment	E 101-45184-210 Operating Supplies (GE	DiscountTrac			\$119.96
Invoice 8757	9/2/2015				
Cash Payment	E 101-45100-250 Merchandise Resale (GE	Norflex Inc.			\$457.45
Invoice 8757	9/2/2015				
Transaction Date	9/15/2015	Due 0	MAIN CHECKING G 10100	Total	\$1,243.69
Refer	65785 AFSCME		Ck# 073532 9/15/2015		
Cash Payment	G 101-21712 AFSME Union Dues				\$1,024.61
Invoice Sept 2015	9/30/2015				
Transaction Date	9/15/2015	Due 0	MAIN CHECKING G 10100	Total	\$1,024.61
Refer	65786 MHI LIFE - VEBA		Ck# 073541 9/15/2015		
Cash Payment	G 101-21706 Health Insurance				\$508.36
Invoice Sept 2015	9/30/2015				
Transaction Date	9/15/2015	Due 0	MAIN CHECKING G 10100	Total	\$508.36
Refer	65787 MICHAUD DIST. INC.		Ck# 073540 9/15/2015		
Cash Payment	E 609-49750-252 Beer For Resale				\$776.00
Invoice 44303	9/14/2015				
Transaction Date	9/15/2015	Due 0	MAIN CHECKING G 10100	Total	\$776.00
Refer	65788 JOHNSON BROTHER LIQUOR		Ck# 073539 9/15/2015		
Cash Payment	E 609-49750-251 Liquor For Resale				\$7,394.98
Invoice 5254350	9/10/2015				
Cash Payment	E 609-49750-333 Freight and Express				\$199.52
Invoice 5254350	9/10/2015				
Cash Payment	E 609-49750-252 Beer For Resale				\$1,696.00
Invoice 5254349	9/10/2015				
Cash Payment	E 609-49750-333 Freight and Express				\$100.40
Invoice 5254349	9/10/2015				
Cash Payment	E 609-49750-251 Liquor For Resale				-\$317.51
Invoice 147801	9/10/2015				
Transaction Date	9/15/2015	Due 0	MAIN CHECKING G 10100	Total	\$9,073.39
Refer	65789 VOYAGEUR BREWING COMPANY		Ck# 073548 9/15/2015		
Cash Payment	E 609-49750-252 Beer For Resale				\$360.00
Invoice 91515	9/15/2015				
Cash Payment	E 609-49750-252 Beer For Resale				\$314.00
Invoice 9915	9/9/2015				
Transaction Date	9/15/2015	Due 0	MAIN CHECKING G 10100	Total	\$674.00
Refer	65790 BERNICKS		Ck# 073535 9/15/2015		



**CITY OF GRAND MARAIS**

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**Payments**

Current Period: September 2015

Cash Payment	E 609-49750-260 Soft Drinks/Mix For Resa				\$33.50
Invoice	472818	9/10/2015			
Cash Payment	E 609-49750-252 Beer For Resale				\$5,715.15
Invoice	472819	9/10/2015			
Transaction Date	9/15/2015	Due 0	MAIN CHECKING G	10100	<b>Total</b> \$5,748.65
Refer	65791	<u>COCA-COLA REFRESHMENTS</u>		<u>Ck# 073537 9/15/2015</u>	
Cash Payment	E 609-49750-260 Soft Drinks/Mix For Resa				\$117.12
Invoice	618042010	9/9/2015			
Transaction Date	9/15/2015	Due 0	MAIN CHECKING G	10100	<b>Total</b> \$117.12
Refer	65792	<u>WINE MERCHANTS</u>		<u>Ck# 073549 9/15/2015</u>	
Cash Payment	E 609-49750-251 Liquor For Resale				\$1,280.00
Invoice	7046184	9/10/2015			
Cash Payment	E 609-49750-333 Freight and Express				\$40.16
Invoice	7046184	9/10/2015			
Transaction Date	9/15/2015	Due 0	MAIN CHECKING G	10100	<b>Total</b> \$1,320.16
Refer	65793	<u>ARTISAN BEER COMPANY</u>		<u>Ck# 073534 9/15/2015</u>	
Cash Payment	E 609-49750-251 Liquor For Resale				\$286.85
Invoice	3053786	9/10/2015			
Transaction Date	9/15/2015	Due 0	MAIN CHECKING G	10100	<b>Total</b> \$286.85
Refer	65794	<u>PHILLIPS WINE &amp; SPIRITS</u>		<u>Ck# 073543 9/15/2015</u>	
Cash Payment	E 609-49750-251 Liquor For Resale				\$3,601.46
Invoice	2848891	9/10/2015			
Cash Payment	E 609-49750-333 Freight and Express				\$117.97
Invoice	2848891	9/10/2015			
Transaction Date	9/15/2015	Due 0	MAIN CHECKING G	10100	<b>Total</b> \$3,719.43
Refer	65795	<u>PAUSTIS WINE COMPANY</u>		<u>Ck# 073542 9/15/2015</u>	
Cash Payment	E 609-49750-251 Liquor For Resale				\$1,253.02
Invoice	8514465-IN	9/9/2015			
Cash Payment	E 609-49750-333 Freight and Express				\$85.00
Invoice	8514465-IN	9/9/2015			
Transaction Date	9/15/2015	Due 0	MAIN CHECKING G	10100	<b>Total</b> \$1,338.02
Refer	65796	<u>THE AMERICAN BOTTLING COMP</u>		<u>Ck# 073546 9/15/2015</u>	
Cash Payment	E 609-49750-260 Soft Drinks/Mix For Resa				\$109.65
Invoice	5436851207	9/14/2015			
Cash Payment	E 609-49750-260 Soft Drinks/Mix For Resa				-\$36.00
Invoice	5436851208	9/14/2015			
Transaction Date	9/15/2015	Due 0	MAIN CHECKING G	10100	<b>Total</b> \$73.65
Refer	65797	<u>SUPERIOR BEVERAGES LLP</u>		<u>Ck# 073545 9/15/2015</u>	
Cash Payment	E 609-49750-252 Beer For Resale				\$6,478.45
Invoice	480925	9/9/2015			
Transaction Date	9/15/2015	Due 0	MAIN CHECKING G	10100	<b>Total</b> \$6,478.45
Refer	65798	<u>ROHLFING INC.</u>		<u>Ck# 073544 9/15/2015</u>	
Cash Payment	E 609-49750-252 Beer For Resale				\$9,933.25
Invoice	416225	9/9/2015			
Transaction Date	9/15/2015	Due 0	MAIN CHECKING G	10100	<b>Total</b> \$9,933.25



# CITY OF GRAND MARAIS

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## Payments

Current Period: September 2015

### Fund Summary

	10100 MAIN CHECKING GMSB	
609 MUNICIPAL LIQUOR FUND		\$39,602.37
211 LIBRARY		\$898.73
101 GENERAL FUND		\$61,684.47
		<hr/>
		\$102,185.57

Pre-Written Checks	\$102,185.57
Checks to be Generated by the Computer	\$0.00
	<hr/>
Total	\$102,185.57

APPLICATION FOR USE OF STREET AND SIDEWALKS

CHECK ONE:

Benches \_\_\_\_\_ Flowers \_\_\_\_\_ Community Event \_\_\_\_\_  
Miscellaneous X Describe: Moose Madness "Moose Mosey"

Name and address of applicant or organization, charitable, veterans, community or non-profit group:

Visit Cook County  
116 W. Hwy 61  
Grand Marais, MN 55604

Contact Person:

Anna Klobuchar

Phone Number:

218.387.2788

Description of request or event:

At 2 pm, we have a fun walk. Starts @ Bear Tree, down sidewalk, turn right, down sidewalk, turn right on beach, head back to finish line on beach.

Date of Event:

10/17/15

Length of Event:

10 minutes (u)

Time of Event:

2:00 pm

Location of Event:

(see above)

Assistance requested of the City or PUC:

Would we be able to have 4-5 orange cones? Drop them off at Info Center & we'll get them back (u)

Signature

Anna Klobuchar

Date

9/16/15

Thank you

Approve: \_\_\_\_\_

Not Approved: \_\_\_\_\_

Fee: Paid \_\_\_\_\_

Waived \_\_\_\_\_

Insurance (\$500,000): Proof naming City as additional insured \_\_\_\_\_

Waived in whole \_\_\_\_\_

Waived in part \_\_\_\_\_

Additional anticipated costs or expenses to City or PUC \_\_\_\_\_

Additional Council restrictions \_\_\_\_\_



# **SECURITY STATE INSURANCE**

**4 LOCATIONS  
TO SERVE YOU!**

August 13, 2015

Kim Dunsmoor, Finance Director  
City of Grand Marais and/or PUC  
P.O. Box 600  
Grand Marais, MN 55604

Kim:

**Re: 8/1/2015 LMCIT Renewal**

I am enclosing a premium breakdown by department for the 8/1/2015 LMCIT renewal. The renewal policy is being issued and we will deliver it as soon as we receive it. The Company has bound coverage pending issuance of the renewal policy. Your renewal premium is \$60,156. (includes the 11/10/2015 Liquor Liability renewal).

The Liability Section of the policy is written on a Claims-Made basis. The Liability coverage provides a \$2,000,000. per occurrence limit. The statutory municipal tort liability limit per occurrence is \$1,500,000. with a per claimant limit of \$500,000. The renewal premium assumes that you are electing to waive the statutory limits to the extent of the limits obtained through LMCIT. The Liability limit is shared by the City and the Public Utilities Commission, they do not each have a separate limit.

Excess Liability is available through the LMCIT program.

The LMCIT policy excludes liability for Joint Powers entities. I believe that the LMCIT has reviewed all of Joint Powers Agreements you have entered into. They do not insure against liability claims arising out of activities of the North Shore Management Board or the Promotion of Recreational Facilities Agreement. The LMCIT has indicated that they would be willing to write separate policies for these Joint Powers entities. The EDA has purchased coverage through the LMCIT.

The schedule of covered buildings lists the "estimated replacement cost" for each building. The maximum the LMCIT will pay to replace a building is 150% of the limit shown on the schedule. For most typical city buildings the LMCIT feels that the estimated replacement cost figures should be reasonably accurate, and that the 150% provision provides a substantial safety margin. Review the building schedule to be sure that all of your buildings are listed. Please review the estimated replacement cost figures for each building. I have enclosed information from the LMCIT discussing Electric Utility valuation.

P.O. Box 347  
Aitkin, MN 56431  
PH # 218-927-3712  
Fax # 218-927-4481

P.O. Box 677  
Isle, MN 56342  
PH # 320-676-3795  
Fax # 320-676-8543

P.O. Box 338  
Onamia, MN 56359  
PH # 320-532-3233  
Fax # 320-532-4403

P.O. Box 789  
Grand Marais, MN 55604  
PH # 218-387-1540  
Fax # 218-387-2689

Individual pieces of Mobile Equipment valued at over \$25,000. must be scheduled to be covered. Review the schedule on the policy to be sure that all items valued at over \$25,000 are listed. Be sure to notify us of any new purchases exceeding \$25,000.

The policy is written with the \$10,000./20,000./1,000. All Lines Large Deductible Option. Lower deductibles are available for an additional premium.

Mechanical Breakdown (Boiler & Machinery) coverage can be purchased through the LMCIT. I understand that the Power Plant is covered for Mechanical Breakdown through SMMPA. The LMCIT could cover all locations except the Power Plant. The additional premium for the endorsement would be \$2,364.

LMCIT offers optional coverage endorsements that can be added to the Policy for Utility Transmission & Distribution Line coverage, No-Fault Sewer Back-up coverage (must meet certain requirements to qualify), Accident Coverage for Volunteers, Primary Auto Liability coverage. These have been looked at before and not added. If you would like additional information on any optional coverage let me know.

Call with questions.

Thank you for your business.

Sincerely,

A handwritten signature in black ink, appearing to read 'Paul Coe', written in a cursive style.

Paul Coe  
Enclosure



7/22/2015

Paul Coe  
Security State Bank  
P.O. Box 789  
Grand Marais, MN 55604-0789

Re: Grand Marais Electric Utility

This letter provides a review of the replacement cost values and limits. Please deliver a copy of this letter to the utility manager.

**Review of Electric Utility Locations/Municipal Property Coverage**

*Location description*

*Power plant location*

The power plant location includes the values on the building, production equipment, substation equipment and the substation that is outside or near the power plant building. The covenant includes an endorsement that lists the property that is covered at the power plant location.

*Substation location*

The substation location includes the values of the substation that is away from the power plant location.

*This utility has the following power plant and substation locations and limits of coverage;*

Location	Address	Occupancy	Limit
45	55 Lupin Avenue	Power Plant	\$7,146,721

*Replacement cost coverage*

The replacement cost coverage LMCIT provides for electric utilities differs from the coverage provided for other municipal property in an important way; the coverage for utility equipment allows for the use of used parts and materials to repair or replace damaged utility property, if used parts and materials of comparable kind and quality are available.

Replacement cost values

Estimating the replacement cost of electric utility equipment can be difficult. In most cases, we have requested the utilities to complete questionnaires on their equipment and have forwarded the information to various consulting engineers to determine the replacement cost values. Depending on the type of equipment, we may have used an internal replacement cost guideline as established by the consulting engineers. *Please review the replacement cost values on each location. If the utility feels that the values are inadequate, please contact LMCIT.*

*Several LMCIT premium saving memos*

We have also attached the Changes in Property Rating for Electric Generation Facilities and Changes in Property Rates for Electric Generation Facilities Introduction of OM Incentive. These memos outline several ways an electric utility can reduce their property premium.

**Review of Electric Utility Locations/Equipment Breakdown Coverage**

No Equipment Breakdown coverage is provided at the Power Plant location.

Please contact me if you have any questions.

Cordially yours,

Jim Duerre CPCU

A handwritten signature in black ink that reads "Jim Duerre". The signature is written in a cursive, flowing style.

LMCIT Underwriter



CONNECTING & INNOVATING  
SINCE 1913

## LIABILITY COVERAGE – WAIVER FORM

**LMCIT members purchasing coverage must complete and return this form to LMCIT before the effective date of the coverage. Please return the completed form to your underwriter or email to [pstech@lmc.org](mailto:pstech@lmc.org)**

This decision must be made by the member's governing body every year. You may also wish to discuss these issues with your attorney.

League of Minnesota Cities Insurance Trust (LMCIT) members that obtain liability coverage from LMCIT must decide whether to waive the statutory tort liability limits to the extent of the coverage purchased. The decision has the following effects:

- *If the member does not waive the statutory tort limits*, an individual claimant would be able to recover no more than \$500,000 on any claim to which the statutory tort limits apply. The total all claimants would be able to recover for a single occurrence to which the statutory tort limits apply would be limited to \$1,500,000. These statutory tort limits apply regardless of whether the city purchases the optional excess liability coverage.
- *If the member waives the statutory tort limits and does not purchase excess liability coverage*, a single claimant could potentially recover up to \$2,000,000 for a single occurrence. (Under this option, the tort cap liability limits are waived to the extent of the member's liability coverage limits, and the LMCIT per occurrence limit is \$2 million.) The total all claimants would be able to recover for a single occurrence to which the statutory tort limits apply would also be limited to \$2,000,000, regardless of the number of claimants.
- *If the member waives the statutory tort limits and purchases excess liability coverage*, a single claimant could potentially recover an amount up to the limit of the coverage purchased. The total all claimants would be able to recover for a single occurrence to which the statutory tort limits apply would also be limited to the amount of coverage purchased, regardless of the number of claimants.

Claims to which the statutory municipal tort limits do not apply are not affected by this decision.

\_\_\_\_\_  
LMCIT Member Name

Check one:

The member **DOES NOT WAIVE** the monetary limits on municipal tort liability established by Minnesota Statutes, Section 466.04.

The member **WAIVES** the monetary limits on municipal tort liability established by Minnesota Statutes, Section 466.04 to the extent of the limits of the liability coverage obtained from LMCIT.

Date of city council/governing body meeting \_\_\_\_\_

Signature \_\_\_\_\_

Position \_\_\_\_\_

145 UNIVERSITY AVE. WEST  
ST. PAUL, MN 55103-2044

PHONE: (651) 281-1200 FAX: (651) 281-1299  
TOLL FREE: (800) 925-1122 WEB: [WWW.LMC.ORG](http://WWW.LMC.ORG)

**LMCIT Premium Breakdown for 8/1/2015 – 08/1/2016**

<b>General Fund</b>	<b>\$ 5,097.</b>
<b>Street</b>	<b>1,774.</b>
<b>Water</b>	<b>1,949.</b>
<b>Sewer</b>	<b>5,930.</b>
<b>Liquor</b>	<b>3,946.</b>
<b>Marina</b>	<b>3,305.</b>
<b>Golf</b>	<b>2,372.</b>
<b>Library</b>	<b>5,748.</b>
<b>Tourist Park</b>	<b>10,837.</b>
<b>Fire</b>	<b>1,374.</b>
<b>Electric</b>	<b>9,477.</b>
<b>Auto</b>	<b>5,328. schedule attached</b>
	<b>\$ 57,137.</b>

**Liquor Liability for 11/10/2015 – 11/10/2016**

**\$ 3,019.**

SCHEDULE of VEHICLES - GRAND MARAIS, CITY OF

COVENANT Number: CMC 38174

COVENANT Period: 08/01/2015 TO 08/01/2016

VEH#	YR	TRADE NM	MODEL	- ID -	LIAB	PHYD
HNO				HIRED/NONOWNED		
001	1988	INTL	TANK	T466	\$ 42	\$ 113
002	1988	HOMEMADE	TRAILER	8694	\$ 129	\$
003	1991	CHEV	PICKUP	8337	\$ 113	\$ 37 - <i>Remove</i>
004	1997	CHEV	PICKUP	3894	\$ 113	\$ 37
005	1999	CHEV	TRUCK	8734	\$ 129	\$ 305
006	2002	CHEV	PICKUP	4807	\$ 113	\$ 37
007	1996	REEL-O-MATIC	TRAILER	1-602-SF	\$	\$ 37
008	2001	U-DUMP	TRAILER	5903	\$	\$
009	2004	FORD F550	TRUCK	7528	\$ 129	\$ 220
010	1998	CHEV	TAHOE	0095	\$ 109	\$
011	2005	BELSAE	TRAILER	0294	\$	\$ 37
012	2005	CHEV 2400	HD W/ PLOW	2239	\$ 113	\$ 50
013	2006	CHEV	SILVERADO	3469	\$ 113	\$ 50
014	1994	FORD F350	CREW CAB	3167	\$ 113	\$ 37
015	2007	CHEV	SILVERADO	7492	\$ 113	\$ 69
016	2008	FORD F250	4X4 TRUCK	7940	\$ 113	\$ 63
017	2007	PUMPER	FIRE TRUCK	4010	\$ 21	\$ 734
018	2008	FORD	F150 PKCUP	4271	\$ 113	\$ 39
019	1999	CHEV	BUCKET TRK	7866	\$ 129	\$ 30
020	2011	FORD F550	PICKUP	3005	\$ 129	\$ 168
021	1974	INT'L	FIRE TRUCK	3941	\$ 21	\$ 30
022	2013	FREIGHTLINER	FIRE TRUCK	3735	\$ 21	\$ 730
023	2014	FORD	F150 4X4	2511	\$ 113	\$ 85
024	2015	FORD F550	BUCKET TR	1134	\$ 129	\$ 302
TOTAL VEHICLES					\$ 2,118	\$ 3,210
TOTAL AUTO PRM					\$ 5,328	



# Cook County Auditor-Treasurer

COURT HOUSE • 411 West 2<sup>nd</sup> St • GRAND MARAIS, MINNESOTA 55604-2307 • (218) 387-3640 • FAX (218) 387-3043

Braidy Powers  
(218) 387-3646  
braidy.powers@co.cook.mn.us

9/22/15

Mike Roth, Administrator  
City Hall  
15 North Broadway,  
Grand Marais, MN 55604

RE: Grand Marais 2016 Library Budget

Mr. Roth:

This letter is notification under our Joint Powers Agreement for Library Services that the Cook County Board of Commissioners intends to disapprove the proposed 2016 Grand Marais Library Budget. The proposed 2016 library budget is a 16.4% increase over the 2015 final budget.

As discussed with the city council at the county board meeting on September 22, the county board intends to approve a 2016 proposed levy which includes the county share of funding for the library at an 8.2% increase over the 2015 county share of the library budget.

Sincerely,

Braidy Powers  
Cook County Auditor-Treasurer

Cc Steve Harsin, Library Director

## RESOLUTION NO. 2015-19

### RESOLUTION ADOPTING REASSESSMENT FOR THE CEDAR GROVE BUSINESS PARK PROJECT

WHEREAS, pursuant to proper notice duly given as required by law, the Council has met and heard and passed upon all objections to the proposed reassessment for the improvement of the Cedar Grove Business Park,

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Grand Marais, County of Cook, State of Minnesota as follows:

1. Such proposed assessment, a copy of which is attached hereto and made part hereof, is hereby accepted and shall constitute the special assessment against the lands named therein, and each tract of land therein included is hereby found to be benefited by the proposed improvement in the amount of the assessment levied against it.
2. Such assessment shall be payable in equal annual installments extending over a period of 16 years, the first of the installments to be payable on or before the first Monday in January 2016, and shall bear interest at the rate of 5% per annum from the date of the adoption of this assessment resolution. To the first installment shall be added interest on the entire assessment from the date of this resolution until December 31, 2015. To each subsequent installment when due shall be added interest for one year on all unpaid installments.
3. The owner of any property so assessed may, at any time prior to certification of assessment to the County auditor, pay the whole of the assessment on such property, with interest accrued to the date of payment, to the City treasurer, except that no interest shall be charged if the entire assessment is paid within 30 days from the adoption of this resolution; and he may, at any time thereafter, pay to the City treasurer the entire amount of the assessment remaining unpaid, with interest accrued to December 31 of the year in which such payment is made. Such payment must be made before November 15 or interest will be charged through December 31 of the next succeeding year.
4. The Clerk shall forthwith transmit a certified copy of this assessment to the County auditor to be extended on the property tax lists of the County. Such assessment shall be collected and paid over in the same manner as other municipal taxes.

Cedar Grove Business Park  
2015 Reassessment

Total  
Assessment 375,000.00

PID	Assessment
80-800-0301	13,392.86
80-800-0302	13,392.86
80-800-0402	13,392.86
80-800-0403	13,392.86
80-800-0404	13,392.86
80-800-0405	13,392.86
80-800-0406	13,392.86
80-800-0407	13,392.86
80-800-0408	13,392.86
80-800-0503	13,392.86
80-800-0504	13,392.86
80-800-0505	13,392.86
80-800-0506	13,392.86
80-800-0507	13,392.86
80-800-0508	13,392.86
80-800-0509	13,392.86
80-800-0510	13,392.86
80-800-0511	13,392.86
80-800-0512	13,392.86
80-800-0601	13,392.86
80-800-0602	13,392.86
80-800-0603	13,392.86
80-800-0701	13,392.86
80-800-0702	13,392.86
80-800-0704	13,392.86
80-800-0705	13,392.86
80-800-0706	13,392.86
80-800-0802	13,392.86

CITY OF GRAND MARAIS, MINNESOTA  
CITY COUNCIL RESOLUTION 2015-20

A RESOLUTION BY THE MAYOR AND CITY COUNCIL OF THE CITY OF GRAND MARAIS, MINNESOTA APPROVING THE PURCHASE OF REAL PROPERTY IN GRAND MARAIS, MINNESOTA, AND DISPENSING WITH REVIEW OF THE PURCHASE BY THE GRAND MARAIS PLANNING COMMISSION

WHEREAS, The City of Grand Marais (“City”) desires to purchase certain real property located at 1800 W Highway 61 Grand Marais, MN 55604, legally described as:

**See Exhibit B Legal Description**

referred to herein as the “Property”; and

WHEREAS, the owner/seller of the Property is willing to sell the Property to the City for \$250,000, including \$0 earnest money; and

WHEREAS, a draft purchase agreement with addendum has been prepared and is attached hereto as Exhibit A; and

WHEREAS, in accordance with the attached draft purchase agreement and addendum, the owner/seller and City expressly understand and agree that the purchase of the Property is contingent upon approval by the City Council of the City of Grand Marais; and

WHEREAS, if any transaction approval as provided in the purchase agreement is not obtained by the closing date stated in the purchase agreement, the purchase agreement shall then be null and void, without further obligation by either party; and

WHEREAS, Minnesota Statutes, Section 462.356, subdivision 2 states that no publicly owned interest in real property within a city shall be acquired or disposed of until after the planning commission has reviewed the proposed acquisition or disposal and reported in writing to the city council its findings as to compliance of the proposed acquisition or disposal with the comprehensive plan; and

WHEREAS, the same statute further states, however, that the city council may, by resolution adopted by two-thirds vote, dispense with the requirements of this subdivision when in its judgment it finds that the acquisition or disposal of real property has no relationship to the comprehensive plan.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL THAT:  
The City Council hereby finds that the proposed acquisition of the Property by the City of Grand Marais has no relationship to the City’s Comprehensive Plan, and therefore review of the

proposed acquisition by the Grand Marais Planning Commission is not required under Minn. Stat. § 462.356, Subd. 2, and is hereby dispensed with as allowed by that statute.

BE IT FURTHER RESOLVED THAT: The City Council hereby approves the attached purchase agreement and addendum and authorizes and directs the Mayor and City Administrator to execute the purchase agreement and addendum substantially in the form hereby approved and such other documents as are necessary to close on the purchase of the Property by the City of Grand Marais and record the same in the Office of the Cook County Recorder.

Adopted by the City Council of the City of Grand Marais this 30<sup>th</sup> day of September, 2015.

(SEAL)

\_\_\_\_\_  
Mayor Jay Arrowsmith-Decoux

ATTEST:

\_\_\_\_\_  
Michael J. Roth  
City Administrator

**EXHIBIT A**  
**Purchase Agreement**

**COMMERCIAL PURCHASE AGREEMENT**

This form approved by the Minnesota Association of REALTORS® and the Minnesota Commercial Association of REALTORS®, which disclaims any liability arising out of use or misuse of this form. © 2013 Minnesota Association of REALTORS®, Edina, MN

1. Date 8/27/15

2. Page 1 of \_\_\_\_\_ pages

3. BUYER (S): City of Grand Marais

4. \_\_\_\_\_

5. Buyer's earnest money in the amount of \_\_\_\_\_

6. \_\_\_\_\_ DOLLARS

7. (\$ \_\_\_\_\_ ) shall be delivered within two (2) Business Days after Final

8. Acceptance Date of this Purchase Agreement to be deposited in the trust account of (check one):

9.  listing broker; or

10.  \_\_\_\_\_

(Name of Title Company)

11. within three (3) Business Days after Final Acceptance Date of this Purchase Agreement.

12. Said earnest money is part payment for the purchase of property at 1800 W Highway 61

13. \_\_\_\_\_ located in the

14. City/Township of Grand Marais County of Cook

15. State of Minnesota, PID # (s) Parcel Not Split

16. \_\_\_\_\_

17. and legally described as follows Parcel A and Parcel B, as shown on attached

18. survey drawing

19. \_\_\_\_\_ (collectively the "Property")

20. together with the personal property as described in the attached Addendum to Commercial Purchase Agreement:

21. Personal Property, if any, all of which property the undersigned has this day sold to Buyer for the sum of:

22. Two Hundred Ten Thousand Dollars

23. \_\_\_\_\_

24. (\$ ~~210,000.00~~ 250,000.00 ) DOLLARS, which Buyer agrees to pay in the following manner:

25. 1. CASH of 100 percent (%) of the sale price, or more in Buyer's sole discretion, which includes the earnest money; PLUS

26. 2. FINANCING of 0 percent (%) of the sale price. Buyer shall, at Buyer's sole expense, apply for any

27. financing as required by this Purchase Agreement within \_\_\_\_\_ days of Final

28. Acceptance Date of this Purchase Agreement.

29. This Purchase Agreement  IS  IS NOT subject to a financing or other due diligence contingency. (If answer is IS, \_\_\_\_\_ (Check one).)

30. see attached Addendum to Commercial Purchase Agreement: Due Diligence.)

31. CLOSING: The date of closing shall be September 30, 20 15

32. DEED/MARKETABLE TITLE: Subject to performance by Buyer, Seller agrees to execute and deliver a (check one):

33.  Warranty Deed,  Limited Warranty Deed,  Contract for Deed,

34. or  Other: \_\_\_\_\_ Deed conveying marketable title, subject to:

35. (a) building and zoning laws, ordinances, and state and federal regulations;

36. (b) restrictions relating to use or improvement of the Property without effective forfeiture provisions;

37. (c) reservation of any mineral rights by the State of Minnesota or other government entity;

38. (d) utility and drainage easements which do not interfere with existing improvements; and

39. (e) others (must be specified in writing): \_\_\_\_\_

40. \_\_\_\_\_

41. \_\_\_\_\_

42. \_\_\_\_\_

**COMMERCIAL PURCHASE AGREEMENT**

43. Page 2 Date 8/27/2015

44. Property located at 1800 W Highway 61

45. **TENANTS/LEASES:** Property  IS  IS NOT subject to rights of tenants (if answer is IS, see attached Addendum  
-----*(Check one.)*-----

46. to Commercial Purchase Agreement: Due Diligence).

47. Seller shall not execute leases from the date of this Purchase Agreement to the date of closing, the term of which lease  
48. extends beyond the date of closing, without the prior written consent of Buyer. Buyer's consent or denial shall be

49. provided to Seller within \_\_\_\_\_ days of Seller's written request. Said consent  
50. shall not be unreasonably withheld.

51. **REAL ESTATE TAXES:** Real estate taxes due and payable in the year of closing shall be prorated between Seller and

52. Buyer on a calendar year basis to the actual date of closing unless otherwise provided in this Purchase Agreement.

53. Real estate taxes, including penalties, interest, and any associated fees, payable in the years prior to closing shall be  
54. paid by Seller. Real estate taxes payable in the years subsequent to closing shall be paid by Buyer.

55. **SPECIAL ASSESSMENTS:**

56.  BUYER AND SELLER SHALL PRORATE AS OF THE DATE OF CLOSING  SELLER SHALL PAY  
-----*(Check one.)*-----

57. on the date of closing all installments of special assessments certified for payment with the real estate taxes due and  
58. payable in the year of closing.

59.  BUYER SHALL ASSUME  SELLER SHALL PAY ON DATE OF CLOSING all other special assessments  
-----*(Check one.)*-----

60. levied as of the date of this Purchase Agreement.

61.  BUYER SHALL ASSUME  SELLER SHALL PROVIDE FOR PAYMENT OF special assessments pending as  
-----*(Check one.)*-----

62. of the date of this Purchase Agreement for improvements that have been ordered by any assessing authorities. (Seller's  
63. provision for payment shall be by payment into escrow of up to two (2) times the estimated amount of the assessments  
64. or less, as allowed by Buyer's lender.)

65. Buyer shall pay any unpaid special assessments payable in the year following closing and thereafter, the payment of  
66. which is not otherwise herein provided.

67. As of the date of this Purchase Agreement, Seller represents that Seller  HAS  HAS NOT received a notice  
-----*(Check one.)*-----

68. regarding any new improvement project from any assessing authorities, the costs of which project may be assessed  
69. against the Property. Any such notice received by Seller after the date of this Purchase Agreement and before closing  
70. shall be provided to Buyer immediately. If such notice is issued after the date of this Purchase Agreement and on  
71. or before the date of closing, then the parties may agree in writing, on or before the date of closing, to pay, provide  
72. for the payment of or assume the special assessments. In the absence of such agreement, either party may declare  
73. this Purchase Agreement canceled by written notice to the other party, or licensee representing or assisting the other  
74. party, in which case this Purchase Agreement is canceled. If either party declares this Purchase Agreement canceled,  
75. Buyer and Seller shall immediately sign a written cancellation confirming said cancellation and directing all earnest  
76. money paid hereunder to be refunded to Buyer.

77. **POSSESSION:** Seller shall deliver possession of the Property no later than immediately after closing, unless otherwise  
78. agreed to in writing.

79. **PRORATIONS:** All items customarily prorated and adjusted in connection with the closing of the sale of the Property  
80. herein including but not limited to rents, operating expenses, interest on any debt assumed by Buyer, shall be prorated  
81. as of the date of closing. It shall be assumed that Buyer will own the Property for the entire date of the closing.

82. **RISK OF LOSS:** If there is any loss or damage to the Property between the date hereof and the date of closing, for  
83. any reason, the risk of loss shall be on Seller. If the Property is destroyed or substantially damaged before the closing,  
84. this Purchase Agreement shall be canceled, at Buyer's option, if Buyer gives written notice to Seller, or licensee  
85. representing or assisting Seller, of such cancellation within thirty (30) days of the damage. Upon said cancellation,  
86. Buyer and Seller shall immediately sign a written cancellation confirming said cancellation and directing all earnest  
87. money paid hereunder to be refunded to Buyer.

# COMMERCIAL PURCHASE AGREEMENT

88. Page 3 Date 8/27/2015

89. Property located at 1800 W Highway 61
90. **EXAMINATION OF TITLE:** Seller shall, at its expense, within 10 days after Final
91. Acceptance of this Purchase Agreement, furnish to Buyer, or licensee representing or assisting Buyer, a commitment
92. for an owner's policy of title insurance from Cook County Abstract and Title, including levied  
(Name of Title Company)
93. and pending special assessments. Buyer shall be allowed ten (10) days ("Objection Period") after receipt of the
94. commitment for title insurance to provide Seller, or licensee representing or assisting Seller, with written objections.
95. Buyer shall be deemed to have waived any title objections not made within the Objection Period provided for immediately
96. above and any matters with respect to which title objection is so waived may be excepted from the warranties in the
97. Deed as specified herein to be delivered pursuant to this Agreement.
98. **TITLE CORRECTIONS AND REMEDIES:** Seller shall have 30 days ("Cure Period") from receipt of Buyer's written title
99. objections to cure any title objections but shall not be obligated to do so. Upon receipt of Buyer's title objections,
100. Seller shall, within ten (10) days, notify Buyer, or licensee representing or assisting Buyer, in writing whether or not
101. Seller will endeavor to cure such objections within the Cure Period. Liens or encumbrances for liquidated amounts
102. created by instruments executed by Seller and which can be released by payment proceeds of closing shall not delay
103. the closing.
104. If Seller's notice states that Seller will not endeavor to cure one or more specified objections within the Cure Period,
105. Buyer may, as its sole remedy, within ten (10) days of the sending of such notice by Seller declare this Purchase
106. Agreement canceled by written notice to Seller, or licensee representing or assisting Seller, in which case this Purchase
107. Agreement is canceled. If Buyer declares this Purchase Agreement canceled, Buyer and Seller shall immediately sign
108. a written cancellation confirming said cancellation and directing all earnest money paid hereunder to be refunded to
109. Buyer. If Buyer does not declare this Purchase Agreement canceled as provided immediately above, Buyer shall be
110. bound to proceed with the closing and to purchase the Property subject to the objections Seller has declined to cure
111. without reduction in the Purchase Price.
112. If Seller's notice states that Seller will endeavor to cure all of the specified objections, or if Seller's notice states that
113. Seller will endeavor to cure some, but not all, of the specified objections and Buyer does not declare this Purchase
114. Agreement canceled as above provided, Seller shall use commercially reasonable efforts to cure the specified objections
115. or those Seller has agreed to endeavor to cure and, pending correction of title, all payment required herein and the
116. closing shall be postponed.
117. If Seller, within the Cure Period above provided, corrects the specified objections Seller's notice indicated Seller would
118. endeavor to cure, then upon presentation to Buyer, or licensee representing or assisting Buyer, of documentation
119. establishing that such objections have been cured, the closing shall take place within ten (10) days or on the scheduled
120. closing date, whichever is later.
121. If Seller, within the Cure Period above provided, does not cure the specified objections which Seller's notice indicated
122. Seller would endeavor to cure, Buyer may, as its sole remedy, declare this Purchase Agreement canceled by written
123. notice to Seller, or licensee representing or assisting Seller, given within five (5) days after the end of the Cure Period,
124. in which case this Purchase Agreement is canceled. Buyer and Seller shall immediately sign a written cancellation
125. confirming said cancellation and directing all earnest money paid hereunder to be refunded to Buyer. Neither party
126. shall be liable for damages hereunder to the other. In the alternative, Buyer may elect to waive such objections by
127. providing written notice to Seller, or licensee representing or assisting Seller, within such five (5)-day period and accept
128. title subject to such uncured objections in which event Buyer shall be bound to proceed with the closing and to purchase
129. the Property subject to the objections Seller has not cured without reduction in the purchase price. If neither notice is
130. given by Buyer within such five (5)-day period, Buyer shall be deemed to have elected to waive the objections and to
131. proceed to closing as provided in the immediately preceding sentence.
132. If title is marketable, or is made marketable as provided herein, and Buyer defaults in any of the agreements herein,
133. Seller, in addition to any other right or remedy available to Seller hereunder, at law or in equity may cancel this Purchase
134. Agreement as provided by either MN Statute 559.21 or MN Statute 559.217, whichever is applicable, and retain all
135. earnest money paid hereunder as liquidated damages.
136. If title is marketable, or is made marketable as provided herein, and Seller defaults in any of the agreements herein,
137. Buyer may, in addition to any other right or remedy available to Buyer hereunder, seek specific performance within six
138. (6) months after such right of action arises.

## COMMERCIAL PURCHASE AGREEMENT

139. Page 4 Date 8/27/2015

140. Property located at 1800 W Highway 61

141. **REPRESENTATIONS AND WARRANTIES OF SELLER:** The following representations made are to the best  
142. of Seller's knowledge.

143. There is no action, litigation, investigation, condemnation or other proceeding of any kind pending or threatened against  
144. Seller or any portion of the Property. In the event Seller becomes aware of any such proceeding prior to closing, Seller  
145. will promptly notify Buyer of such proceeding.

146. The Property is in compliance with all applicable provisions of all planning, zoning and subdivision rules, regulations  
147. and statutes. Seller has obtained all necessary licenses, permits and approvals necessary for the ownership and  
148. operation of the Property.

149. Prior to the closing, payment in full will have been made for all labor, materials, machinery, fixtures or tools furnished  
150. within the 120 days immediately preceding the closing in connection with construction, alteration or repair of any  
151. structure on, or improvement to, the Property.

152. Seller has not received any notice from any governmental authority as to condemnation proceedings, or violation of  
153. any law, ordinance, regulation, code, or order affecting the Property. If the Property is subject to restrictive covenants,  
154. Seller has not received any notice from any person or authority as to a breach of the covenants. Any such notices  
155. received by Seller shall be provided to Buyer immediately.

156. Seller has not executed any options to purchase, rights of first refusal, or any other agreements giving any person or  
157. other entity the right to purchase or otherwise acquire any interest in the Property, and Seller is unaware of any options  
158. to purchase, rights of first refusal, or other similar rights affecting the Property.

159. Seller is not a "foreign person," "foreign partnership," "foreign trust," or "foreign estate," as those terms are defined in  
160. Section 1445 of the Internal Revenue Code.

161. The legal description of the real property to be conveyed has been or shall be approved for recording as of the date  
162. of closing.

163. If Seller is an organized entity, Seller represents and warrants to Buyer that Seller is duly organized and is in good  
164. standing under the laws of the state of Minnesota; that Seller is duly qualified to transact business in the State of  
165. Minnesota; that Seller has the requisite organizational power and authority to enter into this Purchase Agreement and  
166. the Seller's Closing Documents signed by it; such documents have been duly authorized by all necessary action on  
167. the part of Seller and have been duly executed and delivered; that the execution, delivery and performance by Seller of  
168. such documents do not conflict with or result in a violation of Seller's organizational documents or Bylaws or any judgment,  
169. order or decree of any court or arbiter to which Seller is a party; and that such documents are valid and binding obligations  
170. of Seller, and are enforceable in accordance with their terms.

171. Seller will indemnify Buyer, its successors and assigns, against and will hold Buyer, its successors and assigns,  
172. harmless from, any expenses or damages, including reasonable attorneys' fees, that Buyer incurs because of the  
173. breach of any of the above representations and warranties, whether such breach is discovered before or after the date  
174. of closing.

175. See attached *Addendum to Commercial Purchase Agreement: Due Diligence*, if any, for additional representations  
176. and warranties.

177. **REPRESENTATIONS AND WARRANTIES OF BUYER:** If Buyer is an organized entity, Buyer represents and warrants  
178. to Seller that Buyer is duly organized and is in good standing under the laws of the state of Minnesota; that Buyer is  
179. duly qualified to transact business in the State of Minnesota; that Buyer has the requisite organizational power and  
180. authority to enter into this Purchase Agreement and the Buyer's Closing Documents signed by it; such documents  
181. have been duly authorized by all necessary action on the part of Buyer and have been duly executed and delivered;  
182. that the execution, delivery and performance by Buyer of such documents do not conflict with or result in a violation  
183. of Buyer's organizational documents or Bylaws or any judgment, order or decree of any court or arbiter to which Buyer  
184. is a party; and that such documents are valid and binding obligations of Buyer, and are enforceable in accordance with  
185. their terms. Buyer will indemnify Seller, its successors and assigns, against and will hold Seller, its successors and  
186. assigns, harmless from, any expenses or damages, including reasonable attorneys' fees, that Seller incurs because  
187. of the breach of any of the above representations and warranties, whether such breach is discovered before or after  
188. the date of closing.

189. **TIME IS OF THE ESSENCE FOR ALL PROVISIONS OF THIS CONTRACT.**

190. **CALCULATION OF DAYS:** Any calculation of days begins on the first day (calendar or Business Days as specified)  
191. following the occurrence of the event specified and includes subsequent days (calendar or Business Days as specified)  
192. ending at 11:59 P.M. on the last day.

COMMERCIAL PURCHASE AGREEMENT

193. Page 5 Date 8/27/2015

- 194. Property located at 1800 W Highway 61
195. BUSINESS DAYS: "Business Days" are days which are not Saturdays, Sundays or state or federal holidays unless
196. stated elsewhere by the parties in writing.
197. DEFAULT: If Buyer defaults in any of the agreements herein, Seller may cancel this Purchase Agreement, and any
198. payments made hereunder, including earnest money, shall be retained by Seller as liquidated damages and Buyer
199. and Seller shall affirm the same by a written cancellation. In the alternative, Seller may seek all other remedies allowed
200. by law.
201. If Buyer defaults in any of the agreements hereunder, Seller may terminate this Purchase Agreement under the
202. provisions of either MN Statute 559.21 or MN Statute 559.217, whichever is applicable.
203. If this Purchase Agreement is not canceled or terminated as provided hereunder, Buyer or Seller may seek actual
204. damages for breach of this Purchase Agreement or specific performance of this Purchase Agreement; and, as to
205. specific performance, such action must be commenced within six (6) months after such right of action arises.
206. SUBJECT TO RIGHTS OF TENANTS, IF ANY, BUYER HAS THE RIGHT TO VIEW THE PROPERTY PRIOR TO
207. CLOSING TO ESTABLISH THAT THE PROPERTY IS IN SUBSTANTIALLY THE SAME CONDITION AS OF THE
208. DATE OF THIS PURCHASE AGREEMENT.
209. DISCLOSURE NOTICE: If this Purchase Agreement includes a structure used or intended to be used as residential
210. property as defined under MN Statute 513.52, Buyer acknowledges Buyer has received a Disclosure Statement: Seller's
211. Property or Disclosure Statement: Seller's Disclosure Alternatives form.

212. (Check appropriate boxes.)
213. SELLER WARRANTS THAT THE PROPERTY IS EITHER DIRECTLY OR INDIRECTLY CONNECTED TO:
214. CITY SEWER [X] YES [ ] NO / CITY WATER [X] YES [ ] NO
215. SUBSURFACE SEWAGE TREATMENT SYSTEM
216. SELLER [X] DOES [ ] DOES NOT KNOW OF A SUBSURFACE SEWAGE TREATMENT SYSTEM ON OR SERVING
217. THE PROPERTY. (If answer is DOES, and the system does not require a state permit, see Disclosure Statement:
218. Subsurface Sewage Treatment System.)
219. PRIVATE WELL
220. SELLER [ ] DOES [X] DOES NOT KNOW OF A WELL ON OR SERVING THE PROPERTY. (If answer is DOES and well
221. is located on the Property, see Disclosure Statement: Well.)
222. THIS PURCHASE AGREEMENT [ ] IS [X] IS NOT SUBJECT TO AN ADDENDUM TO PURCHASE AGREEMENT:
223. SUBSURFACE SEWAGE TREATMENT SYSTEM AND WELL INSPECTION CONTINGENCY.
224. (If answer is IS, see attached Addendum.)
225. IF A WELL OR SUBSURFACE SEWAGE TREATMENT SYSTEM EXISTS ON THE PROPERTY, BUYER HAS
226. RECEIVED A DISCLOSURE STATEMENT: WELL AND/OR A DISCLOSURE STATEMENT: SUBSURFACE SEWAGE
226. TREATMENT SYSTEM.

228. NOTICE
229. Virginia Palmer (Licensee) is [X] Seller's Agent [ ] Buyer's Agent [ ] Dual Agent [ ] Facilitator.
230. Coldwell Banker North Shore (Real Estate Company Name)
231. (Licensee) is [ ] Seller's Agent [ ] Buyer's Agent [ ] Dual Agent [ ] Facilitator.
232. (Real Estate Company Name)



COMMERCIAL PURCHASE AGREEMENT

233. Page 6 Date 8/27/15

234. Property located at 1800 W Highway 61

235. DUAL AGENCY DISCLOSURE: Dual agency occurs when one broker or salesperson represents both parties to a
236. transaction, or when two salespersons licensed to the same broker each represent a party to the transaction. Dual
237. agency requires the informed consent of all parties, and means that the broker or salesperson owes the same fiduciary
238. duties to both parties to the transaction. This role limits the level of representation the broker and salespersons can
239. provide, and prohibits them from acting exclusively for either party. In dual agency, confidential information about price,
240. terms and motivation for pursuing a transaction will be kept confidential unless one party instructs the broker or
241. salesperson in writing to disclose specific information about him or her. Other information will be shared. Dual agents
242. may not advocate for one party to the detriment of the other.

243. CONSENT TO DUAL AGENCY

244. Broker represents both parties involved in the transaction, which creates a dual agency. This means that Broker and
245. its salespersons owe fiduciary duties to both parties. Because the parties may have conflicting interests, Broker and its
246. salespersons are prohibited from advocating exclusively for either party. Broker cannot act as a dual agent in this
247. transaction without the consent of both parties. Both parties acknowledge that

248. (1) confidential information communicated to Broker which regards price, terms or motivation to buy, sell or lease will
249. remain confidential unless the parties instruct Broker in writing to disclose this information. Other information will
250. be shared;

251. (2) Broker and its salespersons will not represent the interest of either party to the detriment of the other; and

252. (3) within the limits of dual agency, Broker and its salesperson will work diligently to facilitate the mechanics of the
253. sale.

254. With the knowledge and understanding of the explanation above, the parties authorize and instruct Broker and its
255. salespersons to act as dual agents in this transaction.

256. SELLER: BUYER:

257. By: By:

258. Its: Its:
(Title) (Title)

259. (Date) (Date)

260. SELLER: BUYER:

261. By: By:

262. Its: Its:
(Title) (Title)

263. (Date) (Date)

264. SUCCESSORS AND ASSIGNS: All provisions of this Purchase Agreement shall be binding on successors and assigns.

265. CLOSING COSTS: Buyer or Seller may be required to pay certain closing costs, which may effectively increase the
266. cash outlay at closing or reduce the proceeds from the sale.

267. ACCEPTANCE DEADLINE. This offer to purchase, unless accepted sooner, shall be withdrawn at 11:59 p.m.,

268. September 4, 2015, and in such event all earnest money shall be returned to Buyer.



**COMMERCIAL PURCHASE AGREEMENT**

269. Page 7 Date 8/27/15

270. Property located at 1800 W Highway 61

271. **CONDEMNATION:** If, prior to the closing date, condemnation proceedings are commenced against all or any part  
272. of the Property, Seller or licensee representing or assisting Seller, shall immediately give written notice to Buyer, or  
273. licensee representing or assisting Buyer, of such fact and Buyer may, at Buyer's option (to be exercised within thirty (30)  
274. days after Seller's notice), declare this Purchase Agreement canceled by written notice to Seller or licensee representing  
275. or assisting Seller, in which case this Purchase Agreement is canceled and neither party shall have further obligations  
276. under this Purchase Agreement. In the event Buyer declares the Purchase Agreement canceled, Buyer and Seller  
277. shall immediately sign a written cancellation confirming such cancellation and directing all earnest money paid  
278. hereunder to be refunded to Buyer. If Buyer fails to give such written notice, then Buyer shall be bound to proceed with  
279. closing, subject to any other contingencies to this Purchase Agreement. In such event, there shall be no reduction in  
280. the purchase price, and Seller shall assign to Buyer at the closing date all of Seller's rights, title and interest in and to  
281. any award made or to be made in the condemnation proceedings. Prior to the closing date, Seller shall not designate  
282. counsel, appear in, or otherwise act with respect to, the condemnation proceedings without Buyer's prior written consent.

283. **MUTUAL INDEMNIFICATION:** Seller and Buyer agree to indemnify each other against, and hold each other harmless  
284. from, all liabilities (including reasonable attorneys' fees in defending against claims) arising out of the ownership,  
285. operation or maintenance of the Property for their respective periods of ownership. Such rights to indemnification will  
286. not arise to the extent that (a) the party seeking indemnification actually receives insurance proceeds or other cash  
287. payments directly attributable to the liability in question (net of the cost of collection, including reasonable attorneys'  
288. fees); or (b) the claim for indemnification arises out of the act or neglect of the party seeking indemnification. If, and  
289. to the extent that, the indemnified party has insurance coverage, or the right to make claim against any third party for  
290. any amount to be indemnified against, as set forth above, the indemnified party will, upon full performance by the  
291. indemnifying party of its indemnification obligations, assign such rights to the indemnifying party or, if such rights are  
292. not assignable, the indemnified party will diligently pursue such rights by appropriate legal action or proceeding and  
293. assign the recovery and/or right of recovery to the indemnifying party to the extent of the indemnification payable made  
294. by such party.

295. **ENTIRE AGREEMENT:** This Purchase Agreement and any addenda or amendments signed by the parties shall  
296. constitute the entire agreement between Buyer and Seller. Any other written or oral communication between Buyer and  
297. Seller, including, but not limited to, e-mails, text messages, or other electronic communications are not part of this  
298. Purchase Agreement. This Purchase Agreement can be modified or canceled only in writing signed by Buyer and  
299. Seller or by operation of law. All monetary sums are deemed to be United States currency for purposes of this Purchase  
300. Agreement.

301. **ELECTRONIC SIGNATURES:** The parties agree the electronic signature of any party on any document related to this  
302. transaction constitute valid, binding signatures.

303. **FINAL ACCEPTANCE:** To be binding, this Purchase Agreement must be fully executed by both parties and a copy  
304. must be delivered.

305. **SURVIVAL:** All warranties and representations in this Purchase Agreement shall survive the delivery of the deed or  
306. contract for deed and be enforceable after the closing.

307. **OTHER:** \_\_\_\_\_  
308. \_\_\_\_\_  
309. \_\_\_\_\_  
310. \_\_\_\_\_  
311. \_\_\_\_\_  
312. \_\_\_\_\_  
313. \_\_\_\_\_  
314. \_\_\_\_\_  
315. \_\_\_\_\_  
316. \_\_\_\_\_

**COMMERCIAL PURCHASE AGREEMENT**

317. Page 8 Date 8/27/2015

318. Property located at 1800 W Highway 61

319. **ADDENDA AND PAGE NUMBERING:** Attached addenda are a part of this Purchase Agreement.

320.  If checked, this Purchase Agreement is subject to attached Addendum to Commercial Purchase Agreement: Counteroffer.  
321.

322. **SELLER**

**BUYER**

323. \_\_\_\_\_

Michael J Roth

324. By: \_\_\_\_\_

By: Michael J Roth

325. Its: \_\_\_\_\_  
(Title)

Its: City Administrator  
(Title)

326. \_\_\_\_\_  
(Date)

8/27/15  
(Date)

327. **SELLER**

**BUYER**

328. \_\_\_\_\_

\_\_\_\_\_

329. By: \_\_\_\_\_

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

330. Its: \_\_\_\_\_  
(Title)

Its: \_\_\_\_\_  
(Title)

331. \_\_\_\_\_  
(Date)

\_\_\_\_\_ (Date)

332. **FINAL ACCEPTANCE DATE:** \_\_\_\_\_ The Final Acceptance Date  
333. is the date on which the fully executed Purchase Agreement is delivered.

334. **THIS IS A LEGALLY BINDING CONTRACT BETWEEN BUYER(S) AND SELLER(S).**  
335. **IF YOU DESIRE LEGAL OR TAX ADVICE, CONSULT AN APPROPRIATE PROFESSIONAL.**

336. **THIS MINNESOTA ASSOCIATION OF REALTORS® COMMERCIAL PURCHASE AGREEMENT IS NOT**  
337. **DESIGNED TO BE AND IS NOT WARRANTED TO BE INCLUSIVE OF ALL ISSUES SELLER AND BUYER**  
338. **MAY WISH TO ADDRESS, AND EITHER PARTY MAY WISH TO MODIFY THIS PURCHASE AGREEMENT**  
339. **TO ADDRESS STATUTORY OR CONTRACTUAL MATTERS NOT CONTAINED IN THIS FORM.**  
340. **BOTH PARTIES ARE ADVISED TO SEEK THE ADVICE OF AN ATTORNEY TO ENSURE**  
341. **THIS CONTRACT ADEQUATELY ADDRESSES THAT PARTY'S RIGHTS.**



ADDENDUM TO COMMERCIAL  
PURCHASE AGREEMENT:  
DUE DILIGENCE

44. Page 2

45. Property located at 1800 W Highway 61

46. (ii) **Phase II:** This Purchase Agreement  IS  IS NOT contingent upon  BUYER  SELLER  
47. obtaining a Phase II environmental site assessment of the Property at  BUYER  SELLER  
48. expense within \_\_\_\_\_ days of Final Acceptance Date of this Purchase Agreement.  
49. Buyer shall provide reasonable approval of the Phase II environmental site assessment within  
50. \_\_\_\_\_ days of either:  
51. (a) Final Acceptance Date of this Purchase Agreement if the Phase II environmental site assessment is  
52. obligated to be obtained by Buyer; or  
53. (b) receipt of the Phase II environmental site assessment if Seller is obligated to obtain.

54. (iii) **Other Testing:** This Purchase Agreement  IS  IS NOT contingent upon  BUYER  SELLER  
55. obtaining other Intrusive Testing of the Property at  BUYER'S  SELLER'S expense within  
56. \_\_\_\_\_ days of Final Acceptance Date of this Purchase Agreement.  
57. Buyer shall provide reasonable approval of the assessment/inspection within  
58. \_\_\_\_\_ days of either:  
59. (a) Final Acceptance Date of this Purchase Agreement if the assessment/inspection is obligated to be obtained  
60. by Buyer; or  
61. (b) receipt of the assessment/inspection if Seller is obligated to obtain.

62. For purposes of this form, "Intrusive Testing" shall mean any testing, inspection(s) or investigation(s) that  
63. changes the Property from its original condition or otherwise damages the Property.

64. Buyer  SHALL  SHALL NOT be required to provide Seller with a copy of any assessment/inspection  
65. reports obtained by Buyer.

66. (iv) **Seller's Representations on Environmental Concerns:** To the best of Seller's knowledge, there are no  
67. hazardous substances or underground storage tanks except herein noted:  
68. \_\_\_\_\_  
69. \_\_\_\_\_  
70. \_\_\_\_\_

71. **B. GOVERNMENTAL APPROVAL:** The following items, if applicable, shall be completed within  
72. \_\_\_\_\_ days of Final Acceptance Date of this Purchase Agreement.

73. (i) This Purchase Agreement  IS  IS NOT contingent upon Buyer obtaining approval of governing body of  
74. development or subdivision plans, as described below, at  BUYER  SELLER expense. If IS, Seller shall  
75. cooperate with Buyer to obtain such approval.  
76. \_\_\_\_\_

77. (ii) This Purchase Agreement  IS  IS NOT contingent upon Buyer obtaining approval of governing body for  
78. rezoning or use permits, as described below, at  BUYER  SELLER expense. If IS, Seller shall  
79. cooperate with Buyer to obtain such approval.  
80. \_\_\_\_\_  
81. \_\_\_\_\_



**ADDENDUM TO COMMERCIAL  
PURCHASE AGREEMENT:  
DUE DILIGENCE**

82. Page

3

83. Property located at 1800 W Highway 61

84. **C. OTHER CONTINGENCIES:** This Purchase Agreement is contingent upon Buyer's reasonable approval of the  
85. following items, if checked. Buyer shall approve the items within \_\_\_\_\_ days of either:  
86. (a) Final Acceptance Date of this Purchase Agreement if Buyer is obligated to obtain the item; or  
87. (b) receipt of the item if Seller is obligated to obtain the item.  
88. *(Select appropriate options i-vi.)*

89.  (i)  **BUYER**  **SELLER** obtaining a certificate of survey of the Property, at  **BUYER**  **SELLER**  
90. (Check one.) expense. (Check one.)

91.  (ii)  **BUYER**  **SELLER** obtaining soil tests which indicate that the Property may be improved without  
92. extraordinary building methods or costs, at  **BUYER**  **SELLER** expense.  
(Check one.)

93.  (iii)  **BUYER**  **SELLER** obtaining copies of all covenants, reservations and restrictions affecting the Property,  
94. at  **BUYER**  **SELLER** expense.  
(Check one.)

95.  (iv)  **BUYER**  **SELLER** obtaining and approving copies of Association documents at  **BUYER**  **SELLER**  
96. expense. (Check one.) (Check one.)

97.  (v) Buyer obtaining from Seller copies of all documents in Seller's possession or control relating to the rights  
98. of tenants, including but not limited to, rent rolls, leases, common area maintenance fees, and estoppel  
99. certificates.

100. Seller assigns all right, title, and interest in and to the tenant security deposits and the interest earned, if  
101. any, and credited thereon (collectively, the Security Deposits) for the Property at closing. Seller warrants  
102. that the Security Deposits being assigned are all of the Security Deposits being held for tenants at the  
103. Property. Seller shall, immediately after closing, notify tenant of the Security Deposit transfer and of Buyer's  
104. name and address as required under MN Statute 504B.178, Subd. 5. Buyer agrees to hold and apply all  
105. of the Security Deposits in accordance with the terms of the leases of the Property pursuant to MN Statute  
106. 504B.178 and indemnify and agree to hold and defend Seller, its legal representatives, successors and  
107. assigns harmless from and against any and all claims, actions, suits, proceedings, demands, assessments,  
108. judgments, liabilities and costs including, without limitation, reasonable attorney's fees and expenses of  
109. any kind whatsoever, arising from and after the date of closing asserted by said tenants or any person or  
110. persons claiming under any of them with respect to any of the Security Deposits.

111.  (vi) Buyer obtaining from Seller copies of all permits applicable to the Property, operating statements for the  
112. last \_\_\_\_\_ years, vendor contracts, and any other documents in Seller's possession or  
113. control and relating to the Property.

114. Buyer acknowledges that Seller makes no representations or warranties by providing any documents to  
115. Buyer. Buyer agrees to return all such documents to Seller upon Seller's written request.

**ADDENDUM TO COMMERCIAL  
PURCHASE AGREEMENT:  
DUE DILIGENCE**

116. Page \_\_\_\_\_

117. Property located at \_\_\_\_\_

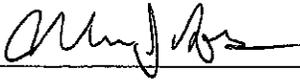
118. **D. BUYER INVESTIGATIONS:** This Purchase Agreement  **IS**  **IS NOT** contingent upon Buyer's investigations  
-----*(Check one.)*-----

119. of the Property for Buyer to satisfy himself/herself/itself with respect to the physical condition of the Property and  
120. the feasibility and suitability of the Property for Buyer's intended purpose. Any Buyer investigations shall be  
121. completed within 20 days of Final Acceptance Date of this Purchase  
122. Agreement. All Buyer investigations shall be at Buyer's sole cost and expense.

123. **SELLER**

**BUYER**

124. \_\_\_\_\_

  
\_\_\_\_\_

125. By: \_\_\_\_\_

By: Michael J Roth

126. Its: \_\_\_\_\_  
(Title)

Its: City Administrator  
(Title)

127. \_\_\_\_\_  
(Date)

8/27/15  
(Date)

128. **SELLER**

**BUYER**

129. \_\_\_\_\_

\_\_\_\_\_

130. By: \_\_\_\_\_

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

131. Its: \_\_\_\_\_  
(Title)

Its: \_\_\_\_\_  
(Title)

132. \_\_\_\_\_  
(Date)

\_\_\_\_\_ (Date)

133. **THIS IS A LEGALLY BINDING CONTRACT BETWEEN BUYER(S) AND SELLER(S).**  
134. **IF YOU DESIRE LEGAL OR TAX ADVICE, CONSULT AN APPROPRIATE PROFESSIONAL.**

**EXHIBIT B**  
**Legal Description**

The Northwest Quarter of the Southwest Quarter, Section 20, Township 61 North, Range 1 East of the Fourth Principal Meridian, which lies southerly of the south right of way line of Minnesota Trunk Highway No. 61, EXCEPT, however, the easterly 500.00 feet and the westerly 250.00 feet thereof, and EXCEPT that part of the Northwest Quarter of the Southwest Quarter shown as Parcel 30 on Minnesota Department of Transportation Right of Way Plat Numbered 16-8 as the same is on file and of record in the Office of the County Recorder, Cook County, Minnesota, as Document No. 92998.

AND; That part of the Southwest Quarter of the Southwest Quarter, Section 20, Township 61 North, Range 1 East, Cook County, Minnesota, EXCEPT, however, the easterly 500.00 feet and the westerly 250.00 feet thereof and EXCEPT a triangular parcel described as follows:

Beginning at the northwest corner of the south 1065.96 feet of the east 500.00 feet of the said Southwest Quarter of the Southwest Quarter; thence South 45 degrees 33 minutes 30 seconds West, assuming the south line of the Southwest Quarter of the Southwest Quarter bears South 89 degrees 26 minutes 30 seconds East, a distance of 113.00 feet to the north line of the south 985.80 feet of the Southwest Quarter of the Southwest Quarter; thence South 89 degrees 26 minutes 30 seconds East, along said north line, 80.09 feet to the west line of the east 500 feet of the Southwest Quarter of the Southwest Quarter; thence North 00 degrees 18 minutes 35 seconds East, along said west line, 80.09 feet to the point of beginning.

August 27, 2015



City of Grand Marais  
Attn: Mike Roth  
P.O. Box 600  
Grand Marais, MN 55604

Dear Mike,

The Development Infrastructure Grant Program application for the Cook County North Shore Hospital Expansion in the amount of \$100,000.00 has been approved.

To finalize the grant agreement, submit the following:

- Signed Grant Agreement
- Final Bid Report

To receive reimbursement, submit the following:

- Reimbursement Request Form
- Invoices
- Progress Report prior to project completion
- Final Report Form (Required for final reimbursement)

For program guidelines and forms, go to [www.irrrrb.org](http://www.irrrrb.org) and click **Community** and highlight **How can we help your community?** and choose **Development Infrastructure**:

- Grant Program Guidelines
- Reimbursement Request Form
- Progress Report Form
- Final Report Form

Congratulations on being awarded the grant. If you have any questions, please contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "Chris Ismil", is written over a light blue horizontal line.

Chris Ismil  
Community Development Representative  
[Chris.Ismil@state.mn.us](mailto:Chris.Ismil@state.mn.us)  
218-735-3010



An Equal Opportunity Employer

**Iron Range Resources &  
Rehabilitation Board**  
P.O. Box 441  
Eveleth, MN 55734-0441  
(218) 735-3000

**IRRRB.org**

**STATE OF MINNESOTA  
GRANT AGREEMENT**

<b>PO ID</b> 3000004177	<b>PO Date</b> 8/19/2015		<b>Fiscal Year</b> 2016	<b>Grant Award</b> \$100,000.00
<b>Vendor ID</b> 0000195435	<b>Fund</b> 2370	<b>Fin Dept ID</b> B4335340	<b>Approp ID</b> B43TCPJ	<b>Account</b> 441352

This grant contract is between the State of Minnesota, acting through its Office of the Commissioner of Iron Range Resources and Rehabilitation Board (hereinafter IRRRB) and **Grand Marais, City of, Attn: Mike Roth, PO Box 600, Grand Marais, MN 55604** (hereinafter GRANTEE).

1. Under Minnesota Statutes Section 298.22 and Section 298.223, and pursuant to IRRRB Resolution No. 15-022, the IRRRB is empowered to enter into this grant.
2. As part of its mission, the IRRRB will fund local economic development projects including Public Works, Culture and Tourism, and Housing Redevelopment projects located within the Taconite Assistance Area defined in Minnesota Statutes Section 273.1341. The IRRRB has determined that the completion of this project will support those purposes.
3. The Grantee represents that it is duly qualified and agrees to perform all services described in this grant contract to the satisfaction of the IRRRB. Pursuant to Minnesota Statutes 16B.98 Subdivision 1, the Grantee agrees to minimize administrative costs as a condition of this grant.

**1 Term of the Grant Contract**

- 1.1. **Effective date:** the date the IRRRB obtains all required signatures under Minnesota Statutes 16.B98, Subdivision 5 and 7.
- 1.2. **Expiration date:** 12/31/2016, or until all obligations have been satisfactorily fulfilled, whichever occurs first.
- 1.3. **Survival of Terms.** The following clauses survive the expiration or cancellation of this grant contract: 9. Liability, 10. State Audits; 11. Government Data Practices and Intellectual Property; 13. Publicity and Endorsement; 14. Governing Law, Jurisdiction, and Venue; and 16. Data Disclosure.

**2 Grantee's Duties**

The Grantee, who is not an IRRRB employee, will use the Office of the Commissioner of the Iron Range Resources and Rehabilitation Board monies provided for infrastructure and site development for the upgrade and expansion of Cook County North Shore Hospital.

Expenses eligible for reimbursement under the terms of this Agreement will be those incurred since 5/19/2015, for infrastructure and site development for the upgrade and expansion of Cook County North Shore Hospital, and other costs associated with the completion of the project.

**Prevailing wages must be paid on the project according to the IRRRB Board resolution No. 96-005, see attached Exhibit A.** Language ensuring payment of prevailing wages must be included in the development agreement and all relevant project documents, including but not limited to bid solicitations, responses and contracts.

IRRRB funded work for the project is required to be publicly procured by the grantee.

The grantee will submit a progress report prior to project completion and a final report when the project is complete to the IRRRB. An IRRRB authorized representative will conduct a site visit or call as a monitoring requirement for the project.

Architectural and engineering fees in excess of 10% of the total infrastructure and site development costs are ineligible for reimbursement.

NOTE: Grantee agrees to perform the above duties in accordance with the plans and specifications in grantee's application which is incorporated into this Agreement and kept on file in the Office of the Commissioner of the Iron Range Resources and Rehabilitation Board, and in accordance with the policies as stated in the Grant application manual.

**3 Time**

The Grantee must comply with all the time requirements described in this grant contract. In the performance of this grant contract, time is of the essence.

**4 Obligation and Payment**

- 4.1. **Obligation.** The total obligation of the State for all compensation and reimbursements to the Grantee under this grant contract will not exceed \$100,000.00.

4.2. **Payment.** The IRRRB will promptly pay the Grantee after the Grantee presents itemized invoice for the services actually performed and the IRRRB's Authorized Representatives accepts the invoiced services. Invoices must be submitted timely and according to the following schedule: reimbursement upon submission of invoices upon completion of stages of work on the project and/or completion of the entire project done in accordance with this Agreement. If applicable, bid tabulations will be required for the project and a copy submitted to the IRRRB Authorized Representative.

## 5 Conditions of Payment

All services provided by Grantee under this grant must be performed to the IRRRB's satisfaction, as determined at the sole discretion of the IRRRB's authorized agent, and in accordance with all applicable federal, state, and local laws, ordinances, IRRRB board resolutions, rules and regulations. GRANTEE will not receive payment for work found by the IRRRB to be unsatisfactory or performed in violation of federal, state or local law.

## 6 Authorized Representative

The IRRRB's Authorized Representative is **Chris Ismil**, 4261 Hwy. 53 S., Eveleth, MN 55734, (218) 735-3010, [chris.ismil@state.mn.us](mailto:chris.ismil@state.mn.us), has the responsibility to monitor the Grantee's performance and the authority to accept the services provided under this contract. If the services are satisfactory, the IRRRB's Authorized Representative will certify acceptance on each invoice submitted for payment.

The Grantee's Authorized Representative is **Mike Roth**, PO Box 600, Grand Marais, MN 55604, (218) 387-1848, [cityhall@boreal.org](mailto:cityhall@boreal.org). If the Grantee's Authorized Representative changes at any time during this grant contract, the Grantee must immediately notify the IRRRB.

## 7 Authorized Agent

The IRRRB's authorized agent for the purposes of administration of this grant is the **Commissioner, Deputy Commissioner** or the **Executive Director of Development** who shall have final authority for acceptance of GRANTEE'S services.

## 8 Assignment, Amendments, Waiver, and Grant Contract Complete

- 8.1. **Assignment.** The Grantee shall neither assign nor transfer any rights or obligations under this grant contract without prior written consent of the IRRRB, approved by the same parties who executed and approved this contract, or their successors in the office.
- 8.2. **Amendments.** Any amendments to this grant contract must be in writing and will not be effective until it has been executed and approved by the same parties who executed and approved the original grant contract, or their successors in the office.
- 8.3. **Waiver.** If the IRRRB fails to enforce any provision of this grant contract, the failure does not waive the provision of IRRRB's right to enforce it.
- 8.4. **Grant Contract Complete.** This grant contract contains all negotiations and agreements between the IRRRB and the Grantee. No other understanding regarding this grant contract, whether written or oral, may be used to bind either party.

## 9 Liability

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

## 10 State Audits

Under Minn. Stat. §16B.98, Subd.8, the Grantee's books, records, documents, and accounting procedures and practices of the Grantee or other party relevant to this grant agreement or transaction are subject to examination by the state and/or the State Auditor or Legislative Auditor, as appropriate, for a minimum of six years from the end of this grant agreement, receipt and approval of all final reports, or the required period of time to satisfy all state and program retention requirements, whichever is later.

## 11 Government Data Practices and Intellectual Property

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

If the Grantee receives a request to release the data referred to in this Clause, the Grantee must immediately notify the IRRRB. The IRRRB will give the Grantee instructions concerning the release of the data to the requesting party before the data is released. The Grantee's response to the request shall comply with applicable law.

## 12 Workers' Compensation

The Grantee certifies that it is in compliance with Minn. Stat. §176.181, subd. 2, pertaining to workers' compensation insurance coverage. The Grantee's employees and agents will not be considered IRRRB employees. Any claims that may arise under the Minnesota Workers' Compensation Act on behalf of these employees and any claims made by any third party as a consequence of any act or omission on the part of these employees are in no way the IRRRB's obligation or responsibility.

### 13 Publicity and Endorsement

- 13.1. **Publicity.** Any publicity regarding the subject matter of this grant contract must identify the IRRRB as a supporting agency and must not be released without prior written approval from the IRRRB's Authorized Representative. For purposes of this provision, publicity includes notices, informational pamphlets, press releases, research, reports, signs, and similar public notices prepared by or for the Grantee individually or jointly with others, or any subcontractors, with respect to the program, publications, or services provided resulting from this grant contract.
- 13.2. **Endorsement.** The Grantee must not claim that the IRRRB endorses its products or services.

### 14 Governing Law, Jurisdiction, and Venue

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

### 15 Termination

- 15.1. **Termination by the IRRRB.** The IRRRB may immediately terminate this grant contract with or without cause, upon 30 days' written notice to the Grantee. Upon termination, the Grantee will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed.
- 15.2. **Termination for Cause.** The IRRRB may immediately terminate this grant contract if the IRRRB finds that there has been a failure to comply with the provisions of this grant contract, that reasonable progress has not been made or that the purposes for which the funds were granted have not been or will not be fulfilled. The IRRRB may take action to protect the interests of the IRRRB, including the refusal to disburse additional funds and requiring the return of all or part of the funds already disbursed.

### 16 Data Disclosure

Under Minn. Stat. §270.65, Subd. 3, and other applicable law, the Grantee consents to disclosure of its social security number, federal employer tax identification number, and/or Minnesota tax identification number, already provided to the State, to federal and state tax agencies and state personnel involved in the payment of state obligations. These identification numbers may be used in the enforcement of federal and state tax laws which could result in action requiring the Grantee to file state tax returns and pay delinquent state tax liabilities, if any.

The records or reports resulting from the work under this grant may be released for public inspection, and both parties shall have the privilege of publishing the reports; providing that publications by either party shall contain a statement of the cooperative relations between the parties hereto.

### 17 Additional Provisions

Specifically, but without limitation, GRANTEE shall comply with and, to the extent required by law shall require its contractors and subcontractors performing work on the Project to comply with: Minnesota Statutes §181.59 (Non-discrimination); Minnesota Statutes §116J.871 and §177.43 (Prevailing Wages); Minnesota Statutes §574.26 (Payment and Performance Bonds); Minnesota Statutes §363A.36 (Certificate of Compliance for private entities); and Minnesota Statutes §116L.66 (Job Listings for grants of \$200,000 or more to any private entity), and the American's with Disabilities Act 42 U.S.C.A. Sect. 12101.

The grant is subject to the provisions in Minnesota Statutes §16B.97 and .98.

This document may be executed in counterparts. The parties may provide electronic signatures pursuant to the authority of Minn. Stat. Ch. 325L.

**\*The remainder of this page is intentionally left blank.**

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

APPROVED:

**1. IRRRB FISCAL AGENT:**

By: Electronically approved and signed by Bob  
Scuffy on 8/19/2015.

\_\_\_\_\_  
**BOB SCUFFY, JR.**

Title: **ACCOUNTING DIRECTOR**  
\_\_\_\_\_

**2. GRANTEE:**

(If a corporation, two corporate officers must execute).

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

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

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

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

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

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

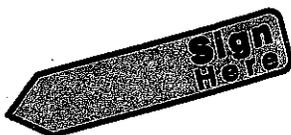


EXHIBIT A

IRON RANGE RESOURCES AND REHABILITATION BOARD  
OF THE STATE OF MINNESOTA

Resolution No.: FY96-005

WHEREAS, the Board is authorized and required under the provisions of Minnesota Statutes: Section 298.22, subdivision 2; Section 298.223, Subdivision 2; and Section 298.296, subdivision 2, to approve projects before any funds made available to the Commissioner under any such section (hereafter referred to as "IRRRB Funds") may be expended; and

WHEREAS, the Board met in open session on Friday, March 22, 1996, at Room 229, in the State Capitol Building, St. Paul, Minnesota, to consider the approval of various projects to be financed with IRRRB Funds, and at such meeting considered and discussed whether or under what circumstances wages should be paid to workers on IRRRB funded projects at rates which are consistent with the prevailing wage requirements for projects subject to Minnesota Statutes Sections 177.41 to 177.44;

WHEREAS, the Board on Monday, April 29, 1996, met in open session at the IRRRB Building at Eveleth, Minnesota, and further considered the matter of its policy on prevailing wages; and

WHEREAS, on the basis of such discussions and considerations the Board has determined that a policy statement regarding the payment of prevailing wages on IRRRB funded projects should be adopted so that it can be referred to and incorporated by reference as a condition of the Board's approval of specific projects which from time to time hereafter are submitted to it by the Commissioner for approval;

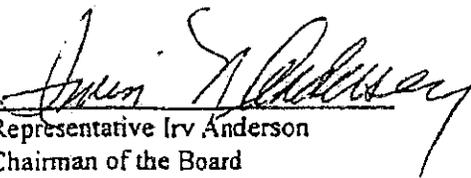
NOW, THEREFORE, BE IT RESOLVED that when the Board determines to invoke or apply a prevailing wage condition on a project, it intends that substantially the following language be inserted in the contract:

This Board's approval of funding for this project is subject to the further condition that the Grantee/Borrower must, before any IRRRB funds are paid or released, first certify to the commissioners of labor and industry and of Iron Range Resources and Rehabilitation that it will pay or require to be paid to all laborers, workers and mechanics performing work at the Project Site being financed in whole or in part with such IRRRB funds, wages at a rate not less than the prevailing wage rates as defined in Minnesota Statutes §177.42, subdivision 6, as amended. The term "Project Site" shall include not only the immediate physical location at which the improvements funded in whole or in part by these approved IRRRB funds are to be made, but also any other areas of substantially concurrent construction work within the same building or on the same or a connected parcel of land which is being done by the grantee/borrower or by a private business entity in association with the Grantee's/Borrower's project or in contractual reliance upon its being done.

BE IT FURTHER RESOLVED that this resolution may hereafter be referenced and referred to as "Resolution 96-005"

PASSED AND ADOPTED BY VOTE OF THE IRON RANGE RESOURCES AND REHABILITATION BOARD THIS 29th DAY OF APRIL, 1996

AYES: 11  
NAYS: 0  
ABSTENTIONS: 0  
ABSENT: 0

Signed:   
Representative Irv Anderson  
Chairman of the Board

## Upcoming Meeting Schedule

Updated September 24, 2015

### SEPTEMBER

Date/Time	Meeting	Location
Wednesday, September 30, 6:30 p.m.	City Council Meeting	Council Chambers

### OCTOBER

Date/Time	Meeting	Location
Wednesday, October 14, 6:30 p.m.	City Council Meeting	Council Chambers
Wednesday, October 28, 6:30 p.m.	City Council Meeting	Council Chambers