

Pursuant to due call and notice thereof, a regular meeting of the North Mankato City Council was held in the Municipal Building Council Chambers on July 6, 2015. Mayor Dehen called the meeting to order at 7:00 p.m. asking that everyone join in the Pledge of Allegiance. The following were present for roll call: Mayor Dehen, Council Members Steiner, Norland, Freyberg and Spears, City Administrator Harrenstein, Attorney Kennedy, City Clerk Van Genderen, City Planner Fischer and Public Works Director Swanson. Absent: Finance Director Thorne.

Approval of Agenda

Council Member Spears requested Consent Agenda Items 8C, 8F and 8I be removed from the Consent Agenda for separate consideration. **Council Member Norland moved, seconded by Council Member Steiner, to approve the agenda with Consent Agenda Items 8C, 8F and 8I removed for separate consideration. Vote on the motion: Steiner, Norland, Freyberg, Spears and Dehen aye; no nays. Motion carried.**

Approval of Minutes

Council Member Steiner moved, seconded by Council Member Norland to approve the minutes of the Council meeting of June 15, 2015. Vote on the motion: Steiner, Norland, Freyberg, Spears and Dehen aye; no nays. Motion carried.

Public Hearing, 7 p.m., Amend City Code, Title XI, Business Regulations, Chapter 111, Alcoholic Beverages.

The Mayor opened the public hearing to consider amendments to the City Code, Title XI, Business Regulations, Chapter 111, Alcoholic Beverages, Section 111.205 Hours of Sale. A copy of the Notice of Public Hearing and Affidavit of Publication were included in the packet. Barb Church, 102 Wheeler Avenue, appeared before Council and indicated that due to the increasing diversity in the community all references to religious holidays should be removed from City Code. With no one else appearing before the Council, the Mayor closed this portion of the meeting.

Agenda Item 8C Set Public Hearing for 7 pm on Monday, August 17, 2015, to Consider Adoption of Ordinance of Annexation of Land, Mayo Addition.

Council Member Spears stated the Public Hearing should not be set until Council is informed if the Mayo Clinic Health System-Mankato would be paying property taxes on the land. Council Member Spears stated as a non-profit Mayo Clinic Health System may request property tax exemption. **Council Member Spears moved, seconded by Council Member Norland to direct staff to inquire Mayo Clinic Health System-Mankato if they will be seeking tax exemption. Vote on the motion: Steiner, Norland, Freyberg, Spears and Dehen aye; no nays. Motion carried.** Attorney Kennedy indicated the Public Hearing could still be set for 7 pm on Monday, August 17, 2015 as staff would have ample time to discuss tax exempt status with Mayo. **Council Member Norland moved, seconded by Council Member Steiner to Set Public Hearing for 7 pm on Monday, August 17, 2015 to Consider Adoption of Ordinance of Annexation of Land, Mayo Addition. Vote on the motion: Steiner, Norland, Freyberg, Spears and Dehen aye; no nays. Motion carried.**

Agenda Item 8F Set Public Hearing for 7 pm on Monday, July 20, 2015 on Improvement Project No. 15-01ABCDEF Carlson Drive Extension.

Council Member Spears stated the Public Hearing on the improvements for the Carlson Drive Extension should be the same night or after the hearing for the Annexation of the Mayo Addition as this would service the Mayo parcel and the project may not move forward. City Engineer Dan Sarff indicated the Council already approved the setting of the improvement hearing on April 20, 2015, but

delayed the project to ensure the project would be moving forward. City Engineer Sarff indicated that setting the improvement hearing date did not commit the City to the project rather it is just a step in the 429 process that allows the City to assess part of the cost of the project. He indicated that Mayo was proceeding with their project and he recommended continuing with the Public Hearing. Council member Spears stated Mayo may be proceeding but the City Council has not approved the Annexation. Administrator Harrenstein stated the Public Hearing would only commit to engineering and setting a bid date, not the project. Council Member Spears stated costs would still be incurred and requested clarification on the objection to delaying the Public Hearing. City Engineer Sarff stated that if the City wants to secure financing and begin the project this year the hearing needs to occur on July 20, 2015.

Council Member Steiner moved, seconded by Council Member Norland to Set the Public Hearing for 7 pm on Monday, July 20, 2015 on Improvement Project No. 15-01 ABCDEF Carlson Drive Extension. Vote on the motion: Steiner, Norland, Freyberg and Dehen aye; Spears nay. Motion carried.

Agenda Item 8I Local Government Resolution Business Development Infrastructure Application.

Council Member Spears indicated it was premature to begin a grant application when the project had not been approved by City Council, but he understood that grant application processes can be long. Council Member Spears requested clarification on the wording in the resolution that says “the City of North Mankato will repay the grant if milestones are not realized by the completion date identified in the application.” Spears indicated he did not know what milestones it referenced. Administrator Harrenstein stated if the City were awarded the grant and the project was not completed the City would repay the grant money to the State of Minnesota. Administrator Harrenstein indicated the Carlson Drive West project was budgeted into the CIP and if the City is not awarded the grant it has the funds to complete the project. **Council Member Steiner moved, seconded by Council Member Norland to adopt the Local Government Resolution Business Development Infrastructure Application. Vote on the motion: Steiner, Norland, Freyberg, Spears and Dehen aye; no nays. Motion carried.**

Consent Agenda

Council Member Steiner moved, seconded by Council Member Norland, to approve the amended Consent Agenda which included:

- A. Bills and Appropriations.
- B. Res. No. 50-15 Approving Donations/Contributions/Grants.
- D. Precocious Pyrotechnics Fireworks Show, Sunday, July 12, 2015.
- E. Res. No. 51-15 Adopting North Mankato Code Enforcement Policy.
- G. Set Public Hearing for 7 p.m. on Monday, July 20, 2015 to consider Amendment to City Code, Chapter 156, R1-S, One-Family Dwelling-Small Lot District.
- H. Audio and Large Group Permit for Buffalo Wild Wings, Spring Lake Park Shelter #1, Wednesday, July 22, 2015 from 5:00 pm to 10:00 pm.

Vote on the motion: Steiner, Norland, Spears and Dehen aye; Freyberg abstain; no nays. Motion carried.

Public Comments

Ann Judkins, 614 Range Street, appeared before the Council and indicated she appreciated the property located at 1610 LorRay Drive, known as the Tschohl property, and would like to see the City facilitate the acquisition of the property for development into a City park.

Andrew Judkins, 614 Range Street, appeared before the Council and stated the Tschohl property would make a great park.

Mayor Dehen indicated he would like to read into record a commendation for Bruce Royer on his 28 years of service to the City of North Mankato.

WHEREAS, Bruce Royer began serving the City of North Mankato as a Building and Plumbing Inspector in 1987, he became an Assistant Building Inspector in 1993 and in 1996 he became the Building Official for the City of North Mankato and upon retiring he will have served the City of North Mankato for 28 years; and

WHEREAS, Bruce earned the title Building Official Class I in 1986 and Building Official Class II in 1990; and

WHEREAS, Bruce has continued his education remaining current on all building codes and procedures; and

WHEREAS, he is an asset to the community of North Mankato and has rigorously worked to ensure the safety of its residents;

NOW, THEREFORE, I, Mark Dehen, Mayor of the City of North Mankato, Minnesota, do hereby commend Bruce Royer for his outstanding work and dedication to the community and express my appreciation for his skills and work as Building Official.

Administrator Harrenstein presented Bruce Royer with a plaque in recognition and appreciation of dedicated and devoted service to North Mankato, actions of integrity, and a career of protecting citizens from 1987 through 2015.

Bruce Royer appeared before Council and thanked the City for the opportunity to work in a profession he loved for 28 years.

Business Items

Consider Adopting Ordinance No. 68 Amending North Mankato City Code, Title XI, Business Regulations, Chapter 111, Alcoholic Beverages, Hours of Sale.

Administrator Harrenstein indicated that Ordinance No. 68 would comply with recently adopted State Statute. **Council Member Steiner moved, seconded by Council Member Spears to Adopt Ordinance No. 68 Amending North Mankato City Code, Title XI, Business Regulations, Chapter 111, Alcoholic Beverages, Hours of Sale.** Attorney Kennedy stated that during the Public Hearing a citizen expressed the desire to remove all religious references from City Code. Kennedy indicated the reference of Sunday is religious and holidays such as Christmas are legal holidays and until State Legislature changes the City should follow the Statutes. Council Member Spears requested information on whether the City could have more liberal policies than the State. Attorney Kennedy responded that with the liquor laws the City cannot have more liberal policies, but the City could have more conservative laws. Council Member Spears responded that there are Federal, State, and Local laws and people are buried under laws. He indicated that this may be an appropriate time to decrease the number of laws by striking this Ordinance from City Code. Spears withdrew his second to adopt Ordinance No. 68. **Council Member Spears moved to remove City Code 111.205 Alcoholic Beverages, Hours of Sale.** No second was made. **Council Member Freyberg moved, seconded by**

Council Member Steiner to Adopt Ordinance No. 68 Amending North Mankato City Code, Title XI, Business Regulations, Chapter 111, Alcoholic Beverages, Hours of Sale. Vote on the motion: Steiner, Norland, Freyberg and Dehen aye; Spears nay. Motion carried.

Receive Economic Impact Report of Caswell Park.

City Intern Courtney Kietzer appeared before Council and reported on the Economic Impact of Caswell Park. Intern Kietzer indicated the results of the study showed a direct economic impact of \$3.5 million annually. Kietzer stated each year Caswell Parks, both softball and soccer, hosts an average of 19 tournaments, 490 teams, with 31,561 visitors. City Intern Kietzer reviewed the methodology for calculating total visitors and spending by those visitors. She stated the economic impact of Caswell Park was \$10,639,024 in the last three years with 58 tournaments, 1,472 teams and 95,611 visitors. Intern Kietzer indicated potential options to increase the economic impact included; National girls softball tournament over 3-5 days could bring in 1.5 million, hosting regional or national tournaments for ASA or NAFA, increase the size of local tournaments, add more soccer tournaments, or sporting opportunities that don't destroy the opportunity as Caswell North and consider investment opportunities for indoor recreation. Council Member Norland stated the study included some great information. Council Member Spears stated the numbers were estimates and best guesses based on studies. Intern Kietzer indicated the study used conservative numbers. Mayor Dehen requested Caswell Park Director Phil Tostenson to come to the podium and answer a few questions. Mayor Dehen requested information on the weekend tournament held July 3-5, 2015. Director Tostenson indicated there were 35 teams from all over the United States and Canada. Administrator Harrenstein indicated the numbers used in the study were conservative and the impact could increase as the City anticipates more soccer tournaments in the future. Council Member Spears stated he would hate to see the study as part of the official City record. Administrator Harrenstein indicated staff was not requesting the study be made an official part of the record but if Council would like to include it a motion could be made. **Council Member Norland moved, seconded by Council Member Freyberg to accept the Economic Impact Report of Caswell Park into the official City record.** Council Member Spears stated the City pays to bring tournaments into town and the tournaments benefit only retailers not the retired person in North Mankato. Council Member Steiner indicated that is what makes a City work. Council Member Norland indicated families with kids or grandkids benefit and it improves the quality of life of its citizens. Council Member Freyberg stated the City benefits from the Sales Tax. Mayor Dehen indicated hotels and other businesses benefit and allows them to continue operation. **Vote on the motion: Steiner, Norland, Freyberg and Dehen aye; Spears nay. Motion carried.**

City Administrator and Staff Comments

Public Works Director Swanson stated City Staff has been working hard on the parking lots located at 231 and 233 Wheeler Avenue.

Public Works Director Swanson indicated preparations were just about complete for the Fun Days 50 year celebration dedicated to those who fought the 'Flood of 65'.

Mayor and Council Comments

Mayor Dehen read a thank you note from Lisa Lissimore of the Minnesota State High School League thanking the City for a great 2015 State Softball Tournament.

Mayor Dehen stated the Coalition of Greater Minnesota Cities thanked the City for the proposal to host the 2016 summer conference but the conference will be held in Austin, MN. The Coalition of Greater Minnesota Cities encouraged North Mankato to apply for the 2018 conference.

Mayor Dehen indicated he received a copy of Fiscal Year 2016 Budget for the Region Nine Development Commission. A copy would be on file for review at City Hall.

Mayor Dehen reported this year's North Mankato Fun Days 25th Annual Celebrity Horseshoe Tournament will be held July 10, 2015 at 7 pm. Mayor Mark Dehen, Building Official Dave Knudson, City Administrator John Harrenstein and Fire Chief Tim Pohlman from North Mankato will face off against Mankato Mayor Eric Anderson, City Council Member Jason Mattick, City Council Member Christopher Frederick, and City Council Member Trudy Kunkel from Mankato.

Public Comments

None.

There being no further business, on a motion by Council Member Steiner, seconded by Council Member Norland, the meeting adjourned at 7:55 p.m.

Mayor

City Clerk

CITY OF NORTH MANKATO

REQUEST FOR COUNCIL ACTION



Agenda Item # 7	Department: City Engineer	Council Meeting Date: 07/20/15
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TITLE OF ISSUE: Public Hearing for Improvement Project No. 15-01ABCDEF, Carlson Drive Extension.

BACKGROUND AND SUPPLEMENTAL INFORMATION: In accordance with Minnesota Statutes, Chapter 429, the City Council adopted the feasibility report on April 20, 2015 and set a Public Hearing date on July 6, 2015.

REQUESTED COUNCIL ACTION: Public Hearing.

For Clerk's Use:

Motion By: _____
 Second By: _____

Vote Record:

	Aye	Nay	
	_____	_____	Norland
	_____	_____	Freyberg
	_____	_____	Spears
	_____	_____	Steiner
	_____	_____	Dehen

SUPPORTING DOCUMENTS ATTACHED

Resolution	Ordinance	Contract	Minutes	Map
<input type="checkbox"/>				

Other (specify) Notice of Public Hearing

<input type="checkbox"/> Workshop
<input checked="" type="checkbox"/> Regular Meeting
<input type="checkbox"/> Special Meeting

<input type="checkbox"/>	Refer to: _____
<input type="checkbox"/>	Table until: _____
<input type="checkbox"/>	Other: _____

NOTICE OF PUBLIC HEARING ON IMPROVEMENT PROJECT
NO. 15-01ABCDEF WEST CARLSON DRIVE IMPROVEMENTS

Notice is hereby given that the City Council of the City of North Mankato will meet in the Council Chambers of the Municipal Building, 1001 Belgrade Avenue, at 7:00 p.m. on Monday, July 20, 2015 to consider Project No. 15-01ABCDEF, West Carlson Drive Improvements pursuant to Minn. Stat. §429.011 to 429.111. The public hearing is to consider improvements extending Carlson Drive approximately 850-feet west of CSAH 41 and calling for the construction of street, curb and gutter, sidewalk, storm sewer, sanitary sewer and watermain. The estimated cost of the improvement is \$1,066,000. A reasonable estimate of the impact of the assessment will be available at the hearing. Such persons as desire to be heard with reference to the proposed improvement will be heard at this meeting.

Dated this 10th and 17th day of July 2015.

/s/ April Van Genderen
April Van Genderen
City Clerk



Claims List - Regular

By Vendor Filed As Name

Date Range: -

Vendor Number	Vendor Filed As Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
Bank Code: APBNK-APBNK						
	Void	07/08/2015	Regular	0.00	0.00	82320
	Void	07/15/2015	Regular	0.00	0.00	82399
00416	1st LINE/LEEWES VENTURES LLC	07/15/2015	Regular	0.00	1,004.10	82332
00011	ABC WIRE SALES CO.	07/15/2015	Regular	0.00	670.00	82334
00033	ALBRIGHT, JAMES E.	07/15/2015	Regular	0.00	150.00	82335
00036	ALEX AIR APPARATUS, INC.	07/15/2015	Regular	0.00	1,862.07	82336
00047	ALLSTATE PETERBILT LLC	07/15/2015	Regular	0.00	12,625.63	82337
00063	AMERICAN PEST CONTROL	07/15/2015	Regular	0.00	65.00	82338
00093	ARNOLD'S OF NORTH MANKATO, INC.	07/15/2015	Regular	0.00	81.00	82339
00101	AT&T MOBILITY	07/15/2015	Regular	0.00	25.64	82330
00102	AUDIO EDITIONS	07/15/2015	Regular	0.00	109.96	82340
00104	AUTO TRIM DESIGN	07/15/2015	Regular	0.00	125.00	82341
00113	BAKER & TAYLOR	07/15/2015	Regular	0.00	25.98	82342
00117	BARCO MUNICIPAL PRODUCTS, INC.	07/15/2015	Regular	0.00	864.24	82343
00118	BARNES & NOBLE, INC.	07/15/2015	Regular	0.00	1,051.10	82344
00120	BARRY STROCK CONSULTING ASSOCIATES, INC	07/15/2015	Regular	0.00	975.00	82345
00124	BAUER'S UPHOLSTERY	07/15/2015	Regular	0.00	240.00	82346
00137	BENCO ELECTRIC COOPERATIVE	07/08/2015	Regular	0.00	31,752.58	82319
00142	BETHANY LUTHERAN COLLEGE	07/15/2015	Regular	0.00	42,250.00	82347
00159	BLUE EARTH COUNTY SHERIFF'S OFFICE	07/15/2015	Regular	0.00	5,492.59	82348
00163	BLUE VALLEY SOD, INC.	07/15/2015	Regular	0.00	87.99	82349
00174	BOLTON & MENK, INC.	07/15/2015	Regular	0.00	6,914.82	82350
00176	BORDER STATES ELECTRIC SUPPLY	07/15/2015	Regular	0.00	101.44	82351
00188	BRANDT LAW OFFICE, P.A.	07/15/2015	Regular	0.00	154.00	82352
02019	BRENNAN CONSTRUCTION OF MN INC.	07/15/2015	Regular	0.00	1,177.00	82353
00207	BUREAU OF CRIMINAL APPREHENSION	07/15/2015	Regular	0.00	270.00	82354
00216	C & S SUPPLY CO, INC.	07/15/2015	Regular	0.00	239.85	82355
00227	CARQUEST AUTO PARTS STORES	07/15/2015	Regular	0.00	83.32	82356
00232	CEMSTONE CONCRETE MATERIALS, LLC	07/15/2015	Regular	0.00	445.00	82357
00241	CHARTER COMMUNICATIONS	07/10/2015	Regular	0.00	463.96	82326
00258	CITY OF MANKATO	07/15/2015	Regular	0.00	22.20	82358
02058	CONSOLIDATED COMMUNICATIONS	07/10/2015	Regular	0.00	3,617.35	82327
02058	CONSOLIDATED COMMUNICATIONS	07/15/2015	Regular	0.00	8,436.47	82359
00310	CRYSTEEL TRUCK EQUIPMENT, INC	07/15/2015	Regular	0.00	70.12	82360
00322	DALCO	07/15/2015	Regular	0.00	467.19	82361
00323	DATA FLOW	07/15/2015	Regular	0.00	164.58	82362
00344	DIAMOND VOGEL PAINT CENTER	07/15/2015	Regular	0.00	742.00	82363
00346	DIESEL SYSTEMS	07/15/2015	Regular	0.00	1,801.96	82364
00404	FASTENAL COMPANY	07/15/2015	Regular	0.00	143.75	82365
00002	FOUR SEASONS TRUCK WASH, INC.	07/15/2015	Regular	0.00	32.00	82333
00447	FREE PRESS	07/15/2015	Regular	0.00	1,190.10	82366
00462	G & K SERVICES	07/15/2015	Regular	0.00	259.69	82367
00463	G & L AUTO SUPPLY, LLC	07/15/2015	Regular	0.00	744.47	82368
00465	GALE/CENGAGE LEARNING	07/15/2015	Regular	0.00	236.73	82369
00493	GOODWIN, TONY	07/15/2015	Regular	0.00	287.50	82370
00494	GOPHER STATE ONE CALL	07/15/2015	Regular	0.00	352.45	82371
00499	GRAINGER	07/15/2015	Regular	0.00	135.79	82372
00508	GREEN TECH RECYCLING, LLC	07/15/2015	Regular	0.00	400.00	82373
00511	GREENCARE	07/15/2015	Regular	0.00	629.83	82374
00525	HANCOCK CONCRETE PRODUCTS LLC	07/15/2015	Regular	0.00	2,256.40	82375
00538	HAWKINS, INC.	07/15/2015	Regular	0.00	5,444.23	82376
00551	HERMEL, A.H. COMPANY	07/15/2015	Regular	0.00	93.71	82377
00577	HOLTMEIER CONSTRUCTION	07/15/2015	Regular	0.00	16,949.85	82378
00578	HOME MAGAZINE	07/15/2015	Regular	0.00	43.00	82379

Claims List - Regular

Date Range: -

Vendor Number	Vendor Filed As Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
00600	ICMA RETIREMENT TRUST ROTH IRA	07/08/2015	Regular	0.00	450.00	82324
00601	ICMA RETIREMENT TRUST-457	07/08/2015	Regular	0.00	3,223.85	82325
00608	INGRAM LIBRARY SERVICES	07/15/2015	Regular	0.00	529.58	82380
00680	J.J. KELLER & ASSOCIATES, INC.	07/15/2015	Regular	0.00	637.00	82381
02042	JAKE'S STADIUM PIZZA	07/15/2015	Regular	0.00	63.11	82382
00676	KEELEY FARM DRAINAGE/LANDSCAPE SUPPLIE	07/15/2015	Regular	0.00	831.00	82383
00688	KENDELL DOORS & HARDWARE, INC	07/15/2015	Regular	0.00	8.42	82384
00690	KENNEDY & GRAVEN CHARTERED	07/15/2015	Regular	0.00	522.40	82385
00691	KENNEDY & KENNEDY LAW OFFICE	07/15/2015	Regular	0.00	8,547.44	82386
00731	LAGER'S OF MANKATO, INC.	07/15/2015	Regular	0.00	1,236.11	82387
00733	LAKES GAS CO #10	07/15/2015	Regular	0.00	106.40	82388
00743	LARKSTUR ENGINEERING & SUPPLY, INC.	07/15/2015	Regular	0.00	30.88	82389
00749	LAWSON PRODUCTS, INC	07/15/2015	Regular	0.00	613.78	82390
00724	LEAGUE OF MINNESOTA CITIES INSURANCE TR	07/15/2015	Regular	0.00	250.00	82391
00724	LEAGUE OF MINNESOTA CITIES INSURANCE TR	07/15/2015	Regular	0.00	110,735.00	82392
00769	LINDSAY WINDOW & DOOR, LLC	07/15/2015	Regular	0.00	7,629.19	82393
00772	LITTLE FALLS MACHINE, INC.	07/15/2015	Regular	0.00	252.13	82394
00773	LJP ENTERPRISES OF ST. PETER, LLC	07/15/2015	Regular	0.00	35,755.77	82395
00773	LJP ENTERPRISES OF ST. PETER, LLC	07/15/2015	Regular	0.00	600.00	82396
00775	LJP WASTE & RECYCLE, LLC	07/15/2015	Regular	0.00	220.00	82397
00776	LLOYD LUMBER CO.	07/15/2015	Regular	0.00	898.51	82398
00819	MANKATO FORD, INC.	07/15/2015	Regular	0.00	1,670.43	82400
00822	MANKATO INDUSTRIAL COATINGS	07/15/2015	Regular	0.00	425.00	82401
00839	MARK J. TRAUT WELLS, INC.	07/15/2015	Regular	0.00	54,556.12	82402
00846	MATCO TOOLS	07/15/2015	Regular	0.00	19.64	82403
00847	MATHESON TRI-GAS, INC.	07/15/2015	Regular	0.00	261.28	82404
00857	MC GOWAN WATER CONDITIONING, INC.	07/15/2015	Regular	0.00	41.25	82405
00874	MENARDS-MANKATO	07/15/2015	Regular	0.00	104.23	82406
00923	MINNESOTA DEPARTMENT OF LABOR & INDUS	07/15/2015	Regular	0.00	75.00	82407
00902	MINNESOTA IRON & METAL CO	07/15/2015	Regular	0.00	20.40	82408
00935	MINNESOTA PIPE & EQUIPMENT	07/15/2015	Regular	0.00	5,678.93	82409
00951	MINNESOTA TRUCK & TRACTOR, INC.	07/15/2015	Regular	0.00	71.86	82410
00910	MINNESOTA VALLEY TESTING LAB, INC.	07/15/2015	Regular	0.00	109.25	82411
00956	MINNESOTA WASTE PROCESSING CO.	07/15/2015	Regular	0.00	22,381.73	82412
00964	MN DEPT OF EMPLOYMENT & ECONOMIC DEV	07/15/2015	Regular	0.00	4,884.00	82413
00970	MOBILE GLASS SERVICE	07/15/2015	Regular	0.00	274.10	82414
00997	MTI DISTRIBUTING, INC.	07/15/2015	Regular	0.00	1,976.68	82415
01009	NAPA AUTO PARTS - MANKATO	07/15/2015	Regular	0.00	24.99	82416
01017	NAVITOR MIDWEST	07/08/2015	Regular	0.00	117.60	82321
01020	NEENAH FOUNDRY COMPANY	07/15/2015	Regular	0.00	3,745.96	82417
01025	NEOPOST USA, INC.	07/15/2015	Regular	0.00	294.00	82418
01033	NEWMAN TRAFFIC SIGNS	07/15/2015	Regular	0.00	18.64	82419
01036	NICOLLET COUNTY RECORDER/ABSTRACTER	07/15/2015	Regular	0.00	46.00	82420
01052	NORTH CENTRAL INTERNATIONAL	07/15/2015	Regular	0.00	4,820.30	82421
01056	NORTH MANKATO FIREMEN'S	07/15/2015	Regular	0.00	6,760.00	82422
01056	NORTH MANKATO FIREMEN'S	07/15/2015	Regular	0.00	150.00	82423
01057	NORTH MANKATO MOTOR VEHICLE	07/08/2015	Regular	0.00	45.75	82322
02060	NORTHERN COMFORT	07/15/2015	Regular	0.00	93.08	82424
01066	NORTHLAND SECURITIES, INC.	07/15/2015	Regular	0.00	3,500.00	82425
01069	NORTHWESTERN POWER EQUIPMENT CO., INC	07/15/2015	Regular	0.00	965.00	82426
01071	NUSS TRUCK & EQUIPMENT, INC.	07/15/2015	Regular	0.00	4,381.65	82427
02057	OFFICE OF ADMINISTRATIVE HEARINGS	07/10/2015	Regular	0.00	100.00	82328
01083	OVERDRIVE, INC.	07/15/2015	Regular	0.00	1,073.22	82428
01084	OVERHEAD DOOR CO. OF MANKATO, INC.	07/15/2015	Regular	0.00	177.20	82429
02005	PANTHEON COMPUTERS	07/08/2015	Regular	0.00	8,806.25	82323
02005	PANTHEON COMPUTERS	07/14/2015	Regular	0.00	5,600.00	82329
02005	PANTHEON COMPUTERS	07/15/2015	Regular	0.00	1,185.88	82430
01090	PARAGON PRINTING, MAILING & SPECIALTIES	07/15/2015	Regular	0.00	4,823.95	82431
01098	PEPSI-COLA OF MANKATO	07/15/2015	Regular	0.00	1,696.00	82432
01106	PETTY CASH	07/15/2015	Regular	0.00	162.93	82433
01117	PLUNKETT'S PEST CONTROL, INC.	07/15/2015	Regular	0.00	113.60	82434

Claims List - Regular

Date Range: -

Vendor Number	Vendor Filed As Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
01133	POWERPLAN	07/15/2015	Regular	0.00	77.93	82435
01162	QUEST DIAGNOSTICS	07/15/2015	Regular	0.00	21.78	82436
01166	RADIO MANKATO	07/15/2015	Regular	0.00	395.00	82437
01179	RED FEATHER PAPER CO.	07/15/2015	Regular	0.00	731.99	82438
01190	REINHART FOODSERVICE LLC	07/15/2015	Regular	0.00	1,676.01	82439
01191	RELIANCE OF NORTH MANKATO, LLC	07/15/2015	Regular	0.00	20.00	82440
01211	RIVER BEND BUSINESS PRODUCTS	07/15/2015	Regular	0.00	124.30	82441
01216	ROBINSON APPRAISAL & ASSOCIATES, INC.	07/15/2015	Regular	0.00	1,500.00	82442
01233	SAFETY-KLEEN SYSTEMS, INC.	07/15/2015	Regular	0.00	6,384.50	82443
01275	SEPPMANN, JADD & SONS, LLP	07/15/2015	Regular	0.00	720.00	82444
01079	SMC-SOUTHERN MINNESOTA CONSTRUCTION	07/15/2015	Regular	0.00	12,312.48	82445
01322	SPRINT	07/02/2015	Regular	0.00	74.59	82318
01352	STREICHER'S, INC	07/15/2015	Regular	0.00	4,683.00	82446
01386	THEUNINCK WILSON PROPERTIES	07/15/2015	Regular	0.00	8,475.28	82447
01402	TIRE ASSOCIATES	07/15/2015	Regular	0.00	1,006.94	82448
01409	TOPPERS PLUS, INC.	07/15/2015	Regular	0.00	50.00	82449
01433	TYLER TECHNOLOGIES	07/15/2015	Regular	0.00	21,049.15	82450
01438	UNIFORMS UNLIMITED INC	07/15/2015	Regular	0.00	58.34	82451
01441	UNITED RENTALS, INC.	07/15/2015	Regular	0.00	478.49	82452
02061	UPPER MIDWEST ATHLETIC CONSTRUCTION	07/15/2015	Regular	0.00	11,870.00	82453
01471	VERIZON WIRELESS CENTER	07/15/2015	Regular	0.00	16,801.20	82454
01470	VERIZON WIRELESS	07/15/2015	Regular	0.00	159.21	82331
01477	VIKING ELECTRIC SUPPLY, INC.	07/15/2015	Regular	0.00	685.75	82455
01507	WAYNE'S AUTO BODY, INC.	07/15/2015	Regular	0.00	198.00	82457
01515	WELLS FARGO BANK, N.A.	07/15/2015	Regular	0.00	750.00	82458
01517	WELLS FARGO CORPORATE TRUST SERVICE	07/15/2015	Regular	0.00	263,088.76	82459
01523	WENZEL AUTO ELECTRIC CO	07/15/2015	Regular	0.00	89.00	82460
01525	WEST CENTRAL SANITATION, INC.	07/15/2015	Regular	0.00	24,615.65	82461
01490	WW BLACKTOPPING, INC.	07/15/2015	Regular	0.00	191,215.88	82456
01562	ZAHL EQUIPMENT SERVICE, INC.	07/15/2015	Regular	0.00	483.95	82462
01568	ZIEGLER, INC.	07/15/2015	Regular	0.00	43,129.74	82463

Bank Code APBNK Summary

Payment Type	Payable Count	Payment Count	Discount	Payment
Regular Checks	344	144	0.00	1,081,148.03
Manual Checks	0	0	0.00	0.00
Voided Checks	0	2	0.00	0.00
Bank Drafts	0	0	0.00	0.00
EFT's	0	0	0.00	0.00
	344	146	0.00	1,081,148.03

Fund Summary

Fund	Name	Period	Amount
999	POOLED CASH FUND	7/2015	1,081,148.03
			<u>1,081,148.03</u>

Authorization Signatures

All Council

The above manual and regular claims lists are approved by:

MARK DEHEN- MAYOR

KIM SPEARS- COUNCIL MEMBER

DIANE NORLAND- COUNCIL MEMBER

WILLIAM STEINER- COUNCIL MEMBER

ROBERT FREYBERG- COUNCIL MEMBER



CITY OF NORTH MANKATO
APPLICATION FOR PARADE PERMIT

This application, accompanied by a map of the parade route and the required application fee, shall be submitted to our office at least thirty (30) days in advance of the parade date. This parade permit is pending until approval by the City Council and Chief of Police.

Applicant Information

Name: Teresa Langworthy
 Address: 1401 S. Riverfront Drive
 City: Mankato State: MN Zip: 56001
 Telephone: 507-387-8255 ext 234
 Sponsoring Organization: Mankato YMCA
 Address: 1401 S. Riverfront Drive
 City: Mankato State: MN Zip: 56001
 Telephone: 507-387-8255 ext 234
 Occasion for Parade: Livestrong 5K & 10K
 Date of Parade: August 22, 2015 Estimated Length of Parade: 10K & 5K
 Estimated Starting Time: 8AM Estimated Finish Time: 10³⁰AM (run times)
 Estimated Number of Participants: 275-300 runners
 General Composition of Parade: _____

As a duly authorized representative or agent of the parade sponsoring organization, I hereby make application for a permit to parade in the City of North Mankato, Minnesota. I hereby certify that, to the best of my knowledge, the above is an accurate and true description of the parade. I agree to execute the parade according to this permit and subject to the provisions and conditions which may be necessary to provide for the safety of parade participants and the orderly and safe movement of public traffic.

Applicant [Signature] Date 4/30/15

Pursuant to Section 70.21 of the North Mankato City Code, I hereby authorize a parade permit for the applicant organization. This permit shall be valid only under the conditions recommended by the City of North Mankato and only for the date and time indicated.

Chief of Police #701 Date 07-14-15

COMMENTS/ADDITIONAL STIPULATIONS:

CITY OF NORTH MANKATO

REQUEST FOR COUNCIL ACTION



Agenda Item # 8D	Department: Finance	Council Meeting Date: 07/20/15
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TITLE OF ISSUE: Consider Adopting Resolution Approving a Lease Agreement between the City of North Mankato and Verizon Wireless Telecommunication Facility located at 1525 Tower Boulevard, North Mankato.

BACKGROUND AND SUPPLEMENTAL INFORMATION: The City currently leases tower space to AT&T and Northern PCS Services (Sprint) and with this agreement, the City will enter into a lease with Verizon Wireless for the water tower located at 1525 Tower Boulevard. The lease is for a period of sixty months and can be extended for up to three additional five year terms. Rent is \$1,463 per month and shall be increased by three percent on January 1 of each successive year during the lease period. Verizon is required to obtain building permits for any expansion of use, beyond the existing premises and/or equipment. The City Attorney, City Engineer and Water Superintendent have reviewed this lease agreement prior to this submission for Council approval.

REQUESTED COUNCIL ACTION: Adopt Resolution Approving a Lease Agreement between the City of North Mankato and Verizon Wireless Telecommunication Facility located at 1525 Tower Boulevard, North Mankato.

For Clerk's Use:

Motion By: _____
 Second By: _____

Vote Record:

	Aye	Nay	
	_____	_____	Norland
	_____	_____	Freyberg
	_____	_____	Spears
	_____	_____	Steiner
	_____	_____	Dehen

SUPPORTING DOCUMENTS ATTACHED

Resolution	Ordinance	Contract	Minutes	Map
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other (specify) <u>Memo, Lease Agreement</u>				

<input type="checkbox"/> Workshop
<input checked="" type="checkbox"/> Regular Meeting
<input type="checkbox"/> Special Meeting

<input type="checkbox"/> Refer to: _____
<input type="checkbox"/> Table until: _____
<input type="checkbox"/> Other: _____

RESOLUTION APPROVING A LEASE AGREEMENT BETWEEN THE CITY OF NORTH MANKATO AND
VERIZON WIRELESS FOR A WIRELESS TELECOMMUNICATION FACILITY LOCATED ON THE WATER TOWER
LOCATED AT 1525 TOWER BOULEVARD, NORTH MANKATO

WHEREAS, Verizon Wireless has requested the lease of space at the Water Tower located at
1525 Boulevard, North Mankato; and

WHEREAS, the lease will provide a revenue stream for the City of North Mankato; and

WHEREAS, the North Mankato City Council has reviewed the form of the Lease Agreement and
has found the terms and conditions thereof, acceptable to the City of North Mankato.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF NORTH MANKATO, that

1. It does hereby approve the attached Lease Agreement between the City of North Mankato
and Verizon Wireless.
2. The Mayor of North Mankato is hereby authorized to execute the agreement on behalf of
the City of North Mankato and to act in accordance with its terms.

PASSED AND ADOPTED BY THE CITY COUNCIL OF NORTH MANKATO, MINNESOTA ON THIS 20TH DAY OF
JULY, 2015.

Mayor

ATTEST:

City Clerk

SITE LEASE AGREEMENT

THIS LEASE AGREEMENT ("this Lease") is made as of this _____ day of _____, 2015, by and between the City of North Mankato, having a mailing address at 1001 Belgrade Avenue, P.O. Box 2055, North Mankato, MN 56002-2055 (hereinafter referred to as "LANDLORD") and Alltel Communications, LLC d/b/a Verizon Wireless, a Delaware limited liability company with its principal office located at One Verizon Way, Mail Stop 4AW100, Basking Ridge, New Jersey 07920 (telephone number 866-862-4404) (hereinafter referred to as "TENANT").

RECITALS

WHEREAS, LANDLORD is the owner of the water tower and associated property located at 1525 Tower Boulevard, in the City of North Mankato, County of Nicollet, State of Minnesota, and legally described on Exhibit A attached hereto and incorporated herein by this reference (the "Property"); and

WHEREAS, TENANT desires to lease space at the Property, for purpose of operation of a cellular communications facility including installation of an equipment shelter for TENANT's equipment and the use of LANDLORD's tower on which TENANT will attach cellular and microwave antennas.

NOW, THEREFORE, in consideration of the mutual promises and covenants of the parties set forth herein, including good and valuable consideration, the receipt of which are hereby acknowledged, LANDLORD and TENANT hereby agree as follows:

1. **Leased Premises.** LANDLORD hereby leases to TENANT and TENANT leases from LANDLORD space at the Property required to house, place and fully contain cellular communications and microwave equipment and any associated antennas utilized in the operation of TENANT's cellular communication operations consisting of a portion of that certain space ("the Tower Space") on LANDLORD's water tower (the "Tower") located on the Property, together with a parcel of land (the "Land Space") sufficient for the installation of LESSEE's equipment building; together with the non-exclusive right (the "Right of Way") for ingress and egress, seven (7) days a week, twenty-four (24) hours a day, on foot or motor vehicle, including trucks, and for the installation and maintenance of utility wires, poles, cables, conduits, and pipes over, under, or along a right-of-way extending from the nearest public right-of-way to the Land Space; and together with any further rights of way (the "Further Rights of Way") over and through the Property between the Land Space and the Tower Space for the installation and maintenance of utility wires, poles, cables, conduits, and pipes. The Tower Space, Land Space, Right of Way and Further Rights of Way, if any, are collectively referred to hereinafter as the "Premises". The Premises are depicted on Exhibit B attached hereto and incorporated herein by this reference. TENANT's use and occupancy of the Premises shall be non-exclusive. Subsequent renters shall not cause interference with TENANT's equipment.

2. **Lease Term.** This Lease shall be for a period of sixty (60) months, commencing on the first day of _____, 2015 and ending exactly sixty (60) months later at 11:59

p.m. (the "Lease Period"). This Lease shall be automatically extended for up to three (3) additional five (5) year terms, unless TENANT provides LANDLORD notice of its intention not to renew a minimum of one hundred and eighty (180) days prior to the expiration of the then-current five (5) year term.

3. **Rent and Fees.** Rent hereunder shall be at the rate of One Thousand Four Hundred Sixty-Three and No/100 Dollars (\$1,463.00) per month. The rent shall be increased effective on the first day of each successive year during the Lease Period by three percent (3%). TENANT shall pay each month's rent on or before the first of the month. TENANT shall pay for all costs for LANDLORD's administration, legal, engineering and inspection fees for this project within thirty (30) days after LANDLORD sends an invoice for such fees to TENANT. In addition to consulting and engineering inspection costs, TENANT shall reimburse LANDLORD for all costs associated with reviewing TENANT's application, this Lease and approving TENANT's application, including but not limited to all attorney's fees, staff and administrative review time, and third party consultant fees and expenses. TENANT shall further be responsible for all attorney fees, review fees, inspection costs, consulting fees and other sums incurred by LANDLORD in connection with any future amendments to this Lease or any defaults by TENANT under this Lease, including but not limited to failing to keep its property in good repair and proper working order or failing to pay any sums hereunder. All fees and invoices must be paid within thirty (30) days after LANDLORD sends TENANT an invoice for the same.

LANDLORD hereby agrees to provide to TENANT certain documentation ("Rental Documentation") evidencing LANDLORD's interest in, and right to receive payments under, this Agreement, including without limitation: (i) documentation, acceptable to TENANT in TENANT's reasonable discretion, evidencing LANDLORD's good and sufficient title to and/or interest in the Property and right to receive rental payments and other benefits hereunder; (ii) a complete and fully executed Internal Revenue Service Form W-9, or equivalent, in a form acceptable to TENANT, for any party to whom rental payments are to be made pursuant to this Agreement; and (iii) other documentation requested by TENANT in TENANT's reasonable discretion. Within fifteen (15) days of obtaining an interest in the Property or this Lease, any assignee(s), transferee(s) or other successor(s) in interest of LANDLORD shall provide to TENANT Rental Documentation in the manner set forth in the preceding paragraph. From time to time during the Term of this Lease and within thirty (30) days of a written request from TENANT, LANDLORD or such assignee, transferee or successor in interest (as the case may be) agrees to provide updated Rental Documentation in a form reasonably acceptable to TENANT. Delivery of Rental Documentation to TENANT by LANDLORD or such assignee, transferee or successor in interest (as the case may be) shall be a prerequisite for the payment of any rent by TENANT to such party. Rental Documentation shall be provided to TENANT in accordance with the provisions of and at the address given in Paragraph 22 hereof.

4. **Utilities.** TENANT shall be responsible for the installation, maintenance and payment for electrical power for its equipment located on the Premises. At TENANT's expense, the electrical service for the equipment shall be separately metered during the term of this Lease. TENANT acknowledges that the Premises are in good repair and condition and agrees to maintain the Premises in good repair and condition during the term of this Lease and to return the Premises to LANDLORD upon termination of this Lease in the same condition they were in

when TENANT took possession thereof, fair wear and tear accepted. LANDLORD shall in all other respects be responsible for maintaining the Property in good repair and condition.

5. **Ingress and Egress.** LANDLORD grants to TENANT, its agents, employees, contractors, and subcontractors the right of ingress and egress over and upon the Property to the extent reasonably convenient or necessary to permit installation, operation, maintenance, repair and removal of the Equipment, including the right to run conduit and wiring in the Further Rights of Way.

6. **Indemnification of LANDLORD by TENANT.** TENANT shall indemnify and hold harmless LANDLORD, its agents, employees, contractors, and subcontractors from any liability, causes of action, claims, demands, costs, expenses, and fees of every kind and nature by reason of injury to persons or property arising out of or incident to, directly or indirectly (i) the negligence of TENANT or its officers, agents, employees, independent contractors or invitees as a result of TENANT's use or occupation of the Premises or (ii) as the result of the breach by TENANT of its obligation and covenants under this Lease. Notwithstanding anything to the contrary in the Lease, the parties hereby confirm that the provisions of this Section 6 shall survive the termination or expiration of this Lease for any reason.

7. **Indemnification of TENANT by LANDLORD.** LANDLORD shall indemnify and hold harmless TENANT, its agents, employees, contractors, subcontractors, and invitees from any liability, causes of action, claims, demands, costs, expenses, and fees of every kind and nature by reason of any injury to person or damage to property arising out of or incident to, directly or indirectly, the negligence of LANDLORD or its employees, agents, contractors, subcontractors or invitees, or the breach by LANDLORD of its covenants and obligations under this Lease. Notwithstanding anything to the contrary in this Lease, the parties hereby confirm that the provisions of this Section 7 shall survive the termination or expiration of this Lease for any reason.

8. **Insurance.** TENANT shall maintain commercial general liability insurance coverage in the amount of One Million Five Hundred Thousand and No/100 Dollars (\$1,500,000.00), including LANDLORD as additional insured, insuring against injury to persons or property as a result of the negligence of TENANT or its employees in TENANT's use or occupation of the Premises. Notwithstanding the indemnities in Paragraphs 6 and 7 above, the parties hereto hereby waive and release any and all rights of action for negligence against the other which may hereafter arise on account of damage to the Premises or to the Property, resulting from any fire, or other casualty of the kind covered by standard fire insurance policies with extended coverage, regardless of whether or not, or in what amounts, such insurance is now or hereafter carried by the Parties, or either of them. These waivers and releases shall apply between the parties hereto and they shall also apply to any claims under or through either party hereto as a result of any asserted right of subrogation. All such policies of insurance obtained by either party hereto concerning the Premises or the Property shall waive the insurer's right of subrogation against the other party hereto. Notwithstanding the foregoing, provided that TENANT maintains a minimum net worth of \$50 Million as a prerequisite to maintaining a self-insurance program, Tenant shall have the right to self-insure against the risks for which Tenant is required to insure against in this Section.

9. **Termination of Lease.** This Lease may be terminated, without any penalty or further liability, on thirty (30) days' notice as follows:

- a. By either party upon a default of any covenant or term hereof by the other which is not cured within sixty (60) days of receipt of written notice of default;
- b. By TENANT for any or no reason provided that TENANT pays six (6) months of the then current rent to LANDLORD;
- c. If LANDLORD reasonably determines that the Tower is no longer operable, but only if such determination is made and notice thereof is given after the first ten (10) years of the Lease Period; or
- d. If TENANT fails to pay the agreed upon monthly rent.
- e. If LANDLORD determines there has been damage to the Tower by TENANT; provided however that TENANT shall have sixty (60) days after receipt of written notice from LANDLORD in which to repair such damage prior to termination of this Lease.

Upon termination or expiration of this Lease for any reason, TENANT (or its assignees) may enter the Premises and remove TENANT's personal property and equipment within sixty (60) days of the termination of this Lease with no further liability to LANDLORD other than as set forth above.

10. **Destruction of Premises.** If the Premises or TENANT's improvements thereon are partially or totally destroyed or damaged, or, if the Property is damaged by fire or other casualty so that such damage may reasonably be expected to disrupt LESSEE's operations at the Premises for more than forty-five (45) days, TENANT shall have the right, in addition to its other rights and remedies, to terminate this Lease as of the date of the damage or destruction by notice given to LANDLORD in writing not more than forty-five (45) days following the date of damage or destruction. Any such notice of termination shall cause this Lease to expire with the same force and effect as though the date set forth in such notice were the date originally set as the expiration date of this Lease and the parties hereto shall make an appropriate adjustment, as of such termination date, with respect to payments due to the other under this Lease.

11. **Property Taxes.** In the event that any personal property taxes are assessed to LANDLORD and attributed to the equipment placed in the Premises by TENANT, or if any real property taxes are assessed to LANDLORD and attributed to improvements on the Premises by TENANT then TENANT shall pay the part of said taxes attributable to its equipment or improvements. LANDLORD shall be responsible for, and agree to pay, as they become due and payable and before assessments and governmental charges which may be lawfully levied upon or against the Premises or the Property.

12. **Assignment and Subletting.** This Lease may be sold, assigned or transferred by TENANT without any approval or consent of LANDLORD to TENANT's principal, affiliates, subsidiaries of its principal or to any entity which acquires all or substantially all of TENANT's assets in the market defined by the Federal Communications Commission in which the Property is located by reason of a merger, acquisition or other business reorganization. As to other parties, this Lease may not be sold, assigned or transferred without the written consent of

LANDLORD, which such consent will not be unreasonably withheld, delayed or conditioned. No change of stock ownership, partnership interest or control of TENANT or transfer upon partnership or corporate dissolution of TENANT shall constitute an assignment hereunder. TENANT may sublet the Premises with the prior written approval of LANDLORD, which approval shall not be unreasonably withheld, delayed or conditioned. Any sublease that is entered into by TENANT shall be subject to the provisions of this Lease and shall be binding upon the successors, assigns, heirs and legal representatives of the respective parties hereto.

13. **TENANT's Equipment.** LANDLORD acknowledges and agrees that all personal property, equipment, apparatus, fittings, fixtures and trade fixtures installed or stored on the Premises constitute personal property, not real property, and shall continue to be the personal property of TENANT, including without limitation, all telecommunication equipment, towers, shelters, switches, cables, wiring and associated equipment or personal property (collectively, the "Equipment"). The Equipment shall remain at all times the personal property of TENANT, and neither LANDLORD nor any person claiming by, through or under LANDLORD shall have any right, title or interest (including without limitation a security interest) in the Equipment. TENANT and TENANT's successors in interest shall have the right to remove the Equipment at any time during the terms of this Lease, including without limitation upon the expiration of the term of this Lease or its earlier termination. With respect to the holder of any mortgage, deed of trust or other lien affecting LANDLORD's interest in the Premises, whether existing as of the date hereof or arising hereafter, LANDLORD and TENANT hereby agree, acknowledge and declare that the Equipment is now and shall at all times hereafter remain the personal and exclusive property of TENANT. The parties further acknowledge and agree that LANDLORD shall have no right or authority to grant a lien or security interest in or to any of the Equipment. Notwithstanding any other prohibition or limitation of TENANT's right to lease or assign its interest under this Lease, LANDLORD acknowledges and agrees that TENANT shall have the right to grant a security interest in its rights and interest under this Lease. LANDLORD further agrees that any person foreclosing or otherwise realizing upon such a security interest granted by TENANT shall succeed to, and shall have the benefits of, all TENANT's rights, title and interest under this Lease. LANDLORD will not grant, after the date of this Agreement, a lease, license or any other right to any third party, if exercise of such grant may in any way adversely affect or interfere with the Equipment, the operations of TENANT or the rights of TENANT under this Agreement. LANDLORD will notify TENANT in writing prior to granting any third party the right to install and operate communications equipment on the Property. LANDLORD will not, nor will LANDLORD permit its employees, tenants, licensees, invitees, agents or independent contractors to interfere in any way with the Equipment, the operations of TENANT or the rights of TENANT under this Agreement. LANDLORD will cause such interference to cease within forty-eight (48) hours after receipt of notice of interference from TENANT. In the event any such interference does not cease within the aforementioned cure period, LANDLORD shall cease all operations which are suspected of causing interference (except for intermittent testing to determine the cause of such interference) until the interference has been corrected. For the purposes of this Agreement, "interference" may include, but is not limited to, any use on the Property that causes electronic or physical obstruction with, or degradation of, the communications signals from the Equipment.

14. **Owners' Maintenance.** TENANT shall at its own expense, remove and replace its antenna facilities to allow LANDLORD to provide maintenance, repair, repainting, restoration or other activity with respect to the Premises as required by LANDLORD, provided that LANDLORD shall provide TENANT with alternative space for the installation of temporary poles or other structures as TENANT may deem necessary to avoid the interruption of its use and operation of the Equipment during such activity by LANDLORD. Except in the case of emergency, LANDLORD shall give TENANT not less than ninety (90) days written notice of intent to conduct such maintenance, repair, repainting, restoration or other activity, and TENANT shall remove such portions of the Equipment as necessary to permit LANDLORD to perform such work prior to the expiration of such written notification period. Additional costs of repainting, repairing or maintaining LANDLORD'S property caused by TENANT's antenna facilities shall be paid for by TENANT upon LANDLORD'S written notification. TENANT may unanimously elect to share additional costs for contractual repair and repaint of LANDLORD'S property with equipment left in place. TENANT shall also be responsible for covering and protecting the Equipment from any damage that may occur during repair, restoration or repainting. TENANT may also be required to accommodate reductions in power or interruptions in service required for safety of contractor employees engaged in the performance of such maintenance, repair, repainting, restoration or other activity.

15. **Expansion of Permitted Use.** TENANT, its personnel, invitees, contractors, agents, subtenants and assigns may use the Premises for the transmission and reception of any and all communications signals and to modify, supplement, replace, upgrade, expand, including but not limited to the number and type(s) or antennas, or refurbish the Equipment thereon, or relocate the same within the Premises at any time during the term of the Lease, for any reason, so long as these changes do not exceed the structural capacity of the tower/structure at this height, or at TENANT's sole expense upgrade, modify and/or replace the Equipment in order to be in compliance with any current or future federal, state or local mandated application, including but not limited to emergency 911 communication services or for any other reason. Prior to any expansion of use, beyond the existing premises and/or equipment, TENANT shall provide to LANDLORD in advance an updated diagram of Exhibit B and a list of equipment with specifications to be added, and shall obtain all necessary building permits. TENANT shall be responsible for reimbursing LANDLORD for all fees, costs and sums incurred by LANDLORD in connection with such expansion of use by TENANT, as the same are described in Paragraph 3 above. In order to facilitate such payment, LANDLORD may require that TENANT deposit with LANDLORD a sum not greater than \$5,000, to be drawn upon by LANDLORD to reimburse it for such costs, fees and sums, with any remaining amount of such deposit to be returned to TENANT within thirty (30) days of completion of such installation. Any access to the Premises and the Equipment on the Premises shall be controlled by LANDLORD. Except for an emergency, LANDLORD shall receive a minimum of twenty four (24) hour notice by any party seeking access to the Premises including the name of the party or parties who will be granted such access. TENANT may operate the Equipment at any frequency for which it has all requisite licenses and permits so long as these frequencies do not cause an interference issue with an existing lawfully installed and properly operated tenant on the tower/structure. LANDLORD shall reasonably cooperate in obtaining governmental and other use permits or approvals necessary or desirable for the foregoing permitted use. If LANDLORD does not comply with the terms of this section, in addition to any other rights it may have at law, TENANT may

terminate this Lease and shall have no further liability to LANDLORD. If LANDLORD does not comply with the terms of this section, TENANT will have the right to exercise any and all rights available to it under law and equity, including the right to cure LANDLORD's default and to deduct the costs of such cure from any monies due to LANDLORD from TENANT.

16. **Rental Stream Offer.** If LANDLORD elects, during the Lease Period (i) to sell or otherwise transfer all or any portion of the Property, whether separately or as part of a larger parcel of which the Property is a part, for the purpose of operating and maintaining communications facilities or the management thereof, with or without an assignment of this Lease to such third party, or (ii) grant to a third party by easement or other legal instrument an interest in and to that portion of the Property occupied by TENANT, or a larger portion thereof, for the purpose of operating and maintaining communications facilities or the management thereof, with or without an assignment of this Agreement to such third party, TENANT shall have the right of first refusal to meet any bona fide offer of sale or transfer on the same terms and conditions of such offer. If TENANT fails to meet such bona fide offer within sixty (60) days after written notice thereof from LANDLORD, LANDLORD may sell or grant the easement or interest in the Property or portion thereof to such third person in accordance with the terms and conditions of such third party offer. However, the right of first refusal hereby granted shall survive each such event and all subsequent transferees shall be bound by the terms of this paragraph. If LANDLORD attempts to assign or transfer without complying with this paragraph, the assignment or transfer shall be void. TENANT shall not be responsible for any failure to make payments under this Lease and reserves the right to hold payments due under this Lease until LANDLORD complies with this paragraph.

17. **Subordination.** This Lease shall not be subordinated to the lien of any ground lease, over lease, or mortgage or deed of trust affecting the Premises, or the Property.

18. **Attornment.** In the event of a transfer of LANDLORD's interest in the Premises, or any proceedings brought for the termination or foreclosure of, or the exercise of the power of sale under any mortgage or deed of trust affecting the Premises, or any ground or underlying lease made by LANDLORD, then and in any of such events, TENANT shall attorn to and recognize the purchaser or the transferee of LANDLORD's interest as LANDLORD under this Lease for the balance then remaining of the Lease term or any extension thereof, providing said purchaser or transferee shall agree to accept such attornment and to undertake and be bound by all of the terms and conditions of this Lease.

19. **LANDLORD'S Representations.** LANDLORD covenants, warrants, and represents to TENANT and TENANT's successors and assigns that:

- a. LANDLORD is the owner of the Property.
- b. TENANT's contemplated use of the Premises is not prohibited by or in violation of any zoning or other municipal laws, ordinances, rules or regulations, or any restrictions contained in any deed, lease, or other instrument relating to the Premises or Property;

- c. LANDLORD is duly established and organized in accordance with the laws of the state of organization of LANDLORD and is licensed to do business in the state in which the Property is located;
- d. TENANT may peacefully and quietly hold, occupy and enjoy the Premises, the Property, and the appurtenances thereto throughout the term of this Lease, without hindrance, interference, ejection or molestation by any person, and LANDLORD shall do all things necessary to defend such right of TENANT.
- e. LANDLORD has had no dealings with any broker or agent in connection with this Lease, and LANDLORD agrees to defend, indemnify and hold TENANT harmless from and against any and all costs, expense or liability for any damages (including attorney's fees and expenses), compensation, commissions and charges claimed by any broker or agent with respect to this Lease or the negotiation thereof, arising out of the conduct or conversations of LANDLORD, or third parties for whom LANDLORD may be legally responsible;
- f. All improvements on the Premises, including but not limited to equipment shelters, and/or the Tower have been constructed and maintained in conformance with all applicable laws, rules, regulations, and ordinances of the Federal Communications Commission, Federal Aviation Administration, Occupational Safety and Health Administration, the State of Minnesota and any political subdivision thereof in which the Premises is located and the improvements presently meet and will in the future comply with all applicable federal and state health and safety regulations and notice requirements.
- g. To the best of LANDLORD's knowledge, that LANDLORD (insofar as the Premises is concerned) is not in violation of any applicable federal, state, county, or local law, ordinance, regulation, statute, consent decree or order or any other requirement of any governmental, regulatory or administrative agency relating to , which imposes liability for, or which establishes standards of conduct concerning, the preservation of environmentally sensitive areas or the manufacture, processing, generation, distribution, use, treatment, storage, discharge, emission, release, disposal, clean-up, transport or handling of pollutants, contaminants or hazardous or toxic wastes, substance or materials.

20. **Estoppel Letter.** LANDLORD agrees that, within thirty (30) days of TENANT's written request from time to time, LANDLORD will provide to TENANT, at no cost to TENANT, an estoppel letter certifying to the best of LANDLORD's knowledge, whether this Lease is in full force and effect, whether this Lease has been amended or modified, the amount of annual rent paid by TENANT and the date to which rents have been paid.

21. **Venue.** The venue for any dispute arising under the terms of this Lease shall be located in Nicolette County, Minnesota or the United States District Court for the State of Minnesota.

22. **Notice and Payments.** All notices and payments required under the terms of this Lease shall be sent to the parties at the addresses set forth below:

TENANT: Alltel Communications, LLC
d/b/a Verizon Wireless
One Verizon Way
Mail Stop 4AW100
Basking Ridge, New Jersey 07920

LANDLORD: City of North Mankato
1001 Belgrade Avenue
P.O. Box 2055
North Mankato, MN 56002-2055

Any notice shall be deemed given and received five (5) days after deposit in the United States mail, certified or registered, return receipt requested, addressed to the foregoing address, or to such other address as a party may specify by written notice delivered as herein provided.

If TENANT changes its address or contact person such information must be provided to LANDLORD within five (5) days of such a change.

23. **Recording.** This Lease shall not be recorded. However, at the request of either party, the parties shall execute a written memorandum of this Lease, which shall be recorded as appropriate under the recording laws of the county and state in which the Property is located. At the expiration or termination of this Lease, TENANT shall promptly execute a quit claim of any interest in the Property, in recordable form, and deliver the same to LANDLORD.

24. **Entire Agreement.** This Lease constitutes the entire agreement between the parties governing the matters addressed herein. This Lease shall supersede and replace all prior agreements or representations, whether verbal or written, between the parties concerning the subject matter hereof.

25. **Governing Law.** This Lease, including specifically the additional agreements set forth in Exhibit C attached hereto and made a part hereof, shall be governed by and construed in accordance with the laws of the State of Minnesota.

26. **Severability.** The invalidity of any provision of this Lease shall not affect the validity or enforceability of any other provision of this Lease.

27. **No Waiver of Remedies.** Any failure by either LANDLORD or TENANT to enforce any of the provisions of this Lease upon any default, breach, or cause shall not be deemed a waiver of any of LANDLORD's or TENANT's rights or remedies with respect to any subsequent default, breach, or cause.

28. **Mutuality of Performance.** The covenants of TENANT, and their performance, shall be dependent upon the covenants of LANDLORD, and their performance, anything to the contrary in applicable law notwithstanding.

29. **Successors and Assigns.** This Lease and the covenants and conditions herein contained shall inure to the benefit of and be binding upon TENANT, its successors and assigns, and shall be binding upon LANDLORD, their successors and assigns.

30. **Exhibits.** Attached Exhibits A, B and C are hereby incorporated into this Lease.

[NO MORE TEXT ON THIS PAGE - SIGNATURES TO FOLLOW ON NEXT PAGE]

IN WITNESS WHEREOF, the parties hereto have executed this Lease the day and year first above written.

LANDLORD:

City of North Mankato

By: _____

Name: Mark Dehen

Title: Mayor

Date: _____

By: _____

Name: April VanGanderen

Title: City Clerk

Date: _____

TENANT:

Alltel Communications, LLC
d/b/a Verizon Wireless
a Delaware limited liability company

By: _____

Name: Aaron Glass

Title: Regional Network Executive Director

Date: _____

EXHIBIT A:

LEGAL DESCRIPTION OF THE PROPERTY

Beginning at a point on the East line of the West One-Half of the Southwest Quarter of Section 11, Township 108 North, Range 27 West, 384.55 feet South of the Northeast corner of said West One-half of the Southwest Quarter; thence West, 162.86 feet to the centerline of the 75 foot transmission line easement, in favor of Northern States Power Company; thence South 27 degrees 54 minutes West, along said easement centerline, 339.54 feet; thence East, 321.74 feet to the East line of said West One-half of the Southwest Quarter; thence North along said East line, 300.00 feet to the point of beginning; said tract containing 1.67 acres. All of the above being in the City of North Mankato, Nicollet County, Minnesota.

EXHIBIT C:

1. Additional Agreements. The following are additional mutual promises and covenants of the parties and are made a part of the Lease to which this exhibit is attached.
 - a. All tack-welded antenna mounts to the Tower tank by TENANT shall be positioned so as not to obstruct the existing access hatch or catwalk for the tank.
 - b. Any equipment attached to the Tower legs by TENANT shall be mounted with a band approved by LANDLORD, which approval shall not be unreasonably withheld or delayed. Any equipment mounted by TENANT not located on any Tower leg shall be welded or bolted to cross members as approved by LANDLORD, which approval shall not be unreasonably withheld or delayed.
 - c. After any welded connection by TENANT, TENANT shall recoat the exterior and interior of the Tower to its original condition. Such action shall be coordinated with LANDLORD'S Water Superintendant.
 - d. All horizontal cable located from the shelter for TENANT'S equipment to the Tower shall be encased in metal conduit.
 - e. Any landscaping efforts by TENANT during installation of any equipment shall be approved by LANDLORD, which approval shall not be unreasonably withheld or delayed.
 - f. TENANT shall maintain its equipment in such a manner as not to interfere with the operation of the Tower or its controls.
 - g. Any increased maintenance cost to LANDLORD as a result of TENANT's equipment located in the Premises shall be the responsibility of TENANT.
 - h. TENANT shall within seventy-two (72) hours of notice, remove any graffiti from the TENANT's equipment located in the Premises.

DRAFTED BY
AND RETURN TO:
Moss & Barnett (MLK)
150 South Fifth Street, Suite 1200
Minneapolis, MN 55402
(Site Name: MN07 Munseys)
(Prepared by Heidi Varghese Telephone No. (612) 877-5342)
Parcel Id. No. 18.011.2305
Legal Description on Page 5

(Space above this line for Recorder's use.)

MEMORANDUM OF SITE LEASE AGREEMENT

THIS MEMORANDUM OF SITE LEASE AGREEMENT is made this ____ day of _____, 20____, between the City of North Mankato, with a mailing address at 1001 Belgrade Avenue, P.O. Box 2055, North Mankato, MN 56002-2055, hereinafter referred to as ("LANDLORD"), and Alltel Communications, LLC d/b/a Verizon Wireless, with its address for notice located at 180 Washington Valley Road, Bedminster, New Jersey 07921, hereinafter referred to as ("TENANT"). LANDLORD and TENANT are at times collectively referred to hereinafter as the "Parties" or individually as the "Party".

1. LANDLORD and TENANT entered into a Site Lease Agreement (the "Lease") on _____, 20____. The Lease shall be for a period of sixty (60) months, commencing on the first day of _____, 2015, and ending exactly sixty (60) months later at 11:59 p.m. (the "Lease Period"). This Lease shall be automatically extended for up to three (3) additional five (5) year terms, unless TENANT provides LANDLORD notice of its intention not to renew a minimum of one hundred and eighty (180) days prior to the expiration of the then-current five (5) year term.
2. Pursuant to the Agreement, LANDLORD leased to TENANT and TENANT leased from LANDLORD a portion of LANDLORD's property, consisting of approximately _____ square feet, located at 1525 Tower Boulevard, in the City of North Mankato, County of Nicollet, State of Minnesota, legally described in Exhibit A attached hereto ("Landlord's Property").

3. The terms, covenants and provisions of the Agreement, the terms of which are hereby incorporated by reference into this Memorandum, shall extend to and be binding upon the heirs, personal representative, successors and assigns of LANDLORD and TENANT.

Signatures on following page

The remainder of this page intentionally left blank

IN WITNESS WHEREOF, hereunto and to a duplicate hereof, LANDLORD and TENANT have caused this Memorandum to be duly executed on the date written herein below.

LANDLORD:

City of North Mankato

By: _____

Name: Mark Dehen

Its: Mayor

Date: _____

By: _____

Name: April VanGenderen

Its: City Clerk

Date: _____

TENANT:

Alltel Communications, LLC

d/b/a Verizon Wireless

By: _____

Aaron Glass

Its: Regional Network Executive Director

Date: _____

Acknowledgments on following page

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Exhibit "A"

(Legal Description)

Beginning at a point on the East line of the West One-Half of the Southwest Quarter of Section 11, Township 108 North, Range 27 West, 384.55 feet South of the Northeast corner of said West One-half of the Southwest Quarter; thence West, 162.86 feet to the centerline of the 75 foot transmission line easement, in favor of Northern States Power Company; thence South 27 degrees 54 minutes West, along said easement centerline, 339.54 feet; thence East, 321.74 feet to the East line of said West One-half of the Southwest Quarter; thence North along said East line, 300.00 feet to the point of beginning; said tract containing 1.67 acres. All of the above being in the City of North Mankato, Nicollet County, Minnesota.

CITY OF NORTH MANKATO

REQUEST FOR COUNCIL ACTION



Agenda Item #10A	Department: Finance	Council Meeting Date: 7/20/15
------------------	---------------------	-------------------------------

TITLE OF ISSUE: Property and Casualty Insurance Renewal and Workers' Compensation Renewal. (Jay Weir, Weir Insurance Agency)

BACKGROUND AND SUPPLEMENTAL INFORMATION: Attached is a property/casualty and workers' compensation insurance premium, historical and current data. Jay Weir, Weir Insurance Agency will present information on our current insurance renewal.

If additional space is required, attach a separate sheet

REQUESTED COUNCIL ACTION: Approve renewal of property/casualty and worker's compensation insurance with the League of Minnesota Cities Insurance Trust.

Motion By: _____
 Second By: _____

Vote Record:

	Aye	Nay	
	_____	_____	Norland
	_____	_____	Freyberg
	_____	_____	Spears
	_____	_____	Steiner
	_____	_____	Dehen

SUPPORTING DOCUMENTS ATTACHED

Resolution	Ordinance	Contract	Minutes	Map
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other (specify) <u>Historical and Current Data, Renewal of Insurance, Premium Data</u>				

<input type="checkbox"/> Workshop	
<input checked="" type="checkbox"/> Regular Meeting	
<input type="checkbox"/> Special Meeting	

<input type="checkbox"/>	Refer to: _____
<input type="checkbox"/>	Table until: _____
<input type="checkbox"/>	Other: _____



CITY OF NORTH MANKATO

Memorandum

To: Honorable Mayor and City Council
From: Clara Thorne, Finance Director
Subject: Property/Casualty and Workers' Compensation Insurance Renewal
Date: July 15, 2015

Cc:

Jay Weir from the Weir Agency will be at the July 20, 2015 Council meeting to present the City's property/casualty and workers' compensation renewals.

Property/casualty and workers' compensation insurance premiums for 2015/2016 total \$273,235 compared to the prior period's \$282,972. The workers' compensation experience modification decreased from 0.87 to 0.75 in 2015. Workers' compensation deposit premiums for 2014 and 2015 are \$116,008 and \$110,735, respectively. Property/Casualty premiums for 2014 and 2015 are \$166,964 and \$162,500, respectively.

Attached are schedules showing our premium history for workers' compensation and property/casualty insurance and a packet for the 2015/2016 property-casualty and workers' compensation insurance renewal.

We recommend approval of the renewal of the property/casualty and workers' compensation insurance with the League of Minnesota Cities Insurance Trust.

CITY OF NORTH MANKATO
PROPERTY/CASUALTY INSURANCE COMPARISONS

	<u>2009/2010</u>	<u>2010/2011</u>	<u>2011/2012</u>	<u>2012/2013</u>	<u>2013/2014</u>	<u>2014/2015</u>	<u>2015/2016</u>
Premium	<u>\$135,209</u>	<u>\$141,175</u>	<u>\$143,611</u>	<u>\$140,210</u>	<u>\$157,391</u>	<u>\$166,964</u>	<u>\$162,500</u>
Dividend	<u>\$31,380</u>	<u>\$33,937</u>	<u>\$40,053</u>	<u>\$56,762</u>	<u>\$34,859</u>	<u>\$32,779</u>	
Net Premium	<u><u>\$103,829</u></u>	<u><u>\$107,238</u></u>	<u><u>\$103,558</u></u>	<u><u>\$83,448</u></u>	<u><u>\$122,532</u></u>	<u><u>\$134,185</u></u>	<u><u>\$162,500</u></u>

CITY OF NORTH MANKATO
WORKERS' COMPENSATION INSURANCE COMPARISONS

	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015 (*)	2015/2016
Deposit Premium (Net)	\$109,964	\$112,601	\$99,691	\$110,720	\$105,087	\$116,008	\$110,735
Retro Adjustments					(\$4,327)		
Dividend				(\$17,826)	(\$15,009)	\$0	
Final Adjusted Premium	\$109,964	\$112,601	\$99,691	\$92,894	\$85,751	\$116,008	\$110,735
Experience Modification	0.87	0.94	0.86	0.91	0.87	0.87	0.75

* The League did not declare a dividend in 2014 for the workers' compensation due to high claims experience.

James R. Weir
Insurance Agency, Inc.

INSURANCE COVERAGES FOR:

City of North Mankato
1001 Belgrade Avenue
North Mankato, MN 56003

POLICY TERM:

May 1, 2015 to May 1, 2016 Property-Casualty
July 1, 2015 to July 1, 2016 Workers Compensation

PRESENTED BY:

Jay P. Weir
James R. Weir Insurance Agency, Inc.
208 North Broad Street
Mankato, MN 56001



208 North Broad Street • P.O. Box 1146 • Mankato, MN 56002
507-387-3433 • Fax 507-387-7052
www.weirinsurance.com



VALUATION

The establishment of adequate amounts of insurance is the responsibility of the insured. However, we are available to suggest methods to help you in determining insurance values. Upon acceptance of this proposal, the insurance amounts represent values selected by you. These values usually change over time. Please review them carefully. There could be a claim settlement deficiency, even in the case of a small loss, if insurance values are not adequate.

WHO IS AN INSURED

The full "Named Insured" on your policies will read:

City of North Mankato & Port Authority

Additional Interests insured are:

Housing and Development Authority
Musco Finance, LLC
Kibble Equipment
RDO Equipment Co.

PROPERTY

Municipal Building – 1001 Belgrade Avenue

<u>DESCRIPTION</u>	<u>LIMIT OF INSURANCE</u>	<u>DEDUCTIBLE</u>
Building	\$1,926,263	\$5,000
Contents	\$ 818,727	\$5,000
Extra Expense	Actual	

Street Department – Sherman & Webster

<u>DESCRIPTION</u>	<u>LIMIT OF INSURANCE</u>	<u>DEDUCTIBLE</u>
Property In Open	\$ 119,337	\$5,000

Street Department – Sherman & Webster

<u>DESCRIPTION</u>	<u>LIMIT OF INSURANCE</u>	<u>DEDUCTIBLE</u>
Building	\$1,071,606	\$5,000
Contents	\$ 179,787	\$5,000

Cold Storage Shed – Sherman & Webster

<u>DESCRIPTION</u>	<u>LIMIT OF INSURANCE</u>	<u>DEDUCTIBLE</u>
Building	\$ 206,432	\$5,000
Contents	\$ 189,946	\$5,000

Salt Storage Shed – Sherman & Webster

<u>DESCRIPTION</u>	<u>LIMIT OF INSURANCE</u>	<u>DEDUCTIBLE</u>
Building	\$ 38,132	\$5,000

Steel Storage Building – 1139 Center Street

<u>DESCRIPTION</u>	<u>LIMIT OF INSURANCE</u>	<u>DEDUCTIBLE</u>
Building	\$ 51,936	\$5,000

Comfort Station – Bluff Park

<u>DESCRIPTION</u>	<u>LIMIT OF INSURANCE</u>	<u>DEDUCTIBLE</u>
Building	\$ 59,168	\$5,000

Gazebo – Bluff Park

<u>DESCRIPTION</u>	<u>LIMIT OF INSURANCE</u>	<u>DEDUCTIBLE</u>
Building	\$ 13,806	\$5,000

Gazebo – Spring Lake Park

<u>DESCRIPTION</u>	<u>LIMIT OF INSURANCE</u>	<u>DEDUCTIBLE</u>
Building	\$ 13,806	\$5,000

Press Box – Caswell Park

<u>DESCRIPTION</u>	<u>LIMIT OF INSURANCE</u>	<u>DEDUCTIBLE</u>
Building	\$ 42,075	\$5,000

2 Gazebos – Caswell Park

<u>DESCRIPTION</u>	<u>LIMIT OF INSURANCE</u>	<u>DEDUCTIBLE</u>
Building	\$ 34,185	\$5,000

Comfort Station – Riverview Park

<u>DESCRIPTION</u>	<u>LIMIT OF INSURANCE</u>	<u>DEDUCTIBLE</u>
Building	\$ 104,531	\$5,000

Bath House & Swimming Facility – Spring Lake Park

<u>DESCRIPTION</u>	<u>LIMIT OF INSURANCE</u>	<u>DEDUCTIBLE</u>
Building	\$ 887,526	\$5,000
Contents	\$ 34,058	\$5,000

Hockey Building – Spring Lake Park

<u>DESCRIPTION</u>	<u>LIMIT OF INSURANCE</u>	<u>DEDUCTIBLE</u>
Building	\$ 44,705	\$5,000
Contents	\$ 3,538	\$5,000

Pump House – Spring Lake Park

<u>DESCRIPTION</u>	<u>LIMIT OF INSURANCE</u>	<u>DEDUCTIBLE</u>
Building	\$ 3,945	\$5,000
Contents	\$ 36,889	\$5,000

Park Shelter – Spring Lake Park

<u>DESCRIPTION</u>	<u>LIMIT OF INSURANCE</u>	<u>DEDUCTIBLE</u>
Building	\$ 36,817	\$5,000

Park Shelter – Spring Lake Park

<u>DESCRIPTION</u>	<u>LIMIT OF INSURANCE</u>	<u>DEDUCTIBLE</u>
Building	\$ 18,406	\$5,000

Park Shelter – Spring Lake Park

<u>DESCRIPTION</u>	<u>LIMIT OF INSURANCE</u>	<u>DEDUCTIBLE</u>
Building	\$ 19,772	\$5,000

Park Shelter – Spring Lake Park

<u>DESCRIPTION</u>	<u>LIMIT OF INSURANCE</u>	<u>DEDUCTIBLE</u>
Building	\$ 18,406	\$5,000

Park Shelter – Spring Lake Park

<u>DESCRIPTION</u>	<u>LIMIT OF INSURANCE</u>	<u>DEDUCTIBLE</u>
Building	\$ 18,406	\$5,000

Park Shelter – Wheeler Park

<u>DESCRIPTION</u>	<u>LIMIT OF INSURANCE</u>	<u>DEDUCTIBLE</u>
Building	\$ 127,540	\$5,000

Park Shelter – Wheeler Park

<u>DESCRIPTION</u>	<u>LIMIT OF INSURANCE</u>	<u>DEDUCTIBLE</u>
Building	\$ 14,463	\$5,000

Band Shell – Wheeler Park

<u>DESCRIPTION</u>	<u>LIMIT OF INSURANCE</u>	<u>DEDUCTIBLE</u>
Building	\$ 32,464	\$5,000

Water Plant #1 – 903 Belgrade Avenue

<u>DESCRIPTION</u>	<u>LIMIT OF INSURANCE</u>	<u>DEDUCTIBLE</u>
Building	\$ 802,061	\$5,000
Contents	\$ 347,139	\$5,000

Water Tower – Tower Boulevard

<u>DESCRIPTION</u>	<u>LIMIT OF INSURANCE</u>	<u>DEDUCTIBLE</u>
Building	\$1,810,048	\$5,000

Water Tower – Carlson Drive

<u>DESCRIPTION</u>	<u>LIMIT OF INSURANCE</u>	<u>DEDUCTIBLE</u>
Building	\$ 986,141	\$5,000

Pumphouse – 935 South Avenue

<u>DESCRIPTION</u>	<u>LIMIT OF INSURANCE</u>	<u>DEDUCTIBLE</u>
Building	\$ 9,861	\$5,000
Contents	\$ 8,515	\$5,000

Water Plant #2 – 1885 Howard Drive

<u>DESCRIPTION</u>	<u>LIMIT OF INSURANCE</u>	<u>DEDUCTIBLE</u>
Building	\$3,826,225	\$5,000
Contents	\$ 517,434	\$5,000

850 KVV Generator – 1885 Howard Drive

<u>DESCRIPTION</u>	<u>LIMIT OF INSURANCE</u>	<u>DEDUCTIBLE</u>
Building	\$ 177,505	\$5,000

Storage Tank – 1885 Howard Drive

<u>DESCRIPTION</u>	<u>LIMIT OF INSURANCE</u>	<u>DEDUCTIBLE</u>
Building	\$1,170,220	\$5,000

Storage Tank – 903 Belgrade Ave.

<u>DESCRIPTION</u>	<u>LIMIT OF INSURANCE</u>	<u>DEDUCTIBLE</u>
Building	\$ 867,804	\$5,000

Water Reservoir – Bellview Heights

<u>DESCRIPTION</u>	<u>LIMIT OF INSURANCE</u>	<u>DEDUCTIBLE</u>
Building	\$ 295,842	\$5,000

Water Reservoir – Bellview Heights

<u>DESCRIPTION</u>	<u>LIMIT OF INSURANCE</u>	<u>DEDUCTIBLE</u>
Building	\$ 138,060	\$5,000

Well House/Equipment Building – Caswell Park

<u>DESCRIPTION</u>	<u>LIMIT OF INSURANCE</u>	<u>DEDUCTIBLE</u>
Building	\$ 348,437	\$5,000
Contents	\$ 72,048	\$5,000

Lift Station #1 – River Crossing

<u>DESCRIPTION</u>	<u>LIMIT OF INSURANCE</u>	<u>DEDUCTIBLE</u>
Building	\$1,295,131	\$5,000
Contents	\$ 58,949	\$5,000

Lift Station #3 – Langness Heights

<u>DESCRIPTION</u>	<u>LIMIT OF INSURANCE</u>	<u>DEDUCTIBLE</u>
Building	\$ 39,446	\$5,000

Lift Station #4 – Oak Forest

<u>DESCRIPTION</u>	<u>LIMIT OF INSURANCE</u>	<u>DEDUCTIBLE</u>
Building	\$ 39,446	\$5,000

Lift Station #6 – North Ridge

<u>DESCRIPTION</u>	<u>LIMIT OF INSURANCE</u>	<u>DEDUCTIBLE</u>
Building	\$ 78,892	\$5,000

Lift Station #7 – Howard Drive

<u>DESCRIPTION</u>	<u>LIMIT OF INSURANCE</u>	<u>DEDUCTIBLE</u>
Building	\$ 78,892	\$5,000

Lift Station #8 – Forest Heights Park & Edgewood Addn.

<u>DESCRIPTION</u>	<u>LIMIT OF INSURANCE</u>	<u>DEDUCTIBLE</u>
Building	\$ 98,614	\$5,000

Maintenance Facility – 1139 Center Street

<u>DESCRIPTION</u>	<u>LIMIT OF INSURANCE</u>	<u>DEDUCTIBLE</u>
Building	\$ 632,445	\$5,000
Contents	\$ 252,169	\$5,000

Police Annex – 1001 Belgrade Avenue

<u>DESCRIPTION</u>	<u>LIMIT OF INSURANCE</u>	<u>DEDUCTIBLE</u>
Building	\$1,689,587	\$5,000
Contents	\$ 818,727	\$5,000

Fire Department – 1825 Howard Drive

<u>DESCRIPTION</u>	<u>LIMIT OF INSURANCE</u>	<u>DEDUCTIBLE</u>
Building	\$1,955,188	\$5,000
Contents	\$ 753,229	\$5,000

Park Restroom – 701 Webster Avenue

<u>DESCRIPTION</u>	<u>LIMIT OF INSURANCE</u>	<u>DEDUCTIBLE</u>
Building	\$ 111,763	\$5,000

Public Library – 1001 Belgrade Avenue

<u>DESCRIPTION</u>	<u>LIMIT OF INSURANCE</u>	<u>DEDUCTIBLE</u>
Building	\$1,652,400	\$5,000
Contents	\$ 805,629	\$5,000

Restroom, Press Box, and Concession Stand – Caswell Park

<u>DESCRIPTION</u>	<u>LIMIT OF INSURANCE</u>	<u>DEDUCTIBLE</u>
Building	\$ 194,420	\$5,000

Recycling Center – 600 Webster

<u>DESCRIPTION</u>	<u>LIMIT OF INSURANCE</u>	<u>DEDUCTIBLE</u>
Building	\$1,771,360	\$5,000
Contents	\$ 252,110	\$5,000

Public Works – 2005 Carlson Drive

<u>DESCRIPTION</u>	<u>LIMIT OF INSURANCE</u>	<u>DEDUCTIBLE</u>
Building	\$ 822,418	\$5,000
Contents	\$ 126,055	\$5,000

Sewer Lift Station – Aspen Lane

<u>DESCRIPTION</u>	<u>LIMIT OF INSURANCE</u>	<u>DEDUCTIBLE</u>
Building	\$ 226,420	\$5,000

Lift Station – Reserve Park

<u>DESCRIPTION</u>	<u>LIMIT OF INSURANCE</u>	<u>DEDUCTIBLE</u>
Building	\$ 301,893	\$5,000

Shelter – Reserve Park

<u>DESCRIPTION</u>	<u>LIMIT OF INSURANCE</u>	<u>DEDUCTIBLE</u>
Building	\$ 62,894	\$5,000

Storage Shed – Caswell Park

<u>DESCRIPTION</u>	<u>LIMIT OF INSURANCE</u>	<u>DEDUCTIBLE</u>
Building	\$ 103,275	\$5,000

Sanitary Lift Station - Parks Edge Subdivision

<u>DESCRIPTION</u>	<u>LIMIT OF INSURANCE</u>	<u>DEDUCTIBLE</u>
Building	\$ 129,094	\$5,000

Citywide – Sirens

<u>DESCRIPTION</u>	<u>LIMIT OF INSURANCE</u>	<u>DEDUCTIBLE</u>
Property In Open	\$ 269,936	\$5,000

Citywide – Sculptures

<u>DESCRIPTION</u>	<u>LIMIT OF INSURANCE</u>	<u>DEDUCTIBLE</u>
Property In Open	\$ 119,696	\$5,000

Caswell Soccer Fields – Lighting

<u>DESCRIPTION</u>	<u>LIMIT OF INSURANCE</u>	<u>DEDUCTIBLE</u>
Property In Open	\$ 112,736	\$5,000

Sculpture

<u>DESCRIPTION</u>	<u>LIMIT OF INSURANCE</u>	<u>DEDUCTIBLE</u>
Property In Open	\$ 13,374	\$5,000

Caswell Softball Fields – Lighting, Scoreboard, Fences

<u>DESCRIPTION</u>	<u>LIMIT OF INSURANCE</u>	<u>DEDUCTIBLE</u>
Property In Open	\$1,032,750	\$5,000

Caswell Softball Fields – Concession Stand

<u>DESCRIPTION</u>	<u>LIMIT OF INSURANCE</u>	<u>DEDUCTIBLE</u>
Property In Open	\$ 253,125	\$5,000

Belgrade Avenue

<u>DESCRIPTION</u>	<u>LIMIT OF INSURANCE</u>	<u>DEDUCTIBLE</u>
Property In Open	\$ 6,200	\$5,000

233 Wheeler

<u>DESCRIPTION</u>	<u>LIMIT OF INSURANCE</u>	<u>DEDUCTIBLE</u>
Vacant Building	\$ 175,000	\$5,000
Vacant Garage	\$ 75,000	

COVERAGE:

Protection for loss from direct physical damage to the described property by causes of loss insured, subject to policy terms.

KEY CONDITIONS:

Causes of Loss Insured:	Special
Valuation:	100% Coinsurance

PROPERTY EXTENSIONS:

Terrorist Activity – Annual Aggregate Limit	\$5,000,000 annual aggregate
Asbestos, Clean up, Abatement and Removal	\$250,000 per location
Loss of Revenue, Extra Expense, and Expediting Expense	\$5,000,000 per location
Debris Removal	
(Direct Physical Damage to Covered Property)	25% of the estimated replacement Cost of the Covered Property
(No Direct Physical Damage to Covered Property)	\$50,000 per occurrence
Leasehold Interest	\$500,000 per location
Pollutant Cleanup and Removal	\$250,000 per location
Errors	\$500,000 per occurrence
Rental Reimbursement	\$25,000 annual aggregate
Arson Reward	\$5,000 per fire loss
Accounts Receivable	\$500,000 per location
Valuable Paper & Records	\$500,000 per location
Extraordinary Expense	\$250,000 annual aggregate
Utility Services	\$100,000 per occurrence
Water and Supplemental Flood Coverage	\$500,000 annual aggregate

CRIME

<u>DESCRIPTION</u>	<u>LIMIT OF INSURANCE</u>	<u>DEDUCTIBLE</u>
Theft, Disappearance and Destruction		
Sec. 1 - Inside the Premises	\$250,000	\$5,000
Sec. 2 - Outside the Premises	\$250,000	\$5,000

INLAND MARINE

<u>DESCRIPTION</u>	<u>LIMIT OF INSURANCE</u>
Scheduled Equipment over \$25,000	\$2,292,159
Unscheduled Equipment - \$25,000 and less	\$ 619,957
Deductible	\$ 5,000

BOND

<u>DESCRIPTION</u>	<u>LIMIT OF INSURANCE</u>	<u>DEDUCTIBLE</u>
Faithful Performance Coverage	\$250,000	\$5,000

BOILER/EQUIPMENT BREAKDOWN COVERAGE

<u>DESCRIPTION</u>	<u>LIMIT OF INSURANCE</u>
Total	\$33,952,225
Per Any 'One Accident'	\$ 5,000,000
Combined Property Damage, Loss of Income, Extra Expense, and Newly Acquired Locations	
Service Interruption	\$ 100,000
Perishable Goods	\$ 100,000
Data Restoration	\$ 100,000
Demolition and Increase Cost of Construction	\$ 100,000
Pollutants	\$ 100,000
Expediting Expenses	\$ 100,000
CFC Refrigerants	\$ 100,000
Ice Rink Buried Piping	\$ 50,000
Deductible	\$ 5,000

OPEN MEETING LAW DEFENSE COST COVERAGE

<u>DESCRIPTION</u>	<u>LIMIT OF INSURANCE</u>
Defense Costs Per Lawsuit Per Official	\$50,000
Agreement Term Aggregate Per Official	\$50,000
Deductible	\$ 5,000

*Claims-Made Policy

COMMERCIAL GENERAL LIABILITY

<u>DESCRIPTION</u>	<u>LIMIT OF INSURANCE</u>
Each Occurrence	\$1,500,000
Products and Completed Operations Annual Aggregate	\$2,000,000
Failure to Supply Annual Aggregate	\$2,000,000
EMF Annual Aggregate	\$2,000,000
Mold Claim Limit	\$2,000,000
Fire Damage Limit	\$ 50,000
Medical Expense Occurrence	\$ 1,000
Medical Expense Aggregate	\$ 10,000
Limited Pollution Liability Occurrence	\$1,500,000
Limited Pollution Liability Aggregate	\$2,000,000
Outside Organization Claim Limit	\$ 100,000
Land Use, Development or Franchise Litigation	\$1,000,000
Municipal Liability Deductible	\$ 5,000

The City of North Mankato does not waive the statutory tort limits.

Claims-Made Coverage

Retroactive Dates:

Municipal Liability	July 1, 1987
Limited Pollution Liability Claim	May 1, 1989

COVERAGE:

The insurance company agrees to pay on the behalf of the Insured all sums which the Insured shall become legally obligated to pay as damages, including the cost of defense, because of bodily injury, personal injury, or damage to property of others caused by an occurrence covered under the policy.

PREMIUM BASIS:

<u>DESCRIPTION</u>	<u>BASIS</u>
Operating Expenditures	\$15,621,168
Land Use	\$ 5,670
Sewer Backup	\$ 4,895
Employment	73
Police Department	14

COMMERCIAL AUTO

<i>COVERAGE</i>	<i>LIMIT</i>	<i>PER</i>
Liability	\$ 1,500,000	Each Accident
Personal Injury Protection	Statutory	
Uninsured Motorist	\$ 200,000	Each Accident
Underinsured Motorist	\$ 200,000	Each Accident
Physical Damage	Actual Cash Value	
Hired and Non-Owned Auto	Included	
Deductible	\$ 5,000	Each Accident

WORKERS' COMPENSATION AND EMPLOYER'S LIABILITY

<u>DESCRIPTION</u>	<u>LIMIT OF INSURANCE</u>	
Workers' Compensation	Per State Statute	
Employer's Liability	\$1,500,000	Bodily Injury By Accident-Each Accident
	\$1,500,000	Bodily Injury By Disease-Each Employee

COVERAGE:

WORKERS' COMPENSATION

Provides protection for loss caused by a statutory requirement to pay such compensation and other benefits as may be required by the Workers' Compensation and Occupational Disease Laws of a state except those in which private insurers are not permitted to provide the insurance.

EMPLOYER'S LIABILITY

The insurance company agrees to pay on behalf of the Insured such sums as may be imposed by the courts under common law (as distinguished from Workers' Compensation Statutory Law) because of liability for bodily injury by accident or disease, including resulting death, sustained by any employee arising out of and in the course of employment.

Employment States: Minnesota

Premium Basis:

<u>Classification</u>	<u>Code</u>	<u>Rate</u>	<u>Payroll</u>
Street Construction	5506	9.40	\$525,017
Waterworks	7520	4.79	\$302,990
Radio or Television Broadcasting	7610	.54	\$ 10,609
Firefighters (Volunteer)	7718	167.53	13,394 (population)
Police	7721	3.71	\$1,043,181
Police Reserves	7722	2.54	\$ 10,800
City Shop & Yard	8227	4.75	\$171,896
Clerical	8810	.77	\$581,735
Building Maintenance	9015	5.71	\$ 47,488
Parks	9102	4.33	\$311,648
Garbage or Refuse Collection	9403	8.48	\$ 53,413
Municipal Employees	9410	.80	\$192,606
Elected Officials	9411	.37	\$ 31,800
Bookmobile Drivers	9410	.80	\$ 32,896
Library - Professional & Clerical	8810	.77	\$237,358
Crossing Guards	9101	4.72	\$ 16,350
Experience Mod	2014 - .87	2015 - .75	

PREMIUM SUMMARY

<u>COVERAGE</u>	<u>2014-2015</u>	<u>2015-2016</u>
Property	\$ 56,130	\$ 50,825
Commercial General Liability	\$ 68,558	\$ 73,120
Crime	Included	Included
Commercial Auto	\$ 25,846	\$ 25,888
Inland Marine	\$ 10,947	\$ 7,284
Boiler	\$ 4,606	\$ 4,466
Open Meeting Law	Included	Included
Bonds	\$ 877	\$ 917
TOTAL	\$166,964	\$162,500
Workers Compensation	\$116,008	\$110,735
Grand Total	\$282,972	\$273,235

COVERAGE DIFFERENCES

	<u>2014-2015</u>	<u>2015-2016</u>
<u>Property & Equipment Breakdown</u>	\$33,267,195	\$33,952,225
<u>Mobile Property - Scheduled Property (Over 25,000)</u>	\$ 2,258,286	\$ 2,292,159
<u>Unscheduled Property (25,000 & Less)</u>	\$ 610,795	\$ 619,957
<u>Auto</u>	93 vehicles	94 vehicles
<u>Municipal Liability</u>		
Operating Expenditures/Territory 2/Population 0-2500	\$15,890,184	\$15,621,168
Land Use	\$ 5,628	\$ 5,670
Sewer Backup	\$ 4,864	\$ 4,895
Employment	59	73
Police Department	13	14

CITY OF NORTH MANKATO

REQUEST FOR COUNCIL ACTION



Agenda Item # 10B	Department: City Planner	Council Meeting Date: 07/20/15
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TITLE OF ISSUE: Consider Adopting Annexation Agreement with Mayo Clinic Health System-Mankato.

BACKGROUND AND SUPPLEMENTAL INFORMATION: Mayo Clinic Health System-Mankato purchased 18.49 acres and is petitioning the City to annex the property. The annexation of the property requires the extension of Carlson Drive and the attachment outlines a proposed agreement between the City of North Mankato and Mayo Clinic Health System.

REQUESTED COUNCIL ACTION: Approve the Annexation Agreement with Mayo Clinic Health System-Mankato.

For Clerk's Use:

Motion By: _____
 Second By: _____

Vote Record:

	Aye	Nay	
	_____	_____	Norland
	_____	_____	Freyberg
	_____	_____	Spears
	_____	_____	Steiner
	_____	_____	Dehen

SUPPORTING DOCUMENTS ATTACHED

Resolution	Ordinance	Contract	Minutes	Map
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other (specify) <u>Annexation Agreement, Planning Commission</u>				
<u>Minutes for July 9, 2015</u>				

<input type="checkbox"/> Workshop
<input checked="" type="checkbox"/> Regular Meeting
<input type="checkbox"/> Special Meeting

<input type="checkbox"/> Refer to: _____
<input type="checkbox"/> Table until: _____
<input type="checkbox"/> Other: _____

ANNEXATION AGREEMENT

NOW, COMES FORTH, The City of North Mankato, hereinafter referred to as "City" and Mayo Clinic Health System-Mankato, hereinafter referred to as "Mayo" who makes the following agreement:

WHEREAS, Mayo is purchasing an 18.49 parcel more fully described in attached Exhibit A; and

WHEREAS, it is the intent of Mayo to petition the City to annex property described in attached Exhibit A into the corporate limits of the City of North Mankato; and

WHEREAS, development of property described in attached Exhibit A will require extension of Carlson Drive; and

WHEREAS, Mayo agrees to contribute toward the construction costs of extending Carlson Drive.

NOW, THEREFORE, the parties agree as follows:

1. Prior to December 31, 2015 Mayo shall petition the City of North Mankato to annex 18.49 acres of land owned by Mayo Clinic Health System-Mankato and as more fully described in attached Exhibit A.
2. Prior to December 31, 2015 Mayo shall pay to City Three Hundred Fifty Thousand Dollars (\$350,000.00) as their contribution toward construction of the Carlson Drive extension.
3. Other than payment of the \$350,000.00 there shall be no other assessment by City against Mayo relating to the construction of the Carlson Drive extension.

Date: _____

Date: 7-7-15

CITY OF NORTH MANKATO

MAYO CLINIC HEALTH SYSTEM-MANKATO

By: _____
Its: _____

By: 
Its: VICE PRESIDENT OF FACILITIES

EXHIBIT A:

LEGAL DESCRIPTION

Property located in Nicollet County, Minnesota and more fully described as follows to-wit:

That part of the Northwest Quarter of the Northwest Quarter and the Southwest Quarter of the Northwest Quarter, Section 3, Township 108 North, Range 27 West, Nicollet County, Minnesota lying West of Parcel 3N1, North of Parcel 3N4, and South of Parcel 3N5, Nicollet County Right of Way Plat No. 26, according to the recorded plat thereof. Contains 18.49 acres of land.

CITY OF NORTH MANKATO

REQUEST FOR COUNCIL ACTION



Agenda Item #10C	Department: City Planner	Council Meeting Date: 07/20/15
------------------	--------------------------	--------------------------------

TITLE OF ISSUE: Consider Approving Preliminary and Final Plat of Mayo Addition a Request from Mayo Clinic Health System.

BACKGROUND AND SUPPLEMENTAL INFORMATION: See attached report.

If additional space is required, attach a separate sheet

REQUESTED COUNCIL ACTION: Approve preliminary and final plat, pending annexation of the land.

For Clerk's Use:

Motion By: _____
 Second By: _____

Vote Record:

	Aye	Nay	
	_____	_____	Norland
	_____	_____	Spears
	_____	_____	Freyberg
	_____	_____	Steiner
	_____	_____	Dehen

SUPPORTING DOCUMENTS ATTACHED

Resolution	Ordinance	Contract	Minutes	Map
<input type="checkbox"/>				

Other (specify) Preliminary and Final Plat

<input type="checkbox"/> Workshop
<input checked="" type="checkbox"/> Regular Meeting
<input type="checkbox"/> Special Meeting

<input type="checkbox"/>	Refer to: _____
<input type="checkbox"/>	Table until: _____
<input type="checkbox"/>	Other: _____

PRELIMINARY & FINAL PLAT OF MAYO ADDITION

A REQUEST FROM MAYO CLINIC HEALTH SYSTEM

THE CITY OF NORTH MANKATO

SUBJECT: Preliminary & Final Plat of Mayo Addition

APPLICANT: Mayo Clinic Health System

LOCATION: Part of Section 3-108-27W

EXISTING ZONING: Agriculture

DATE OF HEARING: July 9, 2015

DATE OF REPORT: June 30, 2015

REPORTED BY: Michael Fischer, City Planner

APPLICATION SUBMITTED

Request to plat part of Section 3-108-27W as Mayo Addition

COMMENT

The City has received a request from Mayo Clinic Health Systems to annex 18.49 acres of land into the City limits. The location of the land is shown on Exhibit A. In conjunction with the annexation, the applicant is proposing to formally plat the property as Mayo Addition as shown on Exhibit B. Mayo Addition as proposed consists of one 18.49 acre lot near the intersection of Highway 14 and Rockford Road (CSAH 41). As part of the platting process, the applicants have submitted a drawing showing the potential use of the property in the future as shown on Exhibit C. To date, Mayo Clinic has not received approval for any specific development on the property. The layout on Exhibit C shows possible development of the property in the future for the benefit of planning infrastructure to the property.

As access to the property is not permitted from Rockford Road, it would be necessary to extend Carlson Drive from Rockford Road to the west.

RECOMMENDATION

Staff Recommends approval of the Preliminary & Final Plat of Mayo Addition contingent on successful annexation of the property

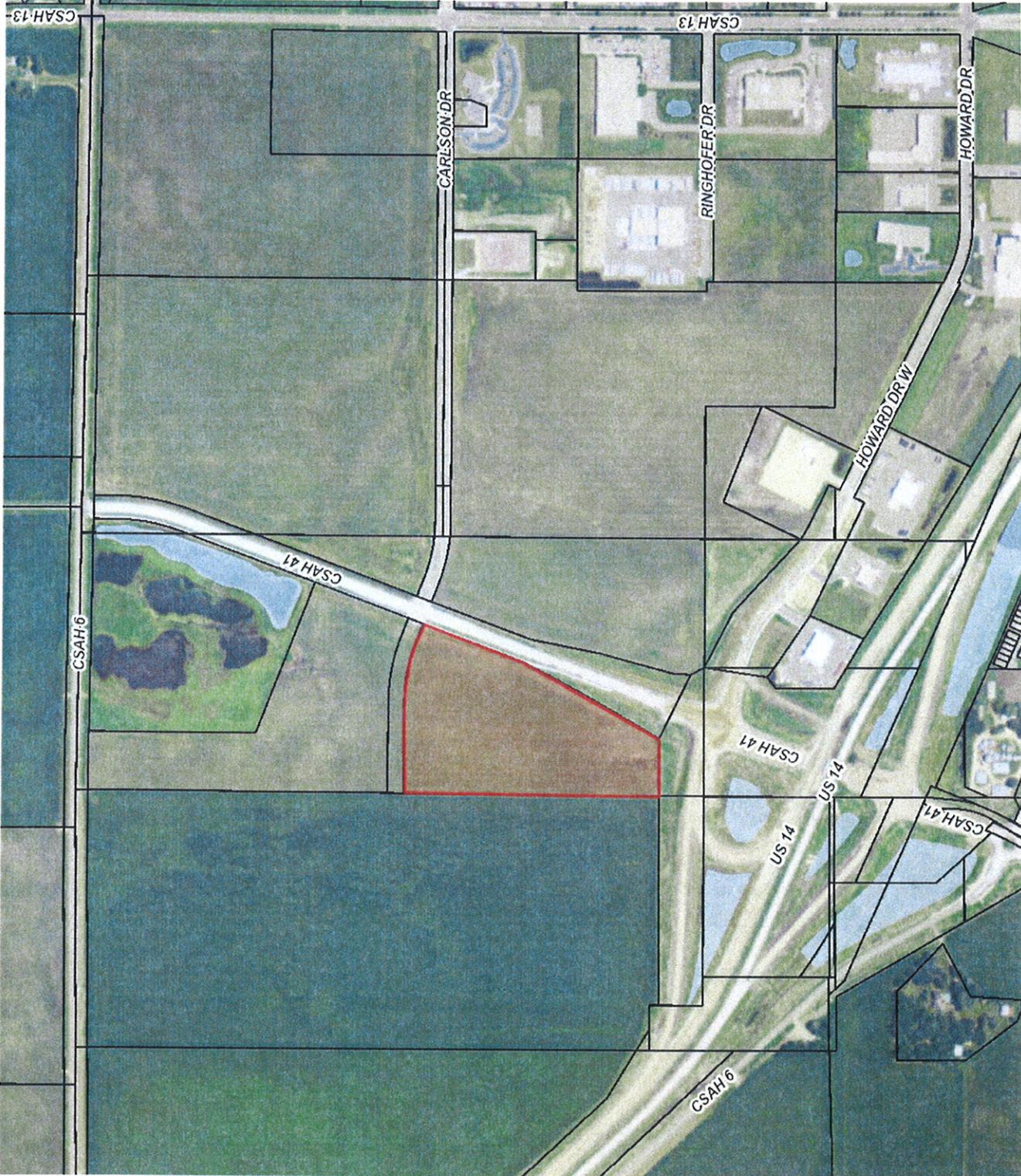
EXHIBIT A



- Legend**
- Parcels (6-1-2014)
 - Lakes & Ponds
 - Minnesota River



Disclaimer:
This drawing is neither a legally recorded map nor a survey and is not intended to be used as one. This drawing is a compilation of records, information, and data located in various city, county, and state offices, and other sources affecting the area shown, and is to be used for reference purposes only. The City of North Mankato is not responsible for any inaccuracies herein contained.



0 704 Feet

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UTILITY & SITE DATA

All Zoning, Setback, and Flood Zone information is taken from the City of North Mankato Code. For detailed zoning information requirements, contact the City of North Mankato.

ZONING:
Subject property - B-3, General Commercial

SETBACKS:
 Front 40 feet
 Main and Accessory Building 10 feet
 Parking Areas 10 feet
 Side 10 feet
 Main and Accessory Buildings 10 feet building if building is 10 feet
 Parking Areas 10 feet
 Rear 25 feet
 Main and Accessory Building 10 feet
 Parking Areas 10 feet
 Lot Area = 15000 Square Feet
 Lot Depth (minimum) = 150 feet
 Lot Width (minimum) = 100 feet of building

FLOOD ZONE

Subject property lies in Zone X of the Flood Map of Minnesota, dated July 21, 1989 and IS NOT in a Special Flood Hazard Area. The flood zone was DETERMINED TO BE OUTSIDE OF 500 YEAR FLOOD ZONE. An elevation determination or apply for an amendment from the Minnesota Department of Natural Resources Agency.

UTILITIES

Underground utility lines and structures are shown on this map. A request for information should be made through Cooper State One Call (Ticket # 1-800-368-3683) or the Minnesota Department of Natural Resources, Inc. as a result of that request. The survey provided was either complete or accurate. It is the responsibility of the owner to verify the location of any other underground utility lines and structures on the subject property.

LEGAL DESCRIPTION

The part of the Northwest Quarter of the N 1/4 of the Northwest Quarter, Section 3, Township 1 North, Range 10 West of Range 10 West of Parcel 3M1, North of County Right of Way Plat No. 26, according to the plat of the same, containing 18.49 acres of land.

OWNERS/DEVELOPERS

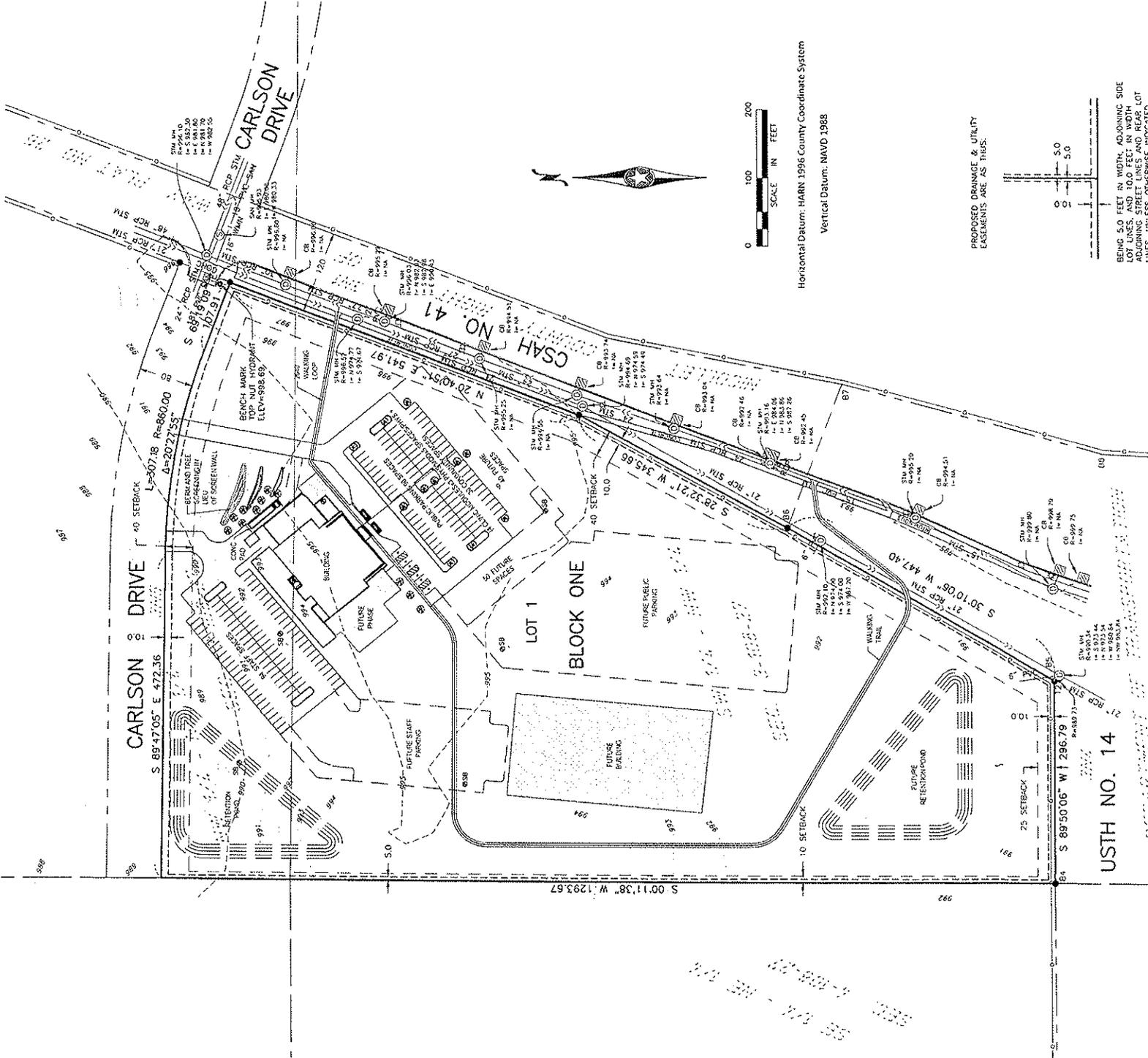
Mayo Clinic Health System - Mankato, a not-for-profit corporation organized under the laws of the State of Minnesota

ENGINEER

Jim Anderson
HDR Inc.

LOT AREA

Block 1 18.49 ACRES (805296.50 FT²)



BEING 5.0 FEET IN WIDTH, ADJOINING SIDE LOT LINES, TO BE IN FULL COMPLIANCE WITH THE CITY OF NORTH MANKATO CODE. SEE STRIPES AND REAR LOT AREA FOR FURTHER INFORMATION.

Minutes
of the
NORTH MANKATO PLANNING COMMISSION MEETING
North Mankato, Minnesota
July 9, 2015

A regular meeting of the North Mankato Planning Commission was held at 7 p.m., July 9, 2015 in the Council Chambers of the Municipal Building.

Planning Commission Members present: Chair Stephanie Stoffel, Corey Brunton, Bryan Bode and Nick Meyer. Staff members present: Attorney Michael Kennedy and City Planner Michael Fischer.

A motion was made by Commissioner Bode, seconded by Commissioner Meyer to approve the minutes of the June 11, 2015 regular meeting of the Planning Commission. Vote on the motion: all ayes, 0 nays; motion carried.

Preliminary and Final Plat of Registered Land Survey No. 69.

Staff presented a request from John Zender and Arlo Zander to replat Registered Land Survey No. 59 to accommodate a proposed building addition by Starr Cycle. The applicants have separate businesses within the same building and Registered Land Survey No. 59 provides for separate building and property ownership. As Starr Cycle is planning a building addition, the applicants are proposing Registered Land Survey No. 69 to redefine ownership. The Planning Commission held discussion regarding setbacks, parking, building codes and Storm Water Management. It was moved by Commissioner Brunton, seconded by Commissioner Bode to approve the preliminary and final plat of Registered Land Survey No. 69 contingent on compliances with all state and local building codes. Vote on the motion: all ayes, 0 nays; motion carried.

Preliminary and Final Plat of Mayo Addition.

Staff presented a request from Mayo Clinic Health Systems to plat property as Mayo Addition. Staff indicated that the applicant has recently purchased 18.5 acres of land and have petitioned the City to annex the property into the City limits to accommodate future development. As proposed, the land would be platted as Lot 1, Block 1, Mayo Addition. The Planning Commission held discussion regarding future development of the property, the timing of development, extension of Carlson Drive and driveway locations on Carlson Drive. It was moved by Commissioner Bode, seconded by Commissioner Brunton, to approve the preliminary and final plat of Mayo Addition contingent upon successful annexation of the property. Vote on the motion: all ayes, 0 nays; motion carried.

Z-1-15 A Request to Zone Mayo Addition as B-3, General Commercial.

Staff presented a request from Mayo Clinic Health System to zone Mayo Addition as B-3, General Commercial to accommodate future development. Staff noted it is necessary to provide a zoning classification based on the Comprehensive Plan as the property is being annexed into the City limits. Staff indicated the proposed zoning is consistent with the Comprehensive Plan. There being no discussion it was moved by Commissioner Meyer, seconded by Commissioner Bode, to approve Z-1-15

contingent upon successful annexation of the property into the City. Vote on the motion: all ayes 0 nays; motion carried.

Amendment to City Code Section 156.038.

Staff presented amendments to the R1-S, One-Family Dwelling Small Lot Zoning District based on discussions held with area homebuilders. As a result, staff is proposing lot size and setback reductions in the R1-S district. Staff noted that other subdivision regulation changes are being considered in an attempt to create more affordable residential lots. The Planning Commission expressed concerns for lot and setback reductions and believed the Planned Unit Development (PUD) process is available to propose alternative residential subdivisions. The Planning Commission believed the current lot size and setback regulations have proven to create and maintain positive quality living environments. The Planning Commission had concerns regarding the transition of the proposed regulations near areas platted and developed under the current zoning regulations. After continued discussion regarding building separation, affordable housing and the ability to use PUD's, it was moved by Commissioner Bode, seconded by Commissioner Meyer, to deny amendments to the R1-S Zoning District. Vote on the motion: all ayes, 0 nays; motion carried.

In other business, staff requested the August Planning Commission meeting be moved to an alternate date. It was moved by Commissioner Stoffel, seconded by Commissioner Meyer to move the August Planning Commission meeting date from August 13 to August 6, 2015. Vote on the motion: all ayes, 0 nays; motion carried.

There being no further business, it was moved by Commissioner Meyer, seconded by Commissioner Brunton, to adjourn. Vote on the motion: all ayes, 0 nays. Motion carried. The meeting was adjourned at 7:45 p.m.

Chairperson

Secretary

ORDINANCE NO. 70, FOURTH SERIES
AN ORDINANCE OF THE CITY OF NORTH MANAKTO, MINNESOTA
AMENDING NORTH MANKATO CITY CODE, CHAPTER 156, ENTITLED "ZONING CODE",
BY CHANGING THE ZONING DISTRICT MAP AND, BY ADOPTING BY REFERENCE NORTH
MANKATO CITY CODE, CHAPTER 10 AND SECTION 10.99 WHICH,
AMONG OTHER THINGS, CONTAIN PENALTY PROVISIONS

THE CITY COUNCIL OF THE CITY OF NORTH MANKATO, MINNESOTA, ORDAINS:

Section 1. North Mankato City Code, Section 156.021, entitled "Zoning District Map," is hereby amended by changing the zoning as follows:

A. To zone Mayo Addition as B-3, General Commercial.

Section 2. North Mankato City Code, Chapter 10, entitled "General Provisions" are hereby adopted in their entirety, by reference, as though repeated verbatim herein.

Section 3. After adoption, signing and attestation, this Ordinance shall be published once in the official newspaper of the City and shall be in effect on or after the date following such publication.

Adopted by the Council this 20th day of July 2015.

Mayor

ATTEST:

City Clerk

Z-1-15

A REQUEST TO ZONE MAYO ADDITION AS B-3, GENERAL COMMERCIAL

FROM

MAYO CLINIC HEALTH SYSTEM

THE CITY OF NORTH MANKATO

SUBJECT: Z-1-15

APPLICANT: Mayo Clinic Health System

LOCATION: Mayo Addition

EXISTING ZONING: Agriculture

DATE OF HEARING: July 9, 2015

DATE OF REPORT: June 30, 2015

REPORTED BY: Michael Fischer, City Planner

APPLICATION SUBMITTED

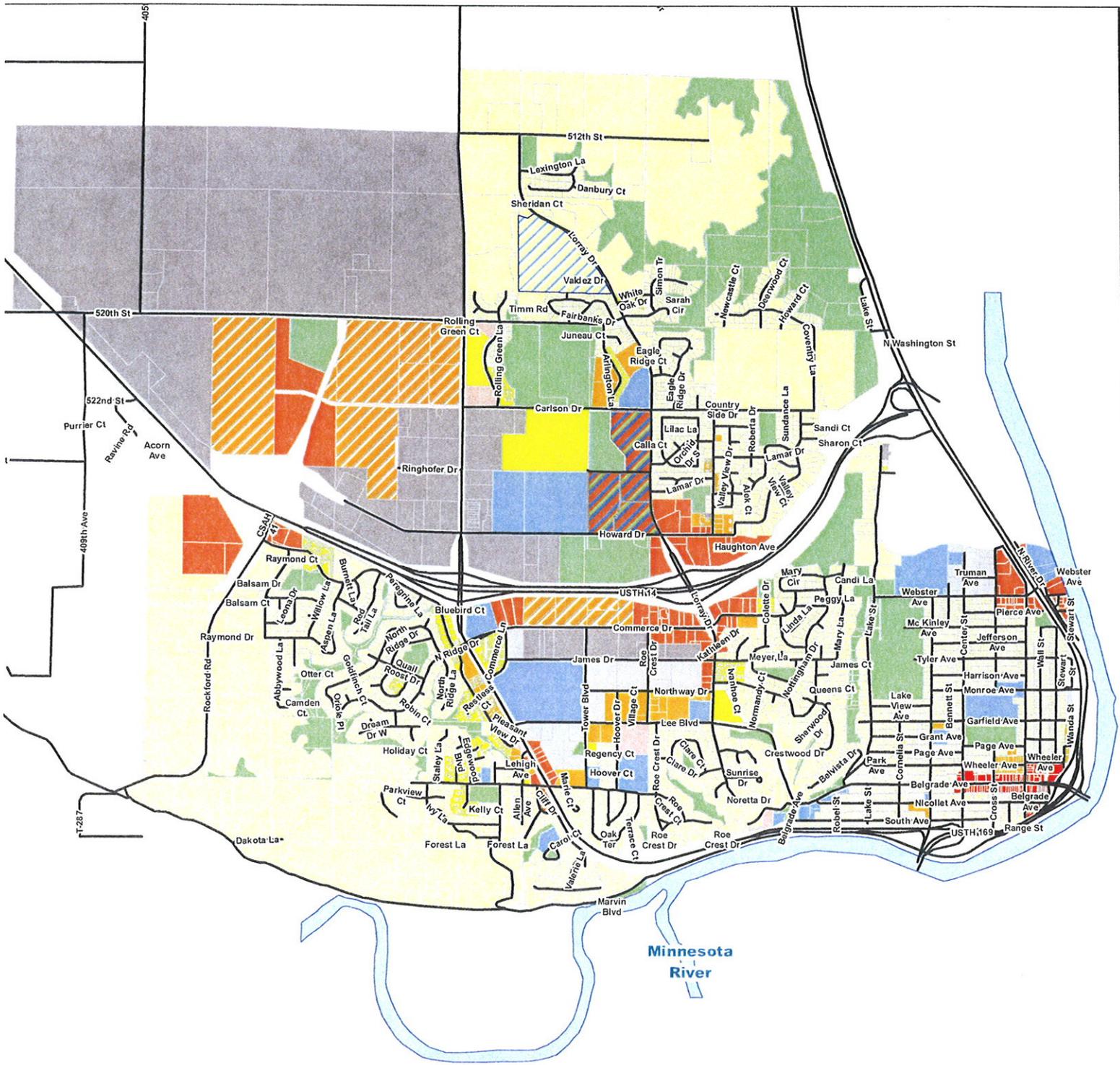
Request to zone Mayo Addition as B-3, General Commercial

COMMENT

The City has received a request from Mayo Clinic Health System to formally zone Mayo Addition as B-3, General Commercial. As the property is in the process of being annexed into the City limits, is it necessary to provide a City zoning classification based on the Comprehensive Plan. From the Comprehensive Plan, attached is Figure 3-2: Future Land Use. The location of Mayo Addition near the Highway 14/Rockford Road interchange is guided for future General Commercial zoning. The proposed B-3, General Commercial zoning request by the applicant is consistent with the guided zoning within the Comprehensive Plan.

RECOMMENDATION

Staff recommends approval of Z-1-15 contingent upon successful annexation of the property.



Future Land Use

-  Central Redevelopment District
-  Central Business District
-  General Commercial
-  Neighborhood Commercial
-  Commercial/Industrial Mixed Use
-  Heavy Industrial
-  Light Industrial
-  High Density Residential
-  Medium Density Residential
-  Low Density Residential
-  Low Density Residential / Institutional
-  Institutional
-  Open Space/Park
-  Right of way



1 inch = 2,900 feet



Figure 3-2: Future Land Use
North Mankato Comprehensive Plan



June 26, 2015

Dear Property Owner:

The City of North Mankato has received a request from Mayo Clinic Health System to provide a B-3, General Commercial zoning classification for land which is being annexed into the City limits. The location of the land is shown on the attached map.

This request will be considered by the Planning Commission on July 9, 2015 and by the City Council on July 20, 2015. Both meetings begin at 7:00 p.m. in the Municipal Building Council Chambers located at 1001 Belgrade Avenue. As a nearby property owner, you have the opportunity to comment on the zoning request. You may send written comments by July 9, 2015 or appear at either or both meetings.

Sincerely,

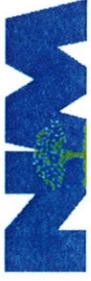
THE CITY OF NORTH MANKATO

A handwritten signature in cursive script that reads 'Michael Fischer'.

Michael Fischer
City Planner

Enc

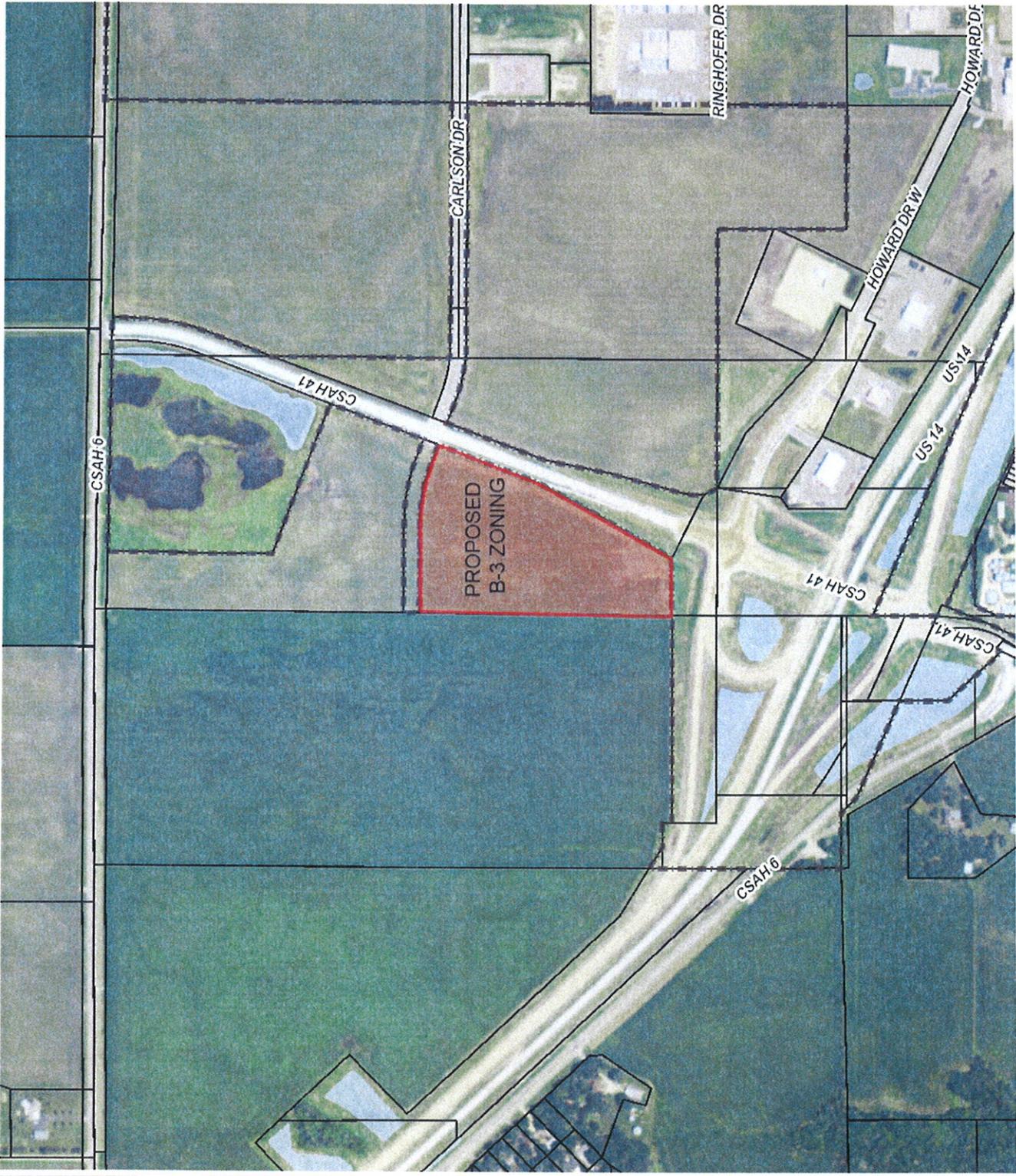




- Legend**
- City Limits
 - Parcels (6-1-2014)
 - Lakes & Ponds
 - Minnesota River



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0 704 Feet

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Z-1-15

HH Partnership
23640 Trails End Lane
Cleveland, MN 56017

Burnett Land Company LLC
53042 Rockford Road
North Mankato, MN 56003

Minutes
of the
NORTH MANKATO PLANNING COMMISSION MEETING
North Mankato, Minnesota
July 9, 2015

A regular meeting of the North Mankato Planning Commission was held at 7 p.m., July 9, 2015 in the Council Chambers of the Municipal Building.

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A motion was made by Commissioner Bode, seconded by Commissioner Meyer to approve the minutes of the June 11, 2015 regular meeting of the Planning Commission. Vote on the motion: all ayes, 0 nays; motion carried.

Preliminary and Final Plat of Registered Land Survey No. 69.

Staff presented a request from John Zender and Arlo Zender to replat Registered Land Survey No. 59 to accommodate a proposed building addition by Starr Cycle. The applicants have separate businesses within the same building and Registered Land Survey No. 59 provides for separate building and property ownership. As Starr Cycle is planning a building addition, the applicants are proposing Registered Land Survey No. 69 to redefine ownership. The Planning Commission held discussion regarding setbacks, parking, building codes and Storm Water Management. It was moved by Commissioner Brunton, seconded by Commissioner Bode to approve the preliminary and final plat of Registered Land Survey No. 69 contingent on compliances with all state and local building codes. Vote on the motion: all ayes, 0 nays; motion carried.

Preliminary and Final Plat of Mayo Addition.

Staff presented a request from Mayo Clinic Health Systems to plat property as Mayo Addition. Staff indicated that the applicant has recently purchased 18.5 acres of land and have petitioned the City to annex the property into the City limits to accommodate future development. As proposed, the land would be platted as Lot 1, Block 1, Mayo Addition. The Planning Commission held discussion regarding future development of the property, the timing of development, extension of Carlson Drive and driveway locations on Carlson Drive. It was moved by Commissioner Bode, seconded by Commissioner Brunton, to approve the preliminary and final plat of Mayo Addition contingent upon successful annexation of the property. Vote on the motion: all ayes, 0 nays; motion carried.

Z-1-15 A Request to Zone Mayo Addition as B-3, General Commercial.

Staff presented a request from Mayo Clinic Health System to zone Mayo Addition as B-3, General Commercial to accommodate future development. Staff noted it is necessary to provide a zoning classification based on the Comprehensive Plan as the property is being annexed into the City limits. Staff indicated the proposed zoning is consistent with the Comprehensive Plan. There being no discussion it was moved by Commissioner Meyer, seconded by Commissioner Bode, to approve Z-1-15

contingent upon successful annexation of the property into the City. Vote on the motion: all ayes 0 nays; motion carried.

Amendment to City Code Section 156.038.

Staff presented amendments to the R1-S, One-Family Dwelling Small Lot Zoning District based on discussions held with area homebuilders. As a result, staff is proposing lot size and setback reductions in the R1-S district. Staff noted that other subdivision regulation changes are being considered in an attempt to create more affordable residential lots. The Planning Commission expressed concerns for lot and setback reductions and believed the Planned Unit Development (PUD) process is available to propose alternative residential subdivisions. The Planning Commission believed the current lot size and setback regulations have proven to create and maintain positive quality living environments. The Planning Commission had concerns regarding the transition of the proposed regulations near areas platted and developed under the current zoning regulations. After continued discussion regarding building separation, affordable housing and the ability to use PUD's, it was moved by Commissioner Bode, seconded by Commissioner Meyer, to deny amendments to the R1-S Zoning District. Vote on the motion: all ayes, 0 nays; motion carried.

In other business, staff requested the August Planning Commission meeting be moved to an alternate date. It was moved by Commissioner Stoffel, seconded by Commissioner Meyer to move the August Planning Commission meeting date from August 13 to August 6, 2015. Vote on the motion: all ayes, 0 nays; motion carried.

There being no further business, it was moved by Commissioner Meyer, seconded by Commissioner Brunton, to adjourn. Vote on the motion: all ayes, 0 nays. Motion carried. The meeting was adjourned at 7:45 p.m.

Chairperson

Secretary

CITY OF NORTH MANKATO

REQUEST FOR COUNCIL ACTION



Agenda Item # 10E	Department: City Engineer	Council Meeting Date: 07/20/15
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TITLE OF ISSUE: Consider Adopting Resolution Ordering Improvement and Preparation of Plans and Specifications for Project No. 15-01ABCDEF Carlson Drive Extension.

BACKGROUND AND SUPPLEMENTAL INFORMATION: In accordance with Minnesota Statutes, Chapter 429, the City Council approved a feasibility report for improvement project No. 15-01ABCDEF Carlson Drive Extension. On July 6, 2015 the Council ordered an improvement hearing for Monday, July 20, 2015. The hearing occurred earlier in the evening and the Council is now being presented with a resolution to order the improvement and prepare the plans and specifications for Project No. 15-01ABCDEF.

If additional space is required, attach a separate sheet

REQUESTED COUNCIL ACTION: Adopting Resolution Ordering Improvement and Preparation of Plans and Specifications for Project No. 15-01ABCDEF Carlson Drive Extension.

For Clerk's Use:

Motion By: _____
 Second By: _____

Vote Record:

	Aye	Nay	
	_____	_____	Norland
	_____	_____	Freyberg
	_____	_____	Spears
	_____	_____	Steiner
	_____	_____	Dehen

SUPPORTING DOCUMENTS ATTACHED

Resolution	Ordinance	Contract	Minutes	Map
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other (specify) _____				

<input type="checkbox"/> Workshop
<input checked="" type="checkbox"/> Regular Meeting
<input type="checkbox"/> Special Meeting

<input type="checkbox"/> Refer to: _____
<input type="checkbox"/> Table until: _____
<input type="checkbox"/> Other: _____

RESOLUTION ORDERING IMPROVEMENT AND PREPARATION OF PLANS
AND SPECIFICATIONS FOR IMPROVEMENT PROJECT NO.
15-01ABCDEF CARLSON DRIVE EXTENSION

WHEREAS, a resolution of the City Council adopted the 6th day of July, 2015, fixed a date for a Public Hearing on Improvement No. 15-01ABCDEF, the proposed improvement of Carlson Drive Extension from County State Aid Highway (CSAH 41) to approximately 850-feet west of CSAH 41 ; and

WHEREAS, notice of the hearing was given, and the hearing was held thereon on the 20th day of July, 2015, at which all persons desiring to be heard were given an opportunity to be heard thereon.

NOW THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF NORTH MANKATO, MINNESOTA:

1. Such improvement is necessary, cost-effective, and feasible as detailed in the feasibility report.
2. Such improvement is hereby ordered as proposed in the Council resolution adopted July 20, 2015.
3. The Council hereby orders the assessment of abutting property for all or a portion of the cost of the improvement pursuant to Minnesota Statutes, Chapter 429 at an estimated total cost of the improvement of 1,066,000.
4. Bolton and Menk, Inc. is hereby designated as the engineer for such improvements and shall prepare plans and specifications for the making of such improvements.

Adopted by the City Council this 20th day of July 2015.

Mayor

ATTEST:

City Clerk

PRELIMINARY & FINAL PLAT OF REGISTERED LAND SURVEY NO. 69

A REQUEST FROM JOHN ZENDER & ARLO ZANDER

THE CITY OF NORTH MANKATO

SUBJECT: Preliminary & Final Plat of Registered Land Survey No. 69

APPLICANT: John Zender & Arlo Zander

LOCATION: 1022 Range Street/200 Pierce Avenue

EXISTING ZONING: B-3, General Commercial

DATE OF HEARING: July 9, 2015

DATE OF REPORT: June 30, 2015

REPORTED BY: Michael Fischer, City Planner

APPLICATION SUBMITTED

Request to replat Registered Land Survey No. 59

COMMENT

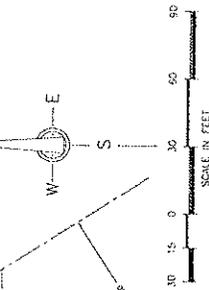
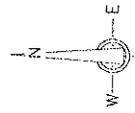
In 2007, the applicant's received approval of Registered Land Survey No. 59 as shown on Exhibit A. The purpose of Registered Land Survey No. 59 was to provide ownership of two businesses, Starr Cycle and The Service Rack, which occupy the same building at the intersection of Range Street and Pierce Avenue. In summary, as shown on Exhibit A, The Service Rack owns Tract A and Starr Cycle owns Tract B. As Starr Cycle is preparing for a building addition, it is necessary to relocate the internal lot line separating the two businesses. The location of the proposed 50' x 70' addition is shown on Exhibit B. The Preliminary & Final plat of Registered Land Survey No.69 is shown on Exhibit C. In summary, the internal lot line separating the two businesses has been relocated to accommodate the proposed building addition. Starr Cycle will retain ownership of Tract B and The Service Rack will own Tract A. Each business has their own entrance and parking.

RECOMMENDATION

Staff recommends approval of the Preliminary and Final Plat of Registered Land Survey No. 69.

REGISTERED LAND SURVEY NO. 59

CITY OF NORTH MANKATO
NICOLLET COUNTY, MINNESOTA



NOTES: ALL DATA IS TO BE PUBLIC FOR MANDATED BY LOCAL NO. 1478. INDICATES OPEN PIPE APPROXIMATE FOUND.

SURVEYOR'S CERTIFICATE
I hereby certify that in accordance with the provisions of Chapter 50B, Minnesota Statutes of 1949, as amended, I have surveyed the following tract of land in Nicollet County, Minnesota, to wit: Tract B, Registered Land Survey No. 27, according to the Registered Land Survey thereof on file and of record with the Nicollet County Registrar of Titles.

Subscribed and sworn to before me, a Notary Public in and for the County of Blue Earth, State of Minnesota, on this, the _____ day of _____, 2007.
Notary Public _____
Warren P. Smith, Land Surveyor
Minnesota License No. 14701

Be it known that on this, the _____ day of _____, 2007, the Planning Commission of the City of North Mankato, Minnesota did duly review this plat of REGISTERED LAND SURVEY NO. 59

Secretary of the Planning Commission
Chair of the Planning Commission
Be it known that on this, the _____ day of _____, 2007 the City Council of the City of North Mankato, Minnesota did duly approve this plat of REGISTERED LAND SURVEY NO. 59

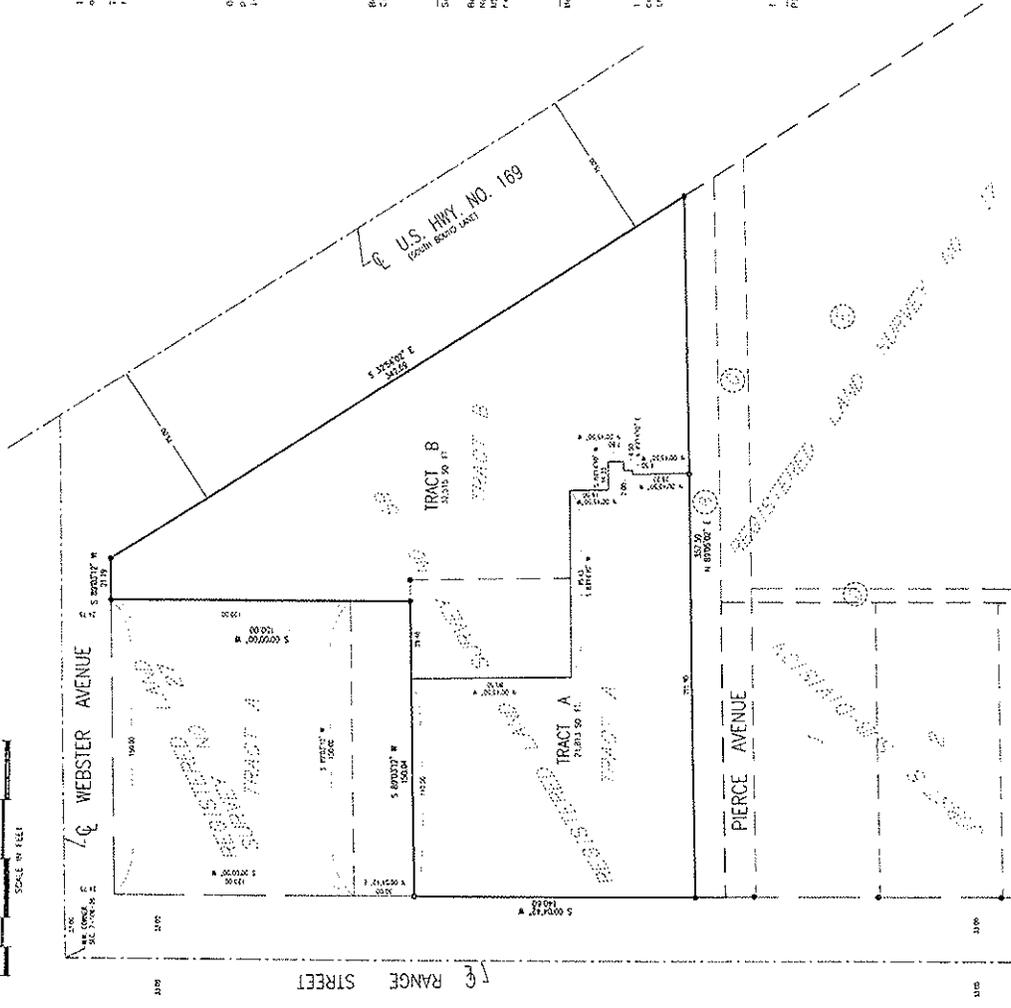
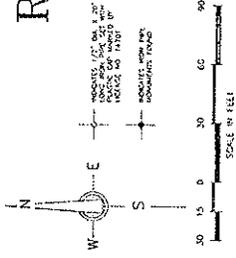
Mayor
Clerk
COUNTY AUDITOR/TREASURER
I hereby certify that there are no delinquent taxes and/or delinquent special assessments, that the current taxes have been paid, and that the lands or interests therein have been duly assessed on this _____ day of _____, 2007.

County Auditor/Treasurer
REGISTRAR OF TITLES CERTIFICATE
I hereby certify that this instrument was filed in my office for record on this _____ day of _____, 2007 at _____ o'clock _____ P. and that it was duly recorded on _____ day of _____, 2007.

Registrar of Titles
Nicollet County, Minnesota

REGISTERED LAND SURVEY NO. 69

CITY OF NORTH MANKATO
NICOLLET COUNTY, MINNESOTA



SURVEYOR'S CERTIFICATE

I hereby certify that in accordance with the provisions of Chapter 350A, Minnesota Statutes of 1960, as amended, I have surveyed the following tract of land in Nicollet County, Minnesota, to wit: Tract A and B, Registered Land Survey No. 69, according to the Registered Land Survey Instrument of record with the Nicollet County Registrar of Titles, containing 1.25 acres.

Warren P. Smith, Land Surveyor
Minnesota License No. 14701

On this the _____ day of _____, 2015, before me a Notary Public in and for said County, personally appeared Warren P. Smith, and being duly sworn did say that he has executed the foregoing instrument.

Notary Public

Be it known that on this, the _____ day of _____, 2015, the Planning Commission of the City of North Mankato, Minnesota did duly review this plat of REGISTERED LAND SURVEY NO. 69

Secretary of the Planning Commission

Be it known that on this, the _____ day of _____, 2015 the City Council of the City of North Mankato, Minnesota did duly approve this plat of REGISTERED LAND SURVEY NO. 69, and that, as per US Code of Title 43, this plat has been submitted to and written comments and recommendations have been received from the Commissioner of Transportation.

Mayor

Clerk

County Auditor/Treasurer

I hereby certify that there are no delinquent taxes and/or delinquent special assessments, that the amount of taxes and special assessments that have been levied on the land described herein, 2015 day of _____, 2015.

REGISTRAR OF TITLES CERTIFICATE

I hereby certify that this instrument was filed in my office for record on this, the _____ day of _____, 2015 at _____ o'clock _____ M. and that it was duly recorded on _____ day of _____, 2015.

Registrar of Titles
Nicollet County, Minnesota

FINAL PLAT REVIEW
REGISTERED LAND SURVEY SERVICES, INC.

RESOLUTION AWARDDING BID FOR
PROJECT NO. 14-04DF HIGHWAY 14 TRAIL

WHEREAS, pursuant to an advertisement for bids concerning Project No. 14-04DF Highway 14 Trail, four (4) bids were received, opened, and tabulated according to law, and;

WHEREAS, the following bids were received complying with the advertisement:

Dirt Merchant, Inc.	\$811,359.44
W.W. Blacktopping, Inc.	\$830,250.45
Landwehr Construction, Inc.	\$938,216.31
OMG Midwest, Inc. (dba Southern Minnesota Construction)	\$998,724.30

AND WHEREAS, Dirt Merchant, Inc. is the lowest responsible bidder for the project.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF NORTH MANKATO, MINNESOTA, as follows:

1. The City Council hereby awards the Bid to Dirt Merchant, Inc. in the amount of \$811,359.44.
2. The award of the bid is contingent on the execution of Cooperative Construction Agreement.
3. The award of the bid is contingent on concurrence of the bid award by the MnDot State Aid and Civil Rights offices.
4. The City Administrator and City Clerk are hereby authorized and directed to enter into a contract with Dirt Merchant, Inc. Mankato, Minnesota in the name of the City of North Mankato, for such improvements according to the plans and specifications approved by the City Council and on file in the Office of the City Clerk.
5. The City Clerk is hereby authorized and directed to retain the deposits of the successful bidder until a contract has been signed.

Adopted by the City Council this 20th day of July 2015.

Mayor

ATTEST:

City Clerk



BOLTON & MENK, INC.[®]

Consulting Engineers & Surveyors

1960 Premier Drive • Mankato, MN 56001-5900
Phone (507) 625-4171 • Fax (507) 625-4177
www.bolton-menk.com

July 13, 2015

Mr. John Harrenstein
City Administrator
City of North Mankato
1001 Belgrade Avenue
North Mankato, MN 56003

RE: 2015 TH 14 Trail
City Project No.14-04-DF
SP 150-090-002
BMI No. M12.39564

Dear Mr. Harrenstein:

Four bids were received and opened on July 9, 2015 for the TH 14 Trail project. The results of the bids are tabulated as follows:

Bidder	Amount Bid
Dirt Merchant, Inc.	\$811,359.44
W.W. Blacktopping, Inc.	\$830,250.45
Landwehr Construction, Inc.	\$938,216.31
OMG Midwest, Inc. (dba Southern Minnesota Construction)	\$998,724.30
Engineers Estimate	\$705,315.10

The low bid is 15% higher than the engineer's estimate. Based on our discussions with the low bidder, the higher than anticipated costs are due primarily to the challenging construction corridor in which the project is located, which impacts access and mobility of construction equipment. A detailed abstract of the bids and the engineer's estimate is attached for your review.

The bidding documents provided for flexibility in the construction timeframe and completion dates – the contractor has the option to construct the project this summer/fall or wait until next spring to begin construction. The low bidder has indicated that they intend to complete the construction this fall.

Based on our past experience with Dirt Merchant, Inc., on similar projects and our review of their proposed subcontractors for this project, it is our opinion that they are qualified and capable to perform the work required on this project.

Based on our discussions regarding the availability of funding for the project, I hereby recommend that Dirt Merchant, Inc. be awarded the contract in the amount of \$811,359.44. The award of the bid is contingent on MnDOT's execution of the Cooperative Construction Agreement for the project and also contingent on concurrence on the award by the MnDOT State Aid and Civil Rights offices.



Mr. John Harrenstein
City of North Mankato
July 13, 2015
Page 2

Please feel free to contact me if you have any questions or if you require any additional information.

Sincerely,

BOLTON & MENK, INC.

A handwritten signature in blue ink, appearing to read "Daniel R. Sarff". The signature is fluid and cursive.

Daniel R. Sarff, P.E.
City Engineer

Enclosure
DRS/drs

cc: Brad Swanson, Public Works Director

ABSTRACT OF BIDS

2015 HIGHWAY 14 TRAIL
 S.P. 150-090-002
 MINNESOTA PROJECT NO. TA 5215(170)
 CITY PROJECT NO. 14-04-DF
 CITY OF NORTH MANKATO, MINNESOTA
 BMI PROJECT NO. M12.39564

ITEM NO.	MINDOT NO.	ITEM	APPROX. QUANT.	UNIT	Engineer's Estimate Bollon & Menck, Inc.		1 Dirt Merchant, Inc. Mankato, MN		2 W.W. Blacktopping, Inc. Mankato, MN		3 Landwehr Construction, Inc. St. Cloud, MN		4 OMG Midwest, Inc. (SMC) Mankato, MN	
					AMOUNT	UNIT PRICE	AMOUNT	UNIT PRICE	AMOUNT	UNIT PRICE	AMOUNT	UNIT PRICE	AMOUNT	UNIT PRICE
1	2021.501	MOBILIZATION	1	LUMP SUM	\$30,000.00	\$30,000.00	\$54,236.00	\$72,000.00	\$72,000.00	\$111,500.00	\$111,500.00	\$30,900.00	\$30,900.00	
2	2101.511	CLEARING & GRUBBING	1	LUMP SUM	\$10,000.00	\$10,000.00	\$17,500.00	\$16,500.00	\$16,500.00	\$17,250.00	\$17,250.00	\$15,000.00	\$15,000.00	
3	2104.501	REMOVE SEWER PIPE (STORM)	564	LIN FT	\$5.00	\$2,820.00	\$10.00	\$5,696.40	\$10.10	\$5,640.00	\$10.00	\$5,640.00	\$18.00	\$10,152.00
4	2104.523	SALVAGE & REINSTALL SIGN	2	EACH	\$100.00	\$200.00	\$350.00	\$500.00	\$250.00	\$500.00	\$500.00	\$260.00	\$520.00	
5	2104.602	SALVAGE & REINSTALL DEBRIS DEFLECTOR	1	EACH	\$3,000.00	\$3,000.00	\$1,000.00	\$1,010.00	\$1,010.00	\$1,500.00	\$1,500.00	\$2,870.00	\$2,870.00	
6	2105.604	GEOGRID	525	SQ YD	\$3.00	\$1,575.00	\$2.55	\$1,338.75	\$3.00	\$1,575.00	\$5.50	\$2,887.50	\$8.00	\$4,200.00
7	2106.607	EXCAVATION - COMMON (P)	4385	CU YD	\$10.00	\$43,950.00	\$13.25	\$58,233.75	\$10.00	\$43,950.00	\$12.50	\$54,937.50	\$13.30	\$58,453.50
8	2106.607	COMMON EMBANKMENT (P)	4405	CU YD	\$10.00	\$44,050.00	\$6.25	\$27,531.25	\$10.00	\$44,050.00	\$7.50	\$33,037.50	\$20.30	\$89,421.50
9	2106.607	EXCAVATION - SUBGRADE	500	CU YD	\$10.00	\$5,000.00	\$13.25	\$6,625.00	\$13.55	\$6,775.00	\$17.50	\$8,750.00	\$14.55	\$7,275.00
10	2106.607	STABILIZING AGGREGATE	500	CU YD	\$30.00	\$15,000.00	\$32.60	\$16,300.00	\$33.50	\$16,750.00	\$30.00	\$15,000.00	\$34.00	\$17,000.00
11	2211.503	AGGREGATE BASE (CV) CLASS 5 (P)	1718	CU YD	\$30.00	\$51,540.00	\$27.00	\$46,386.00	\$39.00	\$67,002.00	\$36.00	\$61,848.00	\$54.00	\$92,772.00
12	2360.503	TYPE SP 12.5 WEARING COURSE MIX (2.B) 3" THICK (P)	5260	SQ YD	\$15.00	\$78,900.00	\$12.75	\$67,065.00	\$16.00	\$84,160.00	\$16.25	\$85,475.00	\$15.75	\$82,845.00
13	2411.618	MODULAR BLOCK RETAINING WALL	1531	SQ FT	\$25.00	\$38,275.00	\$45.00	\$68,895.00	\$27.00	\$41,337.00	\$24.00	\$36,744.00	\$41.30	\$63,230.30
14	2501.515	15" RC PIPE APRON	3	EACH	\$600.00	\$1,800.00	\$632.00	\$2,496.00	\$840.00	\$2,520.00	\$750.00	\$2,250.00	\$1,050.00	\$3,150.00
15	2501.515	24" RC PIPE APRON	3	EACH	\$750.00	\$2,250.00	\$907.00	\$2,721.00	\$915.00	\$2,745.00	\$1,500.00	\$4,500.00	\$1,584.00	\$4,752.00
16	2502.501	8" PRECAST CONCRETE HEADWALL	1	EACH	\$400.00	\$400.00	\$385.00	\$385.00	\$400.00	\$400.00	\$700.00	\$700.00	\$356.00	\$356.00
17	2502.521	8" PVC PIPE DRAIN	144	LIN FT	\$20.00	\$2,880.00	\$12.95	\$1,864.80	\$13.50	\$1,944.00	\$25.00	\$3,600.00	\$45.00	\$6,480.00
18	2502.541	8" PERF PVC PIPE DRAIN	423	LIN FT	\$20.00	\$8,460.00	\$18.30	\$7,740.90	\$18.50	\$7,825.50	\$27.50	\$11,632.50	\$22.50	\$9,517.50
19	2502.602	PIPE DRAIN RISER	3	EACH	\$600.00	\$1,800.00	\$320.00	\$960.00	\$350.00	\$1,050.00	\$350.00	\$1,050.00	\$338.00	\$1,014.00
20	2503.541	15" RC PIPE SEWER DES 3006 CL V	369	LIN FT	\$40.00	\$14,760.00	\$27.75	\$10,238.75	\$28.00	\$10,332.00	\$54.00	\$19,926.00	\$56.00	\$20,664.00
21	2503.541	24" RC PIPE SEWER DES 3006 CL III	556	LIN FT	\$50.00	\$27,800.00	\$40.10	\$22,295.60	\$40.50	\$22,518.00	\$56.00	\$31,136.00	\$62.00	\$34,472.00
22	2503.541	60" RC PIPE SEWER DES 3068 CL III	59	LIN FT	\$200.00	\$11,800.00	\$193.35	\$11,407.65	\$195.00	\$11,505.00	\$210.00	\$12,390.00	\$227.00	\$13,393.00
23	2506.501	CONSTRUCT DRAINAGE STRUCTURE DESIGN F	15	LIN FT	\$300.00	\$4,500.00	\$210.00	\$3,150.00	\$212.00	\$3,180.00	\$425.00	\$6,375.00	\$345.00	\$5,175.00
24	2506.501	CONSTRUCT DRAINAGE STRUCTURE DESIGN G	7	LIN FT	\$300.00	\$2,100.00	\$250.00	\$1,750.00	\$255.00	\$1,785.00	\$550.00	\$3,850.00	\$445.00	\$3,115.00
25	2506.501	CONSTRUCT DRAINAGE STRUCTURE DESIGN 48-4020	26	LIN FT	\$350.00	\$9,100.00	\$239.00	\$6,214.00	\$245.00	\$6,370.00	\$500.00	\$13,000.00	\$460.00	\$11,960.00
26	2506.516	CASTING ASSEMBLY	8	EACH	\$800.00	\$6,400.00	\$454.00	\$3,632.00	\$500.00	\$4,000.00	\$650.00	\$5,200.00	\$835.00	\$6,680.00
27	2506.602	CASTING ASSEMBLY SPECIAL	1	EACH	\$1,000.00	\$1,000.00	\$1,815.00	\$1,815.00	\$2,000.00	\$2,000.00	\$1,000.00	\$1,000.00	\$2,400.00	\$2,400.00
28	2506.602	CONNECT TO EXISTING STORM SEWER	4	EACH	\$600.00	\$2,400.00	\$900.00	\$3,600.00	\$1,000.00	\$4,000.00	\$1,000.00	\$4,000.00	\$600.00	\$2,400.00
29	2511.502	RANDOM RIPRAP CLASS III	40	TON	\$60.00	\$2,400.00	\$59.75	\$2,390.00	\$60.00	\$2,400.00	\$125.00	\$5,000.00	\$85.00	\$3,400.00
30	2511.502	RANDOM RIPRAP CLASS IV	115	TON	\$70.00	\$8,050.00	\$59.75	\$6,871.25	\$60.00	\$6,900.00	\$100.00	\$11,500.00	\$87.00	\$10,005.00

ABSTRACT OF BIDS

2015 HIGHWAY 14 TRAIL
 S.P. 150-090-002
 MINNESOTA PROJECT NO. TA 5215(170)
 CITY PROJECT NO. 14-04-DF
 CITY OF NORTH MANKATO, MINNESOTA
 BMI PROJECT NO. M12.39564

ITEM NO.	MNDOT NO.	ITEM	APPROX. QUANT.	UNIT	Engineer's Estimate Bollon & Menk, Inc.		1 Dirt Merchant, Inc. Mankato, MN		2 W.W. Blacktopping, Inc. Mankato, MN		3 Landwehr Construction, Inc. St. Cloud, MN		4 OMG Midwest, Inc. (SMC) Mankato, MN	
					UNIT PRICE	AMOUNT	UNIT PRICE	AMOUNT	UNIT PRICE	AMOUNT	UNIT PRICE	AMOUNT	UNIT PRICE	AMOUNT
31	2521.501	6" CONCRETE WALK	702	SQ FT	\$8.50	\$5,967.00	\$5.75	\$4,036.50	\$8.55	\$6,002.10	\$8.45	\$5,931.90	\$11.00	\$7,722.00
32	2531.581	CONCRETE CURB & GUTTER DESIGN B618	410	LIN FT	\$16.00	\$6,560.00	\$20.00	\$8,200.00	\$18.00	\$7,380.00	\$17.82	\$7,306.20	\$32.50	\$13,325.00
33	2531.618	TRUNCATED DOMES	32	SQ FT	\$40.00	\$1,280.00	\$60.00	\$1,920.00	\$35.00	\$1,120.00	\$34.76	\$1,112.32	\$36.95	\$1,182.40
34	2540.602	BENCH	5	EACH	\$800.00	\$4,000.00	\$800.00	\$4,000.00	\$610.00	\$3,050.00	\$1,000.00	\$5,000.00	\$1,200.00	\$6,000.00
35	2540.602	BOLLARD	3	EACH	\$250.00	\$750.00	\$700.00	\$2,100.00	\$530.00	\$1,590.00	\$750.00	\$2,250.00	\$1,170.00	\$3,510.00
36	2545.511	LIGHTING UNIT TYPE SPECIAL	17	EACH	\$3,000.00	\$51,000.00	\$4,500.00	\$76,500.00	\$3,637.00	\$61,829.00	\$4,500.00	\$76,500.00	\$4,609.00	\$78,200.00
37	2545.515	LIGHT FOUNDATION DESIGN SPECIAL	17	EACH	\$500.00	\$8,500.00	\$3,500.00	\$59,500.00	\$3,425.00	\$58,225.00	\$3,500.00	\$59,500.00	\$3,609.00	\$61,200.00
38	2545.523	2" NON-METALLIC CONDUIT	40	LIN FT	\$6.00	\$240.00	\$5.50	\$220.00	\$4.45	\$178.00	\$5.50	\$220.00	\$5.60	\$224.00
39	2545.531	UNDERGROUND WIRE 1 COND NO 2	165	LIN FT	\$3.00	\$495.00	\$3.50	\$577.50	\$2.45	\$404.25	\$3.50	\$577.50	\$3.60	\$594.00
40	2545.533	DIRECT BURIED LIGHTING CABLE 4 COND NO 4	6045	LIN FT	\$8.50	\$51,382.50	\$9.00	\$54,405.00	\$6.55	\$39,594.75	\$9.00	\$54,405.00	\$9.10	\$55,009.50
41	2545.541	SERVICE CABINET TYPE L1	1	EACH	\$5,200.00	\$5,200.00	\$5,300.00	\$5,300.00	\$4,860.00	\$4,860.00	\$5,300.00	\$5,300.00	\$5,400.00	\$5,400.00
42	2545.545	EQUIPMENT PAD B	1	EACH	\$900.00	\$900.00	\$800.00	\$800.00	\$765.00	\$765.00	\$800.00	\$800.00	\$810.00	\$810.00
43	2545.553	HANDHOLE	1	EACH	\$2,000.00	\$2,000.00	\$1,750.00	\$1,750.00	\$1,765.00	\$1,765.00	\$1,750.00	\$1,750.00	\$1,850.00	\$1,850.00
44	2554.501	TRAFFIC BARRIER DESIGN 8331	1762	LIN FT	\$10.00	\$17,620.00	\$9.25	\$16,298.50	\$9.95	\$16,474.70	\$10.64	\$18,747.68	\$9.50	\$16,739.00
45	2554.521	ANCHORAGE ASSEMBLY - CABLE	4	EACH	\$1,600.00	\$6,400.00	\$1,835.00	\$7,340.00	\$1,850.00	\$7,400.00	\$2,110.25	\$8,441.00	\$1,850.00	\$7,400.00
46	2557.501	WIRE FENCE DESIGN 60-9322	2785	LIN FT	\$12.00	\$33,420.00	\$14.00	\$38,990.00	\$14.15	\$39,407.75	\$16.10	\$44,838.50	\$14.20	\$39,547.00
47	2557.517	VEHICULAR GATE - SINGLE	4	EACH	\$1,500.00	\$6,000.00	\$1,500.00	\$6,000.00	\$1,765.00	\$7,060.00	\$1,725.00	\$6,900.00	\$1,550.00	\$6,200.00
48	2563.601	TRAFFIC CONTROL	1	LUMP SUM	\$20,000.00	\$20,000.00	\$10,000.00	\$10,000.00	\$25,000.00	\$25,000.00	\$5,000.00	\$5,000.00	\$14,600.00	\$14,600.00
49	2564.531	SIGN PANELS TYPE C	26	SQ FT	\$40.00	\$1,040.00	\$61.00	\$1,586.00	\$61.50	\$1,599.00	\$70.15	\$1,823.90	\$96.00	\$2,496.00
50	2573.502	SILT FENCE TYPE MS	4850	LIN FT	\$2.00	\$9,700.00	\$2.10	\$10,185.00	\$2.02	\$9,797.00	\$2.22	\$10,767.00	\$2.40	\$11,640.00
51	2573.53	STORM DRAIN INLET PROTECTION	12	EACH	\$200.00	\$2,400.00	\$150.00	\$1,800.00	\$110.00	\$1,320.00	\$178.00	\$2,136.00	\$238.00	\$2,856.00
52	2573.533	SEDIMENT CONTROL LOG TYPE WOOD FIBER	400	LIN FT	\$6.00	\$2,400.00	\$5.25	\$2,100.00	\$3.00	\$1,200.00	\$3.40	\$1,360.00	\$3.60	\$1,440.00
53	2573.535	STABILIZED CONSTRUCTION EXIT	1	LUMP SUM	\$3,000.00	\$3,000.00	\$5,000.00	\$5,000.00	\$1,800.00	\$1,800.00	\$3,500.00	\$3,500.00	\$3,100.00	\$3,100.00
54	2574.508	FERTILIZER TYPE 3	1050	POUND	\$0.75	\$787.50	\$0.75	\$787.50	\$0.60	\$630.00	\$0.75	\$787.50	\$0.80	\$840.00
55	2575.501	SEEDING	7	ACRE	\$400.00	\$2,800.00	\$250.00	\$1,750.00	\$280.00	\$1,960.00	\$260.00	\$1,820.00	\$276.00	\$1,932.00
56	2575.502	SEED MIX 25-141	420	POUND	\$3.50	\$1,470.00	\$2.00	\$840.00	\$3.30	\$1,386.00	\$5.50	\$2,310.00	\$5.85	\$2,467.00
57	2575.502	SEED MIX 21-111	350	POUND	\$1.00	\$350.00	\$4.60	\$1,610.00	\$0.75	\$262.50	\$2.50	\$875.00	\$2.65	\$927.50
58	2575.523	EROSION CONTROL BLANKETS CATEGORY 3	3460	SQ YD	\$2.00	\$6,920.00	\$1.66	\$5,743.60	\$1.80	\$6,228.00	\$1.97	\$6,816.20	\$2.10	\$7,266.00
59	2575.562	HYDRAULIC SOIL STABILIZER TYPE BONDED FIBER	12250	POUND	\$1.50	\$18,375.00	\$1.45	\$17,762.50	\$2.00	\$24,500.00	\$2.00	\$24,500.00	\$2.15	\$26,337.50
60	2575.571	RAPID STABILIZATION METHOD 3	6	M GALLON	\$350.00	\$2,100.00	\$350.00	\$2,100.00	\$580.00	\$3,480.00	\$485.00	\$2,910.00	\$516.00	\$3,096.00

ABSTRACT OF BIDS

2015 HIGHWAY 14 TRAIL
 S.P. 150-090-002
 MINNESOTA PROJECT NO. TA 5215(170)
 CITY PROJECT NO. 14-04-DF
 CITY OF NORTH MANKATO, MINNESOTA
 BMI PROJECT NO. M12.39564

ITEM NO.	MNDOT NO.	DATE: 7/9/2015	ITEM	APPROX. QUANT.	UNIT	Engineer's Estimate Bollon & Menk, Inc.		1 Dirt Merchant, Inc. Mankato, MN		2 W.W. Blacktopping, Inc. Mankato, MN		3 Landwehr Construction, Inc. St. Cloud, MN		4 OMG Midwest, Inc. (SMC) Mankato, MN	
						UNIT PRICE	AMOUNT	UNIT PRICE	AMOUNT	UNIT PRICE	AMOUNT	UNIT PRICE	AMOUNT	UNIT PRICE	AMOUNT
61	2582.502		4" SOLID LINE WHITE - PAINT	481	LIN FT	\$0.10	\$48.10	\$2.44	\$1,173.64	\$2.50	\$1,202.50	\$2.81	\$1,351.61	\$2.60	\$1,250.60
TOTAL:							\$705,315.10		\$811,359.44		\$830,250.45		\$938,216.31		\$998,724.30

CITY OF NORTH MANKATO

REQUEST FOR COUNCIL ACTION



Agenda Item #10H	Department: City Engineer	Council Meeting Date: 7/20/15
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TITLE OF ISSUE: Consider Resolution Indicating Intent to Participate in Cooperative Construction Agreement for Project No. 14-01DF Highway 14 Trail, SP 150-090-002.

BACKGROUND AND SUPPLEMENTAL INFORMATION: In order to proceed with the construction of Project No. 14-04DF Highway 14 Trail the City must enter into a cooperative agreement with the State of Minnesota to allow for the construction of the trail.

If additional space is required, attach a separate sheet

REQUESTED COUNCIL ACTION: Adopt Resolution Indicating Intent to Participate in Cooperative Construction Agreement for Project no. 14-01DF Highway 14 Trail, SP 150-090-002.

Motion By: _____
 Second By: _____

Vote Record:

	Aye	Nay	
	_____	_____	Norland
	_____	_____	Freyberg
	_____	_____	Spears
	_____	_____	Steiner
	_____	_____	Dehen

SUPPORTING DOCUMENTS ATTACHED

Resolution	Ordinance	Contract	Minutes	Map
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other (specify) <u>Cooperative Construction Agreement</u>				

<input type="checkbox"/> Workshop
<input checked="" type="checkbox"/> Regular Meeting
<input type="checkbox"/> Special Meeting

<input type="checkbox"/> Refer to: _____
<input type="checkbox"/> Table until: _____
<input type="checkbox"/> Other: _____

RESOLUTION NO.

RESOLUTION ENTERING INTO AGREEMENT NO. 1001202 FOR SP 150-090-002 TRUNK HIGHWAY 14
TRAIL – CITY PROJECT NO. 14-04DF

WHEREAS, the City of North Mankato proposes to construct a recreational trail and other associated improvements within and adjacent to the Trunk Highway No. 14 right-of-way from Commerce Drive to Lake Street; and

WHEREAS, the State is willing to allow said construction; and

WHEREAS, Minnesota Statutes 161.20, subdivision, 2 authorizes the Commissioner of Transportation to make arrangement with and cooperate with any governmental authority for the purposes of constructing, maintaining and improving the trunk highway system.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF NORTH MANKATO, MINNESOTA, that the City of North Mankato enters into MnDOT Agreement No. 1001202 with the State of Minnesota, Department of Transportation to provide for the construction and maintenance of a Recreational Trail by the City along and adjacent to Trunk Highway No. 14, the limits of which are defined in said Agreement.

IT IS FURTHER RESOLVED that the Mayor and City Administrator are authorized to execute the Agreement and any amendments to the Agreement.

Adopted by the City Council this 20th day of July 2015.

Mayor

ATTEST:

City Clerk

**STATE OF MINNESOTA
DEPARTMENT OF TRANSPORTATION
And
CITY OF NORTH MANKATO
COOPERATIVE CONSTRUCTION
AGREEMENT**

State Project Number (S.P.):	<u>150-090-002</u>
Trunk Highway Number (T.H.):	<u>14</u>
Federal Project Number:	<u>TA 5215 (170)</u>
City Project Number (C.P.):	<u>14-04-DF</u>
Lighting System Feed Point No.	<u>1580 HWY 14, NORTH MANKATO</u>

This Agreement is between the State of Minnesota, acting through its Commissioner of Transportation ("State") and the City of North Mankato acting through its City Council ("City").

Recitals

1. The City will perform Trail construction and other associated construction upon, along and adjacent to Trunk Highway No. 14 from Commerce Drive (Lor Ray Drive) to Lake Street according to City-prepared plans, specifications and special provisions designated by the City as CP 14-04-DF and by the State as State Project No. 150-090-002 (T.H. 14)("Project"); and
2. The City requests the State allow the construction of the TH 14 Trail and the State is willing to allow said construction; and
3. The City agrees to the maintenance of the TH 14 Trail and all of the facilities constructed for the Trail; and
4. The Catalog of Federal Domestic Assistance number or CFDA number is 20.205; and
5. Minnesota Statutes § 161.20, subdivision 2 authorizes the Commissioner of Transportation to make arrangements with and cooperate with any governmental authority for the purposes of constructing, maintaining and improving the trunk highway system.

Agreement

1. Term of Agreement; Survival of Terms; Plans; Incorporation of Exhibits

- 1.1. **Effective date.** This Agreement will be effective on the date the State obtains all signatures required by Minnesota Statutes § 16C.05, subdivision 2.
- 1.2. **Expiration date.** This Agreement will expire when all obligations have been satisfactorily fulfilled.
- 1.3. **Survival of terms.** All clauses which impose obligations continuing in their nature and which must survive in order to give effect to their meaning will survive the expiration or termination of this Agreement, including, without limitation, the following clauses: 2.4. State Ownership of Improvements; 5. Maintenance by the City; 8. Liability; Worker Compensation Claims; Insurance; 10. State Audits; 11. Government Data Practices; 12. Governing Law; Jurisdiction; Venue; and 14. Force Majeure.
- 1.4. **Plans, Specifications, Special Provisions.** State-approved City plans, specifications and special provisions designated by the City as CP 14-04-DF and by the State as State Project No. 150-090-002 (T.H. 14) are on file in the office of the City's Engineer and incorporated into this Agreement by reference. ("Project Plans")

2. Right-of-Way Use

- 2.1. Limited Right to Occupy.** The State grants to the City (and its contractors and consultants) the right to occupy trunk highway right-of-way as necessary to perform the work described in the Project Plans. This right is limited to the purpose of constructing the project, and administering such construction, and may be revoked by the State at any time, with or without cause. Cause for revoking this right of occupancy includes, but is not limited to, breaching the terms of this or any other agreement (relevant to this project) with the State, failing to provide adequate traffic control or other safety measures, failing to perform the construction properly and in a timely manner, and failing to observe applicable environmental laws or terms of applicable permits. The State will have no liability to the City (or its contractors or consultants) for revoking this right of occupancy.
- 2.2. State Access; Suspension of Work; Remedial Measures.** The State's District Engineer or assigned representative retains the right to enter and inspect the trunk highway right-of-way (including the construction being performed on such right-of-way) at any time and without notice to the City or its contractor. If the State determines (in its sole discretion) that the construction is not being performed in a proper or timely manner, or that environmental laws (or the terms of permits) are not being complied with, or that traffic control or other necessary safety measures are not being properly implemented, then the State may direct the City (and its contractor) to take such remedial measures as the State deems necessary. The State may require the City (and its contractors and consultants) to suspend their operations until suitable remedial action plans are approved and implemented. The State will have no liability to the City (or its contractors or consultants) for exercising its rights under this provision.
- 2.3. Traffic Control; Worker Safety.** While the City (and its contractors and consultants) are occupying the State right-of-way, they must comply with the approved traffic control plan, and with applicable provisions of the Work Zone Field Handbook (<http://www.dot.state.mn.us/trafficeng/workzone/index.html>). All City, contractor, and consultant personnel occupying the State's right-of-way must be provided with required reflective clothing and hats.
- 2.4. State Ownership of Improvements.** The State will retain ownership of its trunk highway right-of-way, including any improvements made to such right-of-way under this Agreement, unless otherwise noted. The warranties and guarantees made by the City's contractor with respect to such improvements (if any) will flow to the State. The City will assist the State, as necessary, to enforce such warranties and guarantees, and to obtain recovery from the City's consultants, and contractor (including its sureties) for non-performance of contract work, for design errors and omissions, and for defects in materials and workmanship. Upon request of the State, the City will undertake such actions as are reasonably necessary to transfer or assign contract rights to the State and to permit subrogation by the State with respect to claims against the City's consultants and contractors.

3. Contract Award and Construction

- 3.1. Bids and Award.** The City will receive bids and award a construction contract to the lowest responsible bidder (or best value proposer), subject to concurrence by the State in that award, according to the Project Plans. The contract construction will be performed according to the Project Plans.
- 3.2. Bid Documents furnished by the City.** The City will, within 7 days of opening bids for the construction contract, submit to the State's District Engineer a copy of the low bid and an abstract of all bids together with the City's request for concurrence by the State in the award of the construction contract. The City will not award the construction contract until the State advises the City in writing of its concurrence.

- 3.3. *Rejection of Bids.*** The City may reject and the State may require the City to reject any or all bids for the construction contract. The party rejecting or requiring the rejection of bids must provide the other party written notice of that rejection or requirement for rejection no later than 30 days after opening bids. Upon the rejection of all bids, a party may request, in writing, that the bidding process be repeated. Upon the other party's written approval of such request, the City will repeat the bidding process in a reasonable period of time, without cost or expense to the State.
- 3.4.** The City's contract with its construction contractor(s) must include the following terms:
- A.** A clause making the State of Minnesota, acting through its Commissioner of Transportation, an intended third-party beneficiary of the contract with respect to the portion of work performed on the State's right-of-way; and
 - B.** A clause requiring the State to be named as an additional insured on any insurance coverage which the contractor is required to provide; and
 - C.** A clause stating that any warranties provided by the contractor, for the work performed on the trunk highway, will flow to, and be enforceable by, the State as the owner of such improvements.
- 3.5. *Direction, Supervision and Inspection of Construction***
- A.** The contract construction will be under the direction of the City and under the direct supervision of a registered professional engineer. The supervision provided by the City may only be assigned, sublet, or transferred after the City is notified in writing by the State that such action is permitted under 23 CFR 1.33 and 23 CFR 635.105 and state law. This written consent will in no way relieve the City from its primary responsibility for satisfactory performance of the contract construction. The City will provide a City-employed registered professional engineer to oversee the contract construction, if the same consultant that designed the project employs the engineer supervising the contract construction directly.
 - B.** The State will be the primary overseer of the contract construction and a State District Engineer authorized representative will perform regular periodic inspections during construction. The City will give the District Engineer at Mankato five days' notice of its intention to start the contract construction.
 - C.** The City will notify the Independent Assurance Inspector when the contract construction is in progress that requires observation by the Independent Assurance Inspector as required by the Independent Assurance Schedule. Responsibility for the control of materials for the contract construction will be on the City and its contractor and will be carried out according to Specifications No. 1601 through and including No. 1609 in the State's current "Standard Specifications for Construction".
- 3.6. *Completion of Construction.*** The City will cause the contract construction to be started and completed according to the time schedule in the construction contract special provisions. The completion date for the contract construction may be extended, by an exchange of letters between the appropriate City official and the State District Engineer's authorized representative, for unavoidable delays encountered in the performance of the contract construction.
- 3.7. *Plan Changes.*** All changes in the Project Plans and all addenda, change orders and supplemental agreements entered into by the City and its contractor for contract construction must be approved in writing by the State District Engineer's authorized representative.
- 3.8. *State Furnished Engineering Services.*** Upon written request from the City, the State may furnish specific engineering or technical services, pursuant to Minnesota Statutes § 161.39. Such services may be covered by other technical services agreements. The City will pay the State to reimburse the Trunk Highway Fund for the full cost and expense of furnishing such services, upon the State's requests for reimbursement. The costs and expenses will include the current State labor additives and overhead rates, subject to adjustment based on actual direct costs that have been verified by audit. Providing such services will not make the State a principal or co-principal with respect to liability regarding the contract construction.

3.9. Compliance with Laws, Ordinances, Regulations

- A. The City will comply and cause its contractor to comply with all Federal, State and Local laws, and all applicable ordinances and regulations. With respect only to that portion of work performed on the State's trunk highway right-of-way, the City will not require the contractor to follow local ordinances or to obtain local permits.
- B. City treatment of all public, private or cooperatively owned utility facilities which directly or indirectly serve the public and which occupy highway rights of way will conform to 23 CFR 645 "Utilities" which is incorporated into this Agreement by reference.

3.10. Construction Documents Furnished by the City. The City will keep records and accounts that enable it to provide the State, when requested, with the following:

- A. Copies of the City contractor's invoice(s) covering all contract construction.
- B. Copies of the endorsed and canceled City warrant(s) or check(s) paying for final contract construction, or computer documentation of the warrant(s) issued, certified by an appropriate City official that final construction contract payment has been made.
- C. Copies of all construction contract change orders and supplemental agreements.
- D. A certification form, provided by the State, signed by the City's Engineer in charge of the contract construction attesting to the following:
 - i. Satisfactory performance and completion of all contract construction according to the Project Plans.
 - ii. Acceptance and approval of all materials furnished for the contract construction relative to compliance of those materials to the State's current "Standard Specifications for Construction".
 - iii. Full payment by the City to its contractor for all contract construction.
- E. Copies, certified by the City's Engineer, of material sampling reports and of material testing results for the materials furnished for the contract construction.
- F. A copy of the "as built" plan sent to the District Engineer.

4. Right-of-Way; Easements; Permits

- 4.1. The City will, without cost or expense to the State, obtain all rights-of-way, easements, construction permits and any other permits and sanctions that may be required in connection with the local and trunk highway portions of the contract construction. Before payment by the State, the City will furnish the State with certified copies of the documents for rights-of-way and easements, construction permits and other permits and sanctions required for State participation construction covered under this Agreement.
- 4.2. The City will convey to the State by quit claim deed, all newly acquired rights needed for the continuing operation and maintenance of the Trunk Highway, if any, upon completion of the Project, at no cost or expense to the State.
- 4.3. The City will comply with Minnesota Statutes § 216D.04, subdivision 1(a), for identification, notification, design meetings and depiction of utilities affected by the contract construction.
- 4.4. The City will submit to the State's Utility Engineer an original permit application for all utilities owned by the City of North Mankato to be constructed upon and within the trunk highway right-of-way. Applications for permits will be made on State form "Application for Utility Permit on Trunk Highway Right Of Way" (Form TP2525).
- 4.5. **Limited Use Permit.** The City will obtain, through the District's Right of Way Area Manager, a Limited Use Permit to cover the City's liability responsibilities of the bikeway and multi-use trail, including associated appurtenances; to be constructed upon the State right-of-way. These items include, but are not limited to, street lights and decorative bases, benches, and chain link fencing.

5. Maintenance by the City

Upon completion of the project, the City will provide the following without cost or expense to the State:

- 5.1. **Storm Sewers.** Routine maintenance and ownership of any storm sewer facilities constructed under this project. Routine maintenance includes, but is not limited to, removal of sediment, debris, vegetation and ice from structures, grates and pipes; repair of minor erosion problems; minor structure repair; and any other maintenance activities necessary to preserve the facilities and to prevent conditions such as flooding, erosion, sedimentation or accelerated deterioration of the facilities.
- 5.2. **Sidewalks.** Maintenance of any sidewalk construction, including stamped and colored concrete sidewalk (if any) and pedestrian ramps. Maintenance includes, but is not limited to, snow, ice and debris removal, patching, crack repair, panel replacement, cross street pedestrian crosswalk markings, vegetation control of boulevards (if any) and any other maintenance activities necessary to perpetuate the sidewalks in a safe, useable, and aesthetically acceptable condition.
- 5.3. **Bikeways/Shared Use Paths, Rest Areas for the Trail and Benches.** Maintenance of any bikeways and shared use paths construction. Maintenance includes, but is not limited to, snow and ice control/removal, sweeping and debris removal, patching, crack repair, pavement replacement, vegetation control, signing, pavement markings, rest area platforms and benches at the platforms and any other maintenance activities necessary to perpetuate the bikeways and shared use paths in a safe and usable condition.
- 5.4. **Retaining Walls.** Maintenance and ownership of any retaining wall construction. Maintenance includes, repair and replacement, graffiti removal and any other maintenance activities necessary to perpetuate the walls in a safe, usable and aesthetically acceptable condition.
- 5.5. **Fence.** Maintenance and ownership of the fence to be installed along the Trail. Maintenance includes repair and replacement and any other maintenance activities necessary to perpetuate purpose of the fence for the safety of the Trail users.
- 5.6. **Lighting.** Maintenance and ownership of any lighting facilities construction. Maintenance of electrical lighting systems includes everything within the system, from the point of attachment to the power source or utility, to the last light on the feed point, including but not limited to re-lamping of lighting units or replacing of LED luminaires, repair or replacement of all damaged luminaire glassware, loose connections, luminaires when damaged or when ballasts fail, photoelectric control on luminaires, defective starter boards or drivers, damaged fuse holders, blown fuses, knocked down poles including wiring within the poles, damaged poles, pullboxes, underground wire, damaged foundations, equipment pad, installation of approved splices or replacement of wires, repair or extending of conduit, lighting cabinet maintenance including photoelectric cell, electrical distribution system, Gopher State One Call (GSOC) locates and painting of poles and other equipment. The City will be responsible for the hook up cost and application to secure an adequate power supply to the service pad or pole and will pay all monthly electrical service expenses necessary to operate the lighting facility.
- 5.7. **Additional Drainage.** Neither party to this Agreement will drain any additional drainage volume into the storm sewer facilities constructed under the construction contract that was not included in the drainage for which the storm sewer facilities were designed, without first obtaining written permission to do so from the other party. The drainage areas served by the storm sewer facilities constructed under the construction contract are shown in a drainage area map, EXHIBIT "Drainage Area", which is on file in the office of the State's District Hydraulics Engineer at Mankato and is incorporated into this Agreement by reference.
- 5.8. **Future Responsibilities.** Upon completion of the Trail construction, the City will accept full and total responsibility and all obligations and liabilities arising out of or by reason of the use, operation, maintenance, repair and reconstruction of said Trail and all of the facilities constructed as part of this Agreement, without cost or expense to the State.

6. Maintenance by the State

Upon completion of the project, the State will provide the following without cost or expense to the City:

- 6.1. *Traffic Barriers/Guardrail along TH 14.*** Maintenance and ownership of any traffic barrier construction. Maintenance includes all maintenance activities necessary to perpetuate the barriers in a safe, usable and aesthetically acceptable condition.
- 6.2. *Storm Sewers.*** Routine maintenance and ownership of all storm sewer facilities that existed prior to the construction under this project.

7. Authorized Representatives

Each party's Authorized Representative is responsible for administering this Agreement and is authorized to give and receive any notice or demand required or permitted by this Agreement.

7.1. The State's Authorized Representative will be:

Name/Title: Jed Falgren, District Maintenance Engineer (or successor)
 Address: 2151 Bassett Drive, Mankato MN
 Telephone: (507) 304-6104
 E-Mail: Jed.Falgren@state.mn.us

7.2. The City's Authorized Representative will be:

Name/Title: John Harrenstein, City Administrator (or successor)
 Address: 1001 Belgrade Avenue, North Mankato, MN 56003
 Telephone: 507-625-4141
 E-Mail: johnharrenstein@northmankato.com

8. Assignment; Amendments; Waiver; Contract Complete

- 8.1. *Assignment.*** Neither party may assign or transfer any rights or obligations under this Agreement without the prior consent of the other party and a written assignment agreement, executed and approved by the same parties who executed and approved this Agreement, or their successors in office.
- 8.2. *Amendments.*** Any amendment to this Agreement must be in writing and will not be effective until it has been executed and approved by the same parties who executed and approved the original Agreement, or their successors in office.
- 8.3. *Waiver.*** If a party fails to enforce any provision of this Agreement, that failure does not waive the provision or the party's right to subsequently enforce it.
- 8.4. *Contract Complete.*** This Agreement contains all prior negotiations and agreements between the State and the City. No other understanding regarding this Agreement, whether written or oral, may be used to bind either party.

9. Liability; Worker Compensation Claims; Insurance

- 9.1.** Each party is responsible for its own acts, omissions and the results thereof to the extent authorized by law and will not be responsible for the acts and omissions of others and the results thereof. Minnesota Statutes § 3.736 and other applicable law govern liability of the State. Minnesota Statutes Chapter 466 and other applicable law govern liability of the City. Notwithstanding the foregoing, the City will indemnify, hold harmless, and defend (to the extent permitted by the Minnesota Attorney General) the State against any claims, causes of actions, damages, costs (including reasonable attorney's fees), and expenses arising in connection with the project covered by this Agreement, regardless of whether such claims are asserted by the City's contractor(s) or consultant(s) or by a third party because of an act or omission by the City or its contractor(s) or consultant(s).

9.2. Each party is responsible for its own employees for any claims arising under the Workers Compensation Act.

9.3. The City may require its contractor to carry insurance to cover claims for damages asserted against the City.

10. Nondiscrimination

Provisions of Minnesota Statutes § 181.59 and of any applicable law relating to civil rights and discrimination are considered part of this Agreement.

11. State Audits

Under Minnesota Statutes § 16C.05, subdivision 5, the City's books, records, documents, and accounting procedures and practices relevant to this Agreement are subject to examination by the State and the State Auditor or Legislative Auditor, as appropriate, for a minimum of six years from the end of this Agreement.

12. Government Data Practices

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

13. Governing Law; Jurisdiction; Venue

Minnesota law governs the validity, interpretation and enforcement of this Agreement. Venue for all legal proceedings arising out of this Agreement, or its breach, must be in the appropriate state or federal court with competent jurisdiction in Ramsey County, Minnesota.

14. Termination; Suspension

14.1. *By Mutual Agreement.* This Agreement may be terminated by mutual agreement of the parties or by the State for insufficient funding as described below.

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

14.3. *Suspension.* In the event of a total or partial government shutdown, the State may suspend this Agreement and all work, activities, performance and payments authorized through this Agreement. Any work performed during a period of suspension will be considered unauthorized work and will be undertaken at the risk of non-payment.

15. Force Majeure

Neither party will be responsible to the other for a failure to perform under this Agreement (or a delay in performance), if such failure or delay is due to a force majeure event. A force majeure event is an event beyond a party's reasonable control, including but not limited to, unusually severe weather, fire, floods, other acts of God, labor disputes, acts of war or terrorism, or public health emergencies.

[The remainder of this page has been intentionally left blank]

CITY OF NORTH MANKATO

The undersigned certify that they have lawfully executed this contract on behalf of the Governmental Unit as required by applicable charter provisions, resolutions or ordinances.

By: _____

Title: _____

Date: _____

By: _____

Title: _____

Date: _____

DEPARTMENT OF TRANSPORTATION

Recommended for Approval:

By: _____
(District Engineer)

Date: _____

COMMISSIONER OF ADMINISTRATION

By: _____
(With delegated authority)

Date: _____

INCLUDE COPY OF RESOLUTION APPROVING THE AGREEMENT AND AUTHORIZING ITS EXECUTION.

CITY OF NORTH MANKATO, MINNESOTA

RESOLUTION NO. _____

**RESOLUTION CALLING PUBLIC HEARING ON A PROPOSED
PROPERTY TAX ABATEMENT**

BE IT RESOLVED By the City Council of the City of North Mankato, Minnesota (the "City"), as follows:

1. Pursuant to Minnesota Statutes, Sections 469.1812 through 469.1815, as amended (the "Act"), the City may grant an abatement of all or a part of the taxes levied by the City on real property within its boundaries (the "Abatement") and issue general obligation bonds (to finance public infrastructure improvements (the "Abatement Bonds"); provided, however, that the City Council first holds a public hearing regarding the proposed Abatement.
2. The City proposes to issue Abatement Bonds in the approximate principal amount of \$580,000 to finance the trail improvements in the City.
3. The amount of Abatement proposed to be collected is an amount equal to 105% of principal of and interest on the Abatement Bonds, with a maximum amount of \$750,000.
4. In accordance with the Act, the City Council hereby calls for a public hearing on Monday, August 3, 2015, at 7:00 PM, to consider the proposed Abatement for the purposes described herein.
5. The City Clerk is authorized and directed to publish a notice of public hearing in substantially the form set forth in EXHIBIT A attached hereto in the official newspaper of the City more than 10 but less than 30 days before the date of the public hearing.
6. City staff and consultants are authorized to take all other actions needed to bring the proposed Abatement and issuance of the Abatement Bonds before the City Council.

Adopted by the City Council of the City of North Mankato, Minnesota, this 20th day of July, 2015.

Mayor

ATTEST:

City Clerk

EXHIBIT A

NOTICE OF PUBLIC HEARING

NOTICE OF PUBLIC HEARING REGARDING A PROPOSED PROPERTY TAX ABATEMENT

NOTICE IS HEREBY GIVEN that the City Council of the City of North Mankato, Minnesota (the "City") will meet on Monday, August 3, 2015, at or after 7:00 PM, at City Hall, 1001 Belgrade Avenue in the City, to hold a public hearing concerning a proposal that the City abate all or a portion of property taxes levied by the City on properties located in City with the following property identification numbers (the "Property"):

18.420.0330	18.420.0240	18.861.0010	18.810.0040
18.420.0450	18.420.0190	18.861.0020	18.420.0100
18.420.0480	18.420.0230	18.420.0260	18.420.0060
18.810.0020	18.420.0220	18.420.0370	18.420.0570
18.420.0420	18.481.0070	18.420.0160	18.420.0510
18.420.0580	18.420.0490	18.420.0550	18.420.0440
18.420.0350	18.481.0151	18.481.0153	18.482.0080
18.420.0340	18.861.0030	18.420.0540	18.481.0152
18.420.0250	18.420.0120	18.420.0280	18.420.0140
18.420.0320	18.420.0600	18.420.0360	18.420.0300
18.420.0310	18.420.0410	18.420.0130	18.420.0070
18.420.0380	18.420.0460	18.420.0150	18.420.0080
18.481.0060	18.420.0560	18.420.0050	18.420.0590
18.810.0010	18.420.0400	18.420.0110	18.810.0030
18.420.0270	18.420.0090	18.420.0620	18.420.0630
18.482.0120	18.420.0430	18.420.0530	18.420.0640
18.761.0010	18.420.0470	18.420.0610	18.419.0190
18.481.0080	18.420.0170	18.420.0210	18.481.0160
18.783.0020	18.420.0290	18.420.0180	18.420.0390

The total amount of the taxes proposed to be abated by the City on the Property is estimated to be approximately \$750,000. The City Council will consider the property tax abatement in connection with financing certain public infrastructure improvements, including but not limited to trail improvements in the City.

All interested persons may appear and be heard at the public hearing either orally or in writing, or may file written comments with the City Clerk before the hearing.

Dated: _____, 2015

BY ORDER OF THE CITY COUNCIL OF
THE CITY OF NORTH MANKATO,
MINNESOTA

/s/ April Van Genderen
City Clerk
City of North Mankato, Minnesota

MEMORANDUM

To: John Harrenstein, City of North Mankato
From: Tammy Omdal
Date: July 15, 2015
Re: Property Tax Abatement

The City is planning to use property tax abatement authority in connection with financing public infrastructure improvements, including certain public improvements in connection with the Trunk Highway 14 Trail Improvements (the "Project"). This memorandum briefly describes the use of tax abatement authority for this purpose.

Background

The name "tax abatement" is misleading. The enabling statute (Minnesota Statutes, Sections 469.1812 to 469.1815) does not authorize the actual "abatement of taxes". Instead, the City has the ability to levy a property tax (an abatement levy) that is equivalent to taxes that could be abated. The revenue derived from an abatement levy can be used for a variety of purposes. The City plans to certify a property tax abatement levy to pay a portion of the debt service on the proposed 2015A general obligation bonds to be issued to fund the Project; the portion to be paid from abatement levy is for the trail improvement portion only.

Findings

The statute requires a finding that the use of tax abatement is in the public interest. The statute defines the reasons. Reasons specific to the proposed Project include to increase or preserve tax base and to finance or provide public infrastructure.

Process

Following notice and a public hearing on August 3rd, the City Council will consider a resolution approving the property tax abatement. The resolution will include all necessary findings and will define the parameters for the tax abatement. The statute does not require any other documents or notifications (i.e., individual notice to property within the abatement area).

Abatement Levy

The total amount of the taxes proposed to be abated by the City on the parcels identified within the abatement area is estimated to be not more than \$750,000 collected over a 15-year term, or no greater than \$50,000 per year. The annual abatement levy is spread over the City's entire general tax base (net tax capacity) the same as the general fund levy. Property within the abatement area will pay the same amount of City taxes as property outside of the abatement area. There is no different impact on individual property tax statements for property within the abatement area from other property within the City as a whole.

RESOLUTION NO. _____

**RESOLUTION PROVIDING FOR THE ISSUANCE AND SALE
OF GENERAL OBLIGATION BONDS, SERIES 2015A, IN THE
PROPOSED AGGREGATE PRINCIPAL AMOUNT OF \$2,060,000**

BE IT RESOLVED By the City Council of the City of North Mankato, Minnesota (the "City"), as follows:

1. Abatement Bonds.

(a) The City has determined to construct various infrastructure improvements to public infrastructure in the City (the "Infrastructure"), including trail improvements.

(b) Under Minnesota Statutes, Chapter 475, as amended, and Sections 469.1812 through 469.1815 (collectively, the "Abatement Act"), the City is authorized to grant a property tax abatement on specified parcels in order to accomplish certain public purposes, including the provision or construction of public infrastructure.

(c) The City Council of the City will conduct a public hearing on August 3, 2015, to consider granting a property tax abatement (the "Abatements") for certain property in the City (the "Abatement Parcels") over a period of fifteen years, in an amount sufficient to pay the principal amount of and interest on bonds issued to finance the Infrastructure in a maximum principal amount of \$580,000.

(d) It is necessary and expedient to the sound financial management of the affairs of the City to issue its obligations in the aggregate principal amount of \$580,000 (the "Abatement Bonds") pursuant to the Abatement Act, to provide financing for the Infrastructure; provided, however, that the City Council approves the Abatements on August 3, 2015.

2. Improvement Bonds.

(a) The City is authorized by Minnesota Statutes, Chapters 429 and 475, as amended (the "Improvement Act") to issue obligations in an amount deemed necessary to defray in whole or in part the expense incurred and estimated to be incurred in making improvements authorized by the Improvement Act.

(b) Certain assessable public improvements in the City, including sanitary sewer system, storm sewer system, water system, and street improvements to West Carlson Drive and Lookout Drive in the City (the "Assessable Improvements"), have been made, duly ordered, or contracts let pursuant to the provisions of the Improvement Act.

(c) It is necessary and expedient to the sound financial management of the affairs of the City to issue general obligations in the proposed aggregate principal amount of \$1,480,000 (the "Improvement Bonds"), pursuant to the Improvement Act, to provide financing for the Assessable Improvements.

2. Sale Authorized.

(a) To finance the Infrastructure and the Assessable Improvements, the City will issue and sell the Bonds in the proposed amount of \$2,060,000 pursuant to the Abatement Act and the Improvement Act (together, the "Act"). The Bonds will be issued, sold and delivered in accordance with the terms of the official Notice of Sale attached hereto as EXHIBIT A (the "Notice of Sale"); provided, however, that the City Council approves the Abatements.

(b) The City is authorized by Section 475.60, subdivision 2(9) of the Act to negotiate the sale of the Bonds, it being determined that the City has retained an independent financial advisor in connection with such sale. The actions of the City staff and the City's municipal advisor in negotiating the sale of the Bonds are ratified and confirmed in all aspects.

3. Authority of Municipal Advisor. Northland Securities, Inc. is authorized and directed to advertise the Bonds for sale in accordance with the foregoing Notice of Sale in the manner required by law. The City Council will meet at 7:00 P.M. on Monday, August 17, 2015, to consider bids on the Bonds and take any other appropriate action with respect to the Bonds.

4. Authority of Bond Counsel. The law firm of Kennedy & Graven, Chartered, as bond counsel for the City, is authorized to act as bond counsel and to assist in the preparation and review of necessary documents, certificates and instruments relating to the Bonds. The officers, employees and agents of the City are hereby authorized to assist Kennedy & Graven, Chartered in the preparation of such documents, certificates, and instruments.

5. Covenants. In the resolution awarding the sale of the Bonds the City Council will set forth the covenants and undertakings required by the Act.

6. Official Statement. In connection with the sale of the Bonds, the officers or employees of the City are authorized and directed to cooperate with Northland Securities, Inc., and participate in the preparation of an official statement for the Bonds and to execute and deliver it on behalf of the City upon its completion.

(The remainder of this page is intentionally left blank.)

The motion for the adoption of the foregoing resolution was duly seconded by Councilmember _____, and upon vote being taken thereon the following members voted in favor of the motion:

and the following voted against:

whereupon the resolution was declared duly passed and adopted.

EXHIBIT A
NOTICE OF SALE

NOTICE OF SALE

\$2,060,000*
GENERAL OBLIGATION BONDS, SERIES 2015A

CITY OF NORTH MANKATO, MINNESOTA
(Book-Entry Only)

NOTICE IS HEREBY GIVEN that these Bonds will be offered for sale according to the following terms:

TIME AND PLACE:

Proposals will be opened by the City's Finance Director, or designee, on Monday, August 17, 2015, at 10:30 A.M., CT, at the offices of Northland Securities, Inc., 45 South 7th Street, Suite 2000, Minneapolis, Minnesota 55402. Consideration of the Proposals for award of the sale will be by the City Council at its meeting at the City Offices beginning Monday, August 17, 2015, at 7:00 P.M., CT.

SUBMISSION OF PROPOSALS

Proposals may be:

- a) submitted to the office of Northland Securities, Inc.,
- b) faxed to Northland Securities, Inc. at 612-851-5918,
- c) for proposals submitted prior to the sale, the final price and coupon rates may be submitted to Northland Securities, Inc. by telephone at 612-851-5900 or 612-851-4920, or
- d) submitted electronically.

Notice is hereby given that electronic proposals will be received via PARITY™, or its successor, in the manner described below, until 10:30 A.M., CT, on Monday, August 17, 2015. Proposals may be submitted electronically via PARITY™ or its successor, pursuant to this Notice until 10:30 A.M., CT, but no Proposal will be received after the time for receiving Proposals specified above. To the extent any instructions or directions set forth in PARITY™, or its successor, conflict with this Notice, the terms of this Notice shall control. For further information about PARITY™, or its successor, potential bidders may contact Northland Securities, Inc. or i-Deal® at 1359 Broadway, 2nd floor, New York, NY 10018, telephone 212-849-5021.

Neither the City nor Northland Securities, Inc. assumes any liability if there is a malfunction of PARITY™ or its successor. All bidders are advised that each Proposal shall be deemed to constitute a contract between the bidder and the City to purchase the Bonds regardless of the manner in which the Proposal is submitted.

BOOK-ENTRY SYSTEM

The Bonds will be issued by means of a book-entry system with no physical distribution of bond certificates made to the public. The Bonds will be issued in fully registered form and one bond certificate, representing the aggregate principal amount of the Bonds maturing in each year, will be registered in the name of Cede & Co. as nominee of Depository Trust Company ("DTC"), New York, New York, which will act as securities depository of the Bonds.

* The City reserves the right to increase or decrease the principal amount of the Bonds. Any such increase or decrease will be made in multiples of \$5,000 and may be made in any maturity. If any maturity is adjusted, the purchase price will also be adjusted to maintain the same gross spread.

Individual purchases of the Bonds may be made in the principal amount of \$5,000 or any multiple thereof of a single maturity through book entries made on the books and records of DTC and its participants. Principal and interest are payable by the City through Wells Fargo Bank, National Association, Minneapolis, Minnesota (the "Paying Agent/Registrar"), to DTC, or its nominee as registered owner of the Bonds. Transfer of principal and interest payments to participants of DTC will be the responsibility of DTC; transfer of principal and interest payments to beneficial owners by participants will be the responsibility of such participants and other nominees of beneficial owners. The successful bidder, as a condition of delivery of the Bonds, will be required to deposit the bond certificates with DTC. The City will pay reasonable and customary charges for the services of the Paying Agent/Registrar.

DATE OF ORIGINAL ISSUE OF BONDS

September 1, 2015

AUTHORITY/PURPOSE/SECURITY

The Bonds are being issued pursuant to Minnesota Statutes, Chapters 429, 469.1812 through 469.1815 and 475. Proceeds will be used to finance sanitary, storm, water and street improvements to West Carlson Drive and Lookout Drive and improvements to the TH 14 Trail. The Bonds are payable from special assessments and tax levies and an annual tax abatement levy. The full faith and credit of the City is pledged to their payment and the City has validly obligated itself to levy ad valorem taxes in the event of any deficiency in the debt service account established for this issue.

INTEREST PAYMENTS

Interest is due semiannually on each June 1 and December 1, commencing June 1, 2016, to registered owners of the Bonds appearing of record in the Bond Register as of the close of business on the fifteenth day (whether or not a business day) of the calendar month preceding such interest payment date.

MATURITIES

Principal is due annually on December 1, inclusive, in each of the years and amounts as follows:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2016	\$100,000	2021	\$35,000	2026	\$175,000
2017	125,000	2022	110,000	2027	180,000
2018	145,000	2023	130,000	2028	190,000
2019	75,000	2024	145,000	2029	195,000
2020	90,000	2025	165,000	2030	200,000

Proposals for the Bonds may contain a maturity schedule providing for any combination of serial bonds and term bonds, subject to mandatory redemption, so long as the amount of principal maturing or subject to mandatory redemption in each year conforms to the maturity schedule set forth above.

INTEREST RATES

All rates must be in integral multiples of 1/20th or 1/8th of 1%. *Rates must be in level or ascending order.* All Bonds of the same maturity must bear a single uniform rate from date of issue to maturity.

ADJUSTMENTS TO PRINCIPAL AMOUNT AFTER PROPOSALS

The City reserves the right to increase or decrease the principal amount of the Bonds. Any such increase or decrease will be made in multiples of \$5,000 and may be made in any maturity. If any maturity is adjusted, the purchase price will also be adjusted to maintain the same gross spread. Such adjustments shall be made promptly after the sale and prior to the award of Proposals by the City and shall be at the sole discretion of the City. The successful bidder may not withdraw or modify its Proposal once submitted to the City for any reason, including post-sale adjustment. Any adjustment shall be conclusive and shall be binding upon the successful bidder.

OPTIONAL REDEMPTION

Bonds maturing on December 1, 2023 through 2030 are subject to redemption and prepayment at the option of the City on December 1, 2022 and any date thereafter, at a price of par plus accrued interest. Redemption may be in whole or in part of the Bonds subject to prepayment. If redemption is in part, the maturities and principal amounts within each maturity to be redeemed shall be determined by the City and if only part of the Bonds having a common maturity date are called for prepayment, the specific Bonds to be prepaid shall be chosen by lot by the Bond Registrar.

CUSIP NUMBERS

If the Bonds qualify for assignment of CUSIP numbers such numbers will be printed on the Bonds, but neither the failure to print such numbers on any Bond nor any error with respect thereto shall constitute cause for a failure or refusal by the successful bidder thereof to accept delivery of and pay for the Bonds in accordance with terms of the purchase contract. The CUSIP Service Bureau charge for the assignment of CUSIP identification numbers shall be paid by the successful bidder.

DELIVERY

Delivery of the Bonds will be within forty days after award, subject to an approving legal opinion by Kennedy & Graven Chartered, Bond Counsel. The legal opinion will be paid by the City and delivery will be anywhere in the continental United States without cost to the successful bidder at DTC.

TYPE OF PROPOSAL

Proposals of not less than \$2,034,250 (98.75%) and accrued interest on the principal sum of \$2,060,000 must be filed with the undersigned prior to the time of sale. Proposals must be unconditional except as to legality. Proposals for the Bonds should be delivered to Northland Securities, Inc. and addressed to:

Clara Thorne, Finance Director
North Mankato City Hall
1001 Belgrade Ave.
North Mankato, Minnesota 56002

A good faith deposit (the "Deposit") in the amount of \$41,200 in the form of a federal wire transfer (payable to the order of the City) is only required from the apparent winning bidder, and must be received within two hours after the time stated for the receipt of Proposals. The apparent winning bidder will receive notification of the wire instructions from the Municipal Advisor promptly after the sale. If the Deposit is not received from the apparent winning bidder in the time allotted, the City may choose to reject their Proposal and then proceed to offer the Bonds to the next lowest bidder based on the terms of their original proposal, so long as said bidder wires funds for the Deposit amount within two hours of said offer.

The City will retain the Deposit of the successful bidder, the amount of which will be deducted at settlement and no interest will accrue to the successful bidder. In the event the successful bidder fails to comply with the accepted Proposal, said amount will be retained by the City. No Proposal can be withdrawn after the time set for receiving Proposals unless the meeting of the City scheduled for award of the Bonds is adjourned, recessed, or continued to another date without award of the Bonds having been made.

AWARD

The Bonds will be awarded on the basis of the lowest interest rate to be determined on a true interest cost (TIC) basis. The City's computation of the interest rate of each Proposal, in accordance with customary practice, will be controlling. In the event of a tie, the sale of the Bonds will be awarded by lot. The City will reserve the right to: (i) waive non-substantive informalities of any Proposal or of matters relating to the receipt of Proposals and award of the Bonds, (ii) reject all Proposals without cause, and (iii) reject any Proposal which the City determines to have failed to comply with the terms herein.

INFORMATION FROM SUCCESSFUL BIDDER

The successful bidder will be required to provide, in a timely manner, certain information relating to the initial offering price of the Bonds necessary to compute the yield on the Bonds pursuant to the provisions of the Internal Revenue Code of 1986, as amended.

OFFICIAL STATEMENT

By awarding the Bonds to any underwriter or underwriting syndicate submitting a Proposal therefor, the City agrees that, no more than seven business days after the date of such award, it shall provide to the senior managing underwriter of the syndicate to which the Bonds are awarded, the Final Official Statement in an electronic format as prescribed by the Municipal Securities Rulemaking Board (MSRB).

FULL CONTINUING DISCLOSURE UNDERTAKING

The City will covenant in the resolution awarding the sale of the Bonds and in a Continuing Disclosure Undertaking to provide, or cause to be provided, annual financial information, including audited financial statements of the City, and notices of certain material events, as required by SEC Rule 15c2-12.

BANK QUALIFICATION

The City will designate the Bonds as qualified tax-exempt obligations for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

BOND INSURANCE AT UNDERWRITER'S OPTION

If the Bonds qualify for issuance of any policy of municipal bond insurance or commitment therefor at the option of the successful bidder, the purchase of any such insurance policy or the issuance of any such commitment shall be at the sole option and expense of the successful bidder of the Bonds. Any increase in the costs of issuance of the Bonds resulting from such purchase of insurance shall be paid by the successful bidder, except that, if the City has requested and received a rating on the Bonds from a rating agency, the City will pay that rating fee. Any other rating agency fees shall be the responsibility of the successful bidder. Failure of the municipal bond insurer to issue the policy after the Bonds have been awarded to the successful bidder shall not constitute cause for failure or refusal by the successful bidder to accept delivery on the Bonds.

The City reserves the right to reject any and all Proposals, to waive informalities and to adjourn the sale.

Dated: July 20, 2015

BY ORDER OF THE NORTH MANKATO CITY COUNCIL

/s/ Clara Thorne
Finance Director

Additional information may be obtained from:

Northland Securities, Inc.
45 South 7th Street, Suite 2000
Minneapolis, Minnesota 55402
Telephone No.: 612-851-5900

STATE OF MINNESOTA)
)
COUNTY OF NICOLLET)
)
CITY OF NORTH MANKATO)

I, the undersigned, being the duly qualified and acting City Clerk of the City of North Mankato, Minnesota (the "City"), hereby certify that I have carefully compared the attached and foregoing extract of minutes of a regular meeting of the City Council of the City held on Monday, July 20, 2015, with the original minutes on file in my office and the extract is a full, true and correct copy of the minutes, insofar as they relate to the issuance and sale of the City's General Obligation Bonds, Series 2015A, in the proposed aggregate principal amount of \$2,060,000.

WITNESS My hand as City Clerk and the corporate seal of the City this ____ day of _____, 2015.

(SEAL)

City Clerk
City of North Mankato, Minnesota

Extract of Minutes of Meeting
of the City Council of the City of
North Mankato, Nicollet County, Minnesota

Pursuant to due call and notice thereof a regular meeting of the City Council of the City of North Mankato, Minnesota, was held at the City Hall in the City on Monday, July 20, 2015, commencing at 7:00 P.M.

The following members of the Council were present:

and the following were absent:

The following resolution was presented by Member _____, who moved its adoption:

FINANCE PLAN SUMMARY

FOR

CITY OF NORTH MANKATO, MINNESOTA

\$2,060,000

GENERAL OBLIGATION BONDS, SERIES 2015A

NORTHLAND  SECURITIES

45 South 7th Street
Suite 2000
Minneapolis, MN 55402
612-851-5900 800-851-2920

July 20, 2015

City of North Mankato, Minnesota
\$2,060,000
General Obligation Bonds,
Series 2015A

Financing Overview

The Bonds will be issued pursuant to Minnesota statutes Chapter 475, 429 and Chapter 469.1814 to finance the following projects:

- West Carlson Drive Improvements
- Lookout Drive Improvements
- TH 14 Trail Improvements

The net financing requirement for these projects is \$2,060,000 inclusive of all project and financing costs. A detailed illustration of the sources and uses of funds is presented below.

Total Issue Sources And Uses

Dated 09/01/2015 | Delivered 09/01/2015

	Improvement Portion	Tax Abatement Portion	Issue Summary
Sources Of Funds			
Par Amount of Bonds	\$1,480,000.00	\$580,000.00	\$2,060,000.00
Total Sources	\$1,480,000.00	\$580,000.00	\$2,060,000.00
Uses Of Funds			
Total Underwriter's Discount (1.250%)	18,500.00	7,250.00	25,750.00
Costs of Issuance	24,247.57	9,502.43	33,750.00
Deposit to Project Construction Fund	1,435,000.00	565,000.00	2,000,000.00
Rounding Amount	2,252.43	(1,752.43)	500.00
Total Uses	\$1,480,000.00	\$580,000.00	\$2,060,000.00

The bonds will be a general obligation of the City. However, the City anticipates paying debt service from a combination of special assessment revenue, a tax abatement levy, and a debt

service tax levy. The section that follows provides information on the authority for the tax abatement levy.

The total principal and interest estimate assumes an average coupon of 2.588% and is shown on Exhibit A.

The debt service fund and cash flow projection for each of the portions (or purposes) is illustrated in Exhibits B1 through B4.

Property Tax Abatement

The City will use property tax abatement authority in connection with financing the improvements in connection with the TH 14 Trail Improvements.

The enabling statute does not authorize the actual “abatement of taxes”. Instead, the City has the ability to levy a property tax (an abatement levy) that is equivalent to taxes that could be abated. The City will certify a property tax abatement levy to pay a portion of the debt service on the Bonds; the portion to be paid from abatement levy is for the TH Trail Improvements only. A public hearing will be held on August 3rd and following the hearing the City Council will adopt a resolution approving the property tax abatement for this purpose.

The total amount of the taxes proposed to be abated by the City on the parcels identified within the abatement is estimated to be sufficient to pay annual principal and interest over the 15-year term. The annual abatement levy is spread over the City’s entire general tax base (net tax capacity) the same as the general fund levy. Property within the abatement area will pay the same amount of City taxes as property outside of the abatement area. There is no different impact on individual property tax statements for property within the abatement area from other property within the City as a whole.

Related Considerations

- *Bank Qualified* - because total tax-exempt debt issued by the City in calendar year 2015 is expected to be less than \$10.0M, the Bonds will be designated as “bank qualified” obligations pursuant to Federal Tax Law. The impact of this designation may result in slightly lower interest rates since banking institutions will be interested in purchasing the Bonds. We have adjusted the estimated interest rates accordingly.
- *Arbitrage Compliance* –
 - Project / Construction Fund – All tax exempt issues are subject to federal rebate requirements which require all arbitrage earned to be rebated to the U.S. Treasury. However, there are exemptions available if the City meets certain criteria. The rebate exemption the City expects to qualify for is the 24 Month Expenditure Exemption.
 - Debt Service Fund – The City must maintain a bona fide debt service fund for the certificates or be subject to yield restriction in the debt service fund. A bona fide debt service fund involves an equal matching of revenues to debt service expense

with a balance forward permitted equal to the greater of the investment earnings in the fund during that year or 1/12 of the debt service of that year.

The City should become familiar with the various Arbitrage Compliance requirements for this bond issue. The Resolution explains the requirements in greater detail. We are also available to assist the City in meeting these requirements.

- *Book Entry* - The Bonds will be *global book entry with a bank designated as the paying agent*. As “paperless” certificates, you will avoid the cost of bond printing and annual registrar charges. The Paying Agent will invoice you for the interest semiannually and on an annual basis for the principal coming due. You will be charged only for paying agent/transfer agent services provided by the bank. This cost of services has been capitalized into the bond issue.
- *Continuing Disclosure* - Because the City’s outstanding debt exceeds \$10.0M, it is subject to the Securities and Exchange Commission’s continuing disclosure requirements. Northland Securities is prepared to assist the City in this capacity

Summary of Recommended Terms

- | | |
|--------------------------|--|
| 1. Type of Bond Sale | Public Offering – Sealed Bids |
| 2. Proposals Received | Monday, August 17, 2015 @ 10:30 A.M. |
| 3. Council Consideration | Monday, August 17, 2015 @ 7:00 P.M |
| 4. Statutory Authority | The Bonds are being issued pursuant to Minnesota Statutes Chapter 475, 429 and Chapter 469.1812 to 1815. |
| 5. Repayment Term | The Bonds will mature annually each December 1, 2016 - 2030. Interest on the Bonds will be payable on June 1, 2016 and semiannually thereafter on each December 1 and June 1. |
| 6. Security | General obligation pledge of the City. In addition the City will pledge special assessments from benefitted properties and tax abatement revenues to the payment of the Bonds. |

7. Prepayment Option

The Bonds due on or after December 1, 2023 will be subject to redemption on December 1, 2022 at price of par.

8. Tax Status

Kennedy and Graven, Chartered, Minneapolis, will provide an opinion.

9. Credit Enhancement

The City's general obligation bonds are currently rated "AA" by Standard & Poor's Corporation (S&P). We believe a credit rating on these bonds will be cost beneficial and recommend seeking a rating from S&P.

EXHIBIT A

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
09/01/2015	-	-	-	-	-
06/01/2016	-	-	35,062.50	35,062.50	-
12/01/2016	100,000.00	0.850%	23,375.00	123,375.00	158,437.50
06/01/2017	-	-	22,950.00	22,950.00	-
12/01/2017	125,000.00	1.100%	22,950.00	147,950.00	170,900.00
06/01/2018	-	-	22,262.50	22,262.50	-
12/01/2018	145,000.00	1.300%	22,262.50	167,262.50	189,525.00
06/01/2019	-	-	21,320.00	21,320.00	-
12/01/2019	75,000.00	1.500%	21,320.00	96,320.00	117,640.00
06/01/2020	-	-	20,757.50	20,757.50	-
12/01/2020	90,000.00	1.700%	20,757.50	110,757.50	131,515.00
06/01/2021	-	-	19,992.50	19,992.50	-
12/01/2021	35,000.00	1.850%	19,992.50	54,992.50	74,985.00
06/01/2022	-	-	19,668.75	19,668.75	-
12/01/2022	110,000.00	2.000%	19,668.75	129,668.75	149,337.50
06/01/2023	-	-	18,568.75	18,568.75	-
12/01/2023	130,000.00	2.150%	18,568.75	148,568.75	167,137.50
06/01/2024	-	-	17,171.25	17,171.25	-
12/01/2024	145,000.00	2.300%	17,171.25	162,171.25	179,342.50
06/01/2025	-	-	15,503.75	15,503.75	-
12/01/2025	165,000.00	2.450%	15,503.75	180,503.75	196,007.50
06/01/2026	-	-	13,482.50	13,482.50	-
12/01/2026	175,000.00	2.600%	13,482.50	188,482.50	201,965.00
06/01/2027	-	-	11,207.50	11,207.50	-
12/01/2027	180,000.00	2.750%	11,207.50	191,207.50	202,415.00
06/01/2028	-	-	8,732.50	8,732.50	-
12/01/2028	190,000.00	2.850%	8,732.50	198,732.50	207,465.00
06/01/2029	-	-	6,025.00	6,025.00	-
12/01/2029	195,000.00	3.000%	6,025.00	201,025.00	207,050.00
06/01/2030	-	-	3,100.00	3,100.00	-
12/01/2030	200,000.00	3.100%	3,100.00	203,100.00	206,200.00
Total	\$2,060,000.00	-	\$499,922.50	\$2,559,922.50	-

Yield Statistics

Average Coupon	2.5889306%
Net Interest Cost (NIC)	2.7222812%
True Interest Cost (TIC)	2.7219845%
All Inclusive Cost (AIC)	2.9286627%

EXHIBIT B1
Improvement Portion

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
09/01/2015	-	-	-	-	-
06/01/2016	-	-	25,620.00	25,620.00	-
12/01/2016	70,000.00	0.850%	17,080.00	87,080.00	112,700.00
06/01/2017	-	-	16,782.50	16,782.50	-
12/01/2017	90,000.00	1.100%	16,782.50	106,782.50	123,565.00
06/01/2018	-	-	16,287.50	16,287.50	-
12/01/2018	110,000.00	1.300%	16,287.50	126,287.50	142,575.00
06/01/2019	-	-	15,572.50	15,572.50	-
12/01/2019	40,000.00	1.500%	15,572.50	55,572.50	71,145.00
06/01/2020	-	-	15,272.50	15,272.50	-
12/01/2020	55,000.00	1.700%	15,272.50	70,272.50	85,545.00
06/01/2021	-	-	14,805.00	14,805.00	-
12/01/2021	-	-	14,805.00	14,805.00	29,610.00
06/01/2022	-	-	14,805.00	14,805.00	-
12/01/2022	70,000.00	2.000%	14,805.00	84,805.00	99,610.00
06/01/2023	-	-	14,105.00	14,105.00	-
12/01/2023	90,000.00	2.150%	14,105.00	104,105.00	118,210.00
06/01/2024	-	-	13,137.50	13,137.50	-
12/01/2024	105,000.00	2.300%	13,137.50	118,137.50	131,275.00
06/01/2025	-	-	11,930.00	11,930.00	-
12/01/2025	125,000.00	2.450%	11,930.00	136,930.00	148,860.00
06/01/2026	-	-	10,398.75	10,398.75	-
12/01/2026	135,000.00	2.600%	10,398.75	145,398.75	155,797.50
06/01/2027	-	-	8,643.75	8,643.75	-
12/01/2027	140,000.00	2.750%	8,643.75	148,643.75	157,287.50
06/01/2028	-	-	6,718.75	6,718.75	-
12/01/2028	145,000.00	2.850%	6,718.75	151,718.75	158,437.50
06/01/2029	-	-	4,652.50	4,652.50	-
12/01/2029	150,000.00	3.000%	4,652.50	154,652.50	159,305.00
06/01/2030	-	-	2,402.50	2,402.50	-
12/01/2030	155,000.00	3.100%	2,402.50	157,402.50	159,805.00
Total	\$1,480,000.00	-	\$373,727.50	\$1,853,727.50	-

EXHIBIT B2
Improvement Portion
Revenue vs Debt Service

Revenue vs D/S

Date	Scheduled P+I	105% Levy	Less: Assessment Revenues	Equals: City net Levy	Levy Year	Collection Year
12/01/2015	-	-	-	-	-	-
12/01/2016	112,700.00	118,335.00	34,158.84	84,176.16	2015	2016
12/01/2017	123,565.00	129,743.25	34,158.84	95,584.41	2016	2017
12/01/2018	142,575.00	149,703.75	34,158.85	115,544.90	2017	2018
12/01/2019	71,145.00	74,702.25	34,158.84	40,543.41	2018	2019
12/01/2020	85,545.00	89,822.25	34,158.83	55,663.42	2019	2020
12/01/2021	29,610.00	31,090.50	34,158.84	(3,068.34)	2020	2021
12/01/2022	99,610.00	104,590.50	34,158.84	70,431.66	2021	2022
12/01/2023	118,210.00	124,120.50	34,158.85	89,961.65	2022	2023
12/01/2024	131,275.00	137,838.75	34,158.83	103,679.92	2023	2024
12/01/2025	148,860.00	156,303.00	34,158.85	122,144.15	2024	2025
12/01/2026	155,797.50	163,587.38	34,158.84	129,428.54	2025	2026
12/01/2027	157,287.50	165,151.88	34,158.85	130,993.03	2026	2027
12/01/2028	158,437.50	166,359.38	34,158.85	132,200.53	2027	2028
12/01/2029	159,305.00	167,270.25	34,158.84	133,111.41	2028	2029
12/01/2030	159,805.00	167,795.25	34,158.83	133,636.42	2029	2030
Total	\$1,853,727.50	\$1,946,413.88	\$1,853,727.50	-		

Assessments of \$359,900 (24.4% of project) for 15 years at a rate of 4.75%

EXHIBIT B3
TH 14 Trail Improvements – Tax Abatement Portion

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
09/01/2015	-	-	-	-	-
06/01/2016	-	-	9,442.50	9,442.50	-
12/01/2016	30,000.00	0.850%	6,295.00	36,295.00	45,737.50
06/01/2017	-	-	6,167.50	6,167.50	-
12/01/2017	35,000.00	1.100%	6,167.50	41,167.50	47,335.00
06/01/2018	-	-	5,975.00	5,975.00	-
12/01/2018	35,000.00	1.300%	5,975.00	40,975.00	46,950.00
06/01/2019	-	-	5,747.50	5,747.50	-
12/01/2019	35,000.00	1.500%	5,747.50	40,747.50	46,495.00
06/01/2020	-	-	5,485.00	5,485.00	-
12/01/2020	35,000.00	1.700%	5,485.00	40,485.00	45,970.00
06/01/2021	-	-	5,187.50	5,187.50	-
12/01/2021	35,000.00	1.850%	5,187.50	40,187.50	45,375.00
06/01/2022	-	-	4,863.75	4,863.75	-
12/01/2022	40,000.00	2.000%	4,863.75	44,863.75	49,727.50
06/01/2023	-	-	4,463.75	4,463.75	-
12/01/2023	40,000.00	2.150%	4,463.75	44,463.75	48,927.50
06/01/2024	-	-	4,033.75	4,033.75	-
12/01/2024	40,000.00	2.300%	4,033.75	44,033.75	48,067.50
06/01/2025	-	-	3,573.75	3,573.75	-
12/01/2025	40,000.00	2.450%	3,573.75	43,573.75	47,147.50
06/01/2026	-	-	3,083.75	3,083.75	-
12/01/2026	40,000.00	2.600%	3,083.75	43,083.75	46,167.50
06/01/2027	-	-	2,563.75	2,563.75	-
12/01/2027	40,000.00	2.750%	2,563.75	42,563.75	45,127.50
06/01/2028	-	-	2,013.75	2,013.75	-
12/01/2028	45,000.00	2.850%	2,013.75	47,013.75	49,027.50
06/01/2029	-	-	1,372.50	1,372.50	-
12/01/2029	45,000.00	3.000%	1,372.50	46,372.50	47,745.00
06/01/2030	-	-	697.50	697.50	-
12/01/2030	45,000.00	3.100%	697.50	45,697.50	46,395.00
Total	\$580,000.00	-	\$126,195.00	\$706,195.00	-

EXHIBIT B4
TH 14 Trail Improvements – Tax Abatement Portion
105% Levy

105% Levy

Date	Scheduled P+I	105% Levy	Levy Year	Collection Year
12/01/2016	45,737.50	48,024.38	2015	2016
12/01/2017	47,335.00	49,701.75	2016	2017
12/01/2018	46,950.00	49,297.50	2017	2018
12/01/2019	46,495.00	48,819.75	2018	2019
12/01/2020	45,970.00	48,268.50	2019	2020
12/01/2021	45,375.00	47,643.75	2020	2021
12/01/2022	49,727.50	52,213.88	2021	2022
12/01/2023	48,927.50	51,373.88	2022	2023
12/01/2024	48,067.50	50,470.88	2023	2024
12/01/2025	47,147.50	49,504.88	2024	2025
12/01/2026	46,167.50	48,475.88	2025	2026
12/01/2027	45,127.50	47,383.88	2026	2027
12/01/2028	49,027.50	51,478.88	2027	2028
12/01/2029	47,745.00	50,132.25	2028	2029
12/01/2030	46,395.00	48,714.75	2029	2030
Total	\$706,195.00	\$706,195.00		

CITY OF NORTH MANKATO

REQUEST FOR COUNCIL ACTION



Agenda Item #10K	Department: Administration	Council Meeting Date: 7/20/15
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TITLE OF ISSUE: Consider Resolution Providing for the Issuance and Sale of General Obligation Bonds, Series 2015B, in the Proposed Aggregate Principal Amount of \$5,795,000.

BACKGROUND AND SUPPLEMENTAL INFORMATION: Please review the proposed Finance Plan Summary. Tammy Omdal from Northland Securities will be present to review the information.

If additional space is required, attach a separate sheet

REQUESTED COUNCIL ACTION: Adopt Resolution Providing for the Issuance and Sale of General Obligation Bonds, Series 2015B, in the Proposed Aggregate Principal Amount of \$5,795,000.

Motion By: _____
 Second By: _____

Vote Record:

	Aye	Nay	
_____	_____	_____	Norland
_____	_____	_____	Freyberg
_____	_____	_____	Spears
_____	_____	_____	Steiner
_____	_____	_____	Dehen

SUPPORTING DOCUMENTS ATTACHED

Resolution	Ordinance	Contract	Minutes	Map
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other (specify) <u>Finance Plan Summary</u>				

<input type="checkbox"/> Workshop
<input checked="" type="checkbox"/> Regular Meeting
<input type="checkbox"/> Special Meeting

<input type="checkbox"/> Refer to: _____
<input type="checkbox"/> Table until: _____
<input type="checkbox"/> Other: _____

RESOLUTION NO. _____

**RESOLUTION PROVIDING FOR THE ISSUANCE AND SALE
OF GENERAL OBLIGATION REFUNDING BONDS,
SERIES 2015B, IN THE PROPOSED AGGREGATE PRINCIPAL
AMOUNT OF \$5,795,000**

BE IT RESOLVED By the City Council of the City of North Mankato, Minnesota (the "City"), as follows:

1. Background.

(a) The City issued the following general obligations in accordance with the provisions set forth below (collectively, the "Prior Bonds"):

(i) General Obligation Capital Project Bonds, Series 2005A (the "Series 2005A Bonds"), dated as of February 1, 2005, in the original aggregate principal amount of \$2,495,000, the proceeds of which financed the construction of certain assessable public improvements and the construction and equipping of a public works building in the City, pursuant to Minnesota Statutes, Chapters 429, 444, and 475, as amended, and which are subject to optional redemption on or after February 1, 2015;

(ii) General Obligation Utility Revenue Bonds, Series 2006B (the "Series 2006B Bonds"), dated as of May 15, 2006, in the original aggregate principal amount of \$1,600,000, the proceeds of which financed the construction of improvements to the sanitary sewer system, storm water system, and water system of the City, pursuant to Minnesota Statutes, Chapters 444 and 475, as amended (collectively, the "Utility Revenue Act"), and which are subject to optional redemption on or after February 1, 2016;

(iii) General Obligation Improvement Bonds, Series 2006C (the "Series 2006C Bonds"), dated as of December 15, 2006, in the original aggregate principal amount of \$1,760,000, the proceeds of which financed the construction of various assessable public improvements in the City, pursuant to Minnesota Statutes, Chapters 429 and 475, as amended (collectively, the "Improvement Act"), and which are subject to optional redemption on or after February 1, 2015;

(iv) General Obligation Utility Revenue Bonds, Series 2007B (the "Series 2007B Bonds"), dated as of August 1, 2007, in the original aggregate principal amount of \$890,000, the proceeds of which financed the construction of improvements to the sanitary sewer system, storm water system, and water system of the City, pursuant to the Utility Revenue Act, and which are subject to optional redemption on or after February 1, 2018;

(v) General Obligation Water Utility Revenue Bonds, Series 2008B (the "Series 2008B Bonds"), dated as of May 1, 2008, in the original aggregate principal amount of \$2,295,000, the proceeds of which financed the construction of improvements to the water system of the City, pursuant to the Utility Revenue Act, and which are subject to optional redemption on or after February 1, 2018; and

(vi) General Obligation State Aid Street and Refunding Bonds, Series 2009D (the "Series 2009D Bonds"), dated as of December 1, 2009, in the original aggregate principal amount of \$3,120,000, the proceeds of which (A) financed the construction of the Carlson Drive/CSAH 41/Howard Drive Improvements in the City; and (B) refinanced the establishment, location, relocation, construction, reconstruction, and improvement of certain state aid streets in the City through the redemption and prepayment of the City's General Obligation State-Aid Street Bonds, Series 1998B, pursuant to Minnesota Statutes, Chapter 475, as amended, and Section 162.18, as amended (collectively, the "State Aid Street Financing Act"), and which are subject to optional redemption on or after April 1, 2017.

(b) The City is authorized by Minnesota Statutes, Section 475.67, subdivision 3 to issue and sell its general obligation bonds to refund obligations and the interest thereon before the due date of the obligations, if consistent with covenants made with the holders thereof, when determined by the City Council to be necessary or desirable for the reduction of debt service cost to the City or for the extension or adjustment of maturities in relation to the resources available for their payment.

(c) Furthermore, the City is authorized by Minnesota Statutes, Section 475.67, subdivision 13 to issue and sell its general obligation bonds to refund outstanding bonds when determined by the City Council to be necessary and desirable.

(d) It is necessary and expedient to the sound financial management of the affairs of the City to issue its General Obligation Refunding Bonds, Series 2015B (the "Bonds"), in the proposed aggregate principal amount of \$5,795,000, to (i) redeem and prepay the outstanding principal of and interest on the Series 2005A Bonds on or about September 21, 2015; (ii) refund in advance of maturity on February 1, 2016 the principal of the Series 2006B Bonds maturing after February 1, 2016; (iii) redeem and prepay the outstanding principal of and interest on the Series 2006C Bonds on or about September 21, 2015; (iv) refund in advance of maturity on February 1, 2018 the principal of the Series 2007B Bonds maturing after February 1, 2018; (v) refund in advance of maturity on February 1, 2018 the principal of the Series 2008B Bonds maturing after February 1, 2018; and (vi) refund in advance of maturity on April 1, 2017 the principal of the Series 2009D Bonds maturing after April 1, 2017.

(e) The City is authorized by Minnesota Statutes, Section 475.60, subdivision 2(9) to negotiate the sale of the Bonds, it being determined that the City has retained an independent financial advisor in connection with such sale. The actions of the City staff and the City's municipal advisor in negotiating the sale of the Bonds are ratified and confirmed in all aspects.

2. Sale of Bonds. It is necessary and expedient to the sound financial management of the affairs of the City to issue the Bonds in the proposed aggregate principal amount of \$5,795,000 pursuant to the Utility Revenue Act, Improvement Act, and the State Aid Street Financing Act, particularly Sections 475.67, subdivisions 3 and 13, to refund the Prior Bonds as herein provided. The Bonds will be issued, sold and delivered in accordance with the terms of the official Notice of Sale attached hereto as EXHIBIT A (the "Notice of Sale")

3. Authority of Municipal Advisor. Northland Securities, Inc. is authorized and directed to advertise the Bonds for sale in accordance with the foregoing Notice of Sale in the manner required by law. The City Council will meet at 7:00 P.M. on Monday, August 17, 2015, to consider bids on the Bonds and take any other appropriate action with respect to the Bonds.

4. Authority of Bond Counsel. The law firm of Kennedy & Graven, Chartered, as bond counsel for the City, is authorized to act as bond counsel and to assist in the preparation and review of necessary documents, certificates and instruments relating to the Bonds. The officers, employees and agents of the City are hereby authorized to assist Kennedy & Graven, Chartered in the preparation of such documents, certificates, and instruments.

5. Covenants. In the resolution awarding the sale of the Bonds the City Council will set forth the covenants and undertakings required by the Act.

6. Official Statement. In connection with the sale of the Bonds, the officers or employees of the City are authorized and directed to cooperate with Northland Securities, Inc., and participate in the preparation of an official statement for the Bonds and to execute and deliver it on behalf of the City upon its completion.

(The remainder of this page is intentionally left blank.)

The motion for the adoption of the foregoing resolution was duly seconded by Councilmember _____, and upon vote being taken thereon the following members voted in favor of the motion:

and the following voted against:

Whereupon the resolution was declared duly passed and adopted.

EXHIBIT A
NOTICE OF SALE

NOTICE OF SALE

\$5,795,000*

GENERAL OBLIGATION REFUNDING BONDS, SERIES 2015B

CITY OF NORTH MANKATO, MINNESOTA

(Book-Entry Only)

NOTICE IS HEREBY GIVEN that these Bonds will be offered for sale according to the following terms:

TIME AND PLACE:

Proposals will be opened by the City's Finance Director, or designee, on Monday, August 17, 2015, at 10:30 A.M., CT, at the offices of Northland Securities, Inc., 45 South 7th Street, Suite 2000, Minneapolis, Minnesota 55402. Consideration of the Proposals for award of the sale will be by the City Council at its meeting at the City Offices beginning Monday, August 17, 2015, at 7:00 P.M., CT.

SUBMISSION OF PROPOSALS

Proposals may be:

- a) submitted to the office of Northland Securities, Inc.,
- b) faxed to Northland Securities, Inc. at 612-851-5918,
- c) for proposals submitted prior to the sale, the final price and coupon rates may be submitted to Northland Securities, Inc. by telephone at 612-851-5900 or 612-851-4920, or
- d) submitted electronically.

Notice is hereby given that electronic proposals will be received via PARITY™, or its successor, in the manner described below, until 10:30 A.M., CT, on Monday, August 17, 2015. Proposals may be submitted electronically via PARITY™ or its successor, pursuant to this Notice until 10:30 A.M., CT, but no Proposal will be received after the time for receiving Proposals specified above. To the extent any instructions or directions set forth in PARITY™, or its successor, conflict with this Notice, the terms of this Notice shall control. For further information about PARITY™, or its successor, potential bidders may contact Northland Securities, Inc. or i-Deal® at 1359 Broadway, 2nd floor, New York, NY 10018, telephone 212-849-5021.

Neither the City nor Northland Securities, Inc. assumes any liability if there is a malfunction of PARITY™ or its successor. All bidders are advised that each Proposal shall be deemed to constitute a contract between the bidder and the City to purchase the Bonds regardless of the manner in which the Proposal is submitted.

BOOK-ENTRY SYSTEM

The Bonds will be issued by means of a book-entry system with no physical distribution of bond certificates made to the public. The Bonds will be issued in fully registered form and one bond certificate, representing the aggregate principal amount of the Bonds maturing in each year, will be registered in the name of Cede & Co. as nominee of Depository Trust Company ("DTC"), New York, New York, which will act as securities depository of the Bonds.

* The City reserves the right to increase or decrease the principal amount of the Bonds. Any such increase or decrease will be made in multiples of \$5,000 and may be made in any maturity. If any maturity is adjusted, the purchase price will also be adjusted to maintain the same gross spread.

Individual purchases of the Bonds may be made in the principal amount of \$5,000 or any multiple thereof of a single maturity through book entries made on the books and records of DTC and its participants. Principal and interest are payable by the City through Wells Fargo Bank, National Association, Minneapolis, Minnesota (the "Paying Agent/Registrar"), to DTC, or its nominee as registered owner of the Bonds. Transfer of principal and interest payments to participants of DTC will be the responsibility of DTC; transfer of principal and interest payments to beneficial owners by participants will be the responsibility of such participants and other nominees of beneficial owners. The successful bidder, as a condition of delivery of the Bonds, will be required to deposit the bond certificates with DTC. The City will pay reasonable and customary charges for the services of the Paying Agent/Registrar.

DATE OF ORIGINAL ISSUE OF BONDS

September 15, 2015

AUTHORITY/PURPOSE/SECURITY

The Bonds are being issued pursuant to Minnesota Statutes, Chapters 429, 444 and 475 and Section 162.18. Proceeds will be used to refund the following issues: (i) current refund the 2016 through 2020 maturities of the City's G.O. Capital Project Bonds, Series 2005A, dated February 1, 2005; (ii) crossover refund the 2017 through 2021 maturities of the City's G.O. Utility Revenue Bonds, Series 2006B, dated May 15, 2006; (iii) current refund the 2016 through 2018 maturities of the City's G.O. Improvement Bonds, Series 2006C, dated December 15, 2006; (iv) crossover refund the 2019 through 2023 maturities of the City's G.O. Utility Revenue Bonds, Series 2007B, dated August 1, 2007; (v) crossover refund the 2019 through 2029 maturities of the G.O. Water Utility Revenue Bonds, Series 2008B, dated May 1, 2008; and (vi) crossover refund the 2018 through 2025 maturities of the G.O. State Aid Street and Refunding Bonds, Series 2009D, dated December 1, 2009. The Bonds are payable from net revenues of the City's water, storm water and sanitary sewer systems, special assessments and tax levies, and municipal state aid. The full faith and credit of the City is pledged to their payment and the City has validly obligated itself to levy ad valorem taxes in the event of any deficiency in the debt service account established for this issue.

INTEREST PAYMENTS

Interest is due semiannually on each June 1 and December 1, commencing December 1, 2015, to registered owners of the Bonds appearing of record in the Bond Register as of the close of business on the fifteenth day (whether or not a business day) of the calendar month preceding such interest payment date.

MATURITIES

Principal is due annually on December 1, inclusive, in each of the years and amounts as follows:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2015	\$335,000	2020	\$630,000	2025	\$195,000
2016	350,000	2021	470,000	2026	195,000
2017	570,000	2022	475,000	2027	200,000
2018	635,000	2023	435,000	2028	210,000
2019	650,000	2024	445,000		

Proposals for the Bonds may contain a maturity schedule providing for any combination of serial bonds and term bonds, subject to mandatory redemption, so long as the amount of principal maturing or subject to mandatory redemption in each year conforms to the maturity schedule set forth above.

INTEREST RATES

All rates must be in integral multiples of 1/20th or 1/8th of 1%. The dollar price of the callable maturities, 2023 through 2028, inclusive, shall not exceed a maximum price of 102.00%. All Bonds of the same maturity must bear a single uniform rate from date of issue to maturity.

ADJUSTMENTS TO PRINCIPAL AMOUNT AFTER PROPOSALS

The City reserves the right to increase or decrease the principal amount of the Bonds. Any such increase or decrease will be made in multiples of \$5,000 and may be made in any maturity. If any maturity is adjusted, the purchase price will also be adjusted to maintain the same gross spread. Such adjustments shall be made promptly after the sale and prior to the award of Proposals by the City and shall be at the sole discretion of the City. The successful bidder may not withdraw or modify its Proposal once submitted to the City for any reason, including post-sale adjustment. Any adjustment shall be conclusive and shall be binding upon the successful bidder.

OPTIONAL REDEMPTION

Bonds maturing on December 1, 2023 through 2028 are subject to redemption and prepayment at the option of the City on December 1, 2022 and any date thereafter, at a price of par plus accrued interest. Redemption may be in whole or in part of the Bonds subject to prepayment. If redemption is in part, the maturities and principal amounts within each maturity to be redeemed shall be determined by the City and if only part of the Bonds having a common maturity date are called for prepayment, the specific Bonds to be prepaid shall be chosen by lot by the Bond Registrar.

CUSIP NUMBERS

If the Bonds qualify for assignment of CUSIP numbers such numbers will be printed on the Bonds, but neither the failure to print such numbers on any Bond nor any error with respect thereto shall constitute cause for a failure or refusal by the successful bidder thereof to accept delivery of and pay for the Bonds in accordance with terms of the purchase contract. The CUSIP Service Bureau charge for the assignment of CUSIP identification numbers shall be paid by the successful bidder.

DELIVERY

Delivery of the Bonds will be within forty days after award, subject to an approving legal opinion by Kennedy & Graven Chartered, Bond Counsel. The legal opinion will be paid by the City and delivery will be anywhere in the continental United States without cost to the successful bidder at DTC.

TYPE OF PROPOSAL

Proposals of not less than \$5,737,050 (99.00%) and accrued interest on the principal sum of \$5,795,000 must be filed with the undersigned prior to the time of sale. Proposals must be unconditional except as to legality. Proposals for the Bonds should be delivered to Northland Securities, Inc. and addressed to:

Clara Thorne, Finance Director
North Mankato City Hall
1001 Belgrade Ave.
North Mankato, Minnesota 56002

A good faith deposit (the "Deposit") in the amount of \$115,900 in the form of a federal wire transfer (payable to the order of the City) is only required from the apparent winning bidder, and must be received within two hours after the time stated for the receipt of Proposals. The apparent winning bidder will receive notification of the wire instructions from the Municipal Advisor promptly after the sale. If the Deposit is not received from the apparent winning bidder in the time allotted, the City may choose to reject their Proposal and then proceed to offer the Bonds to the next lowest bidder based on the terms of their original proposal, so long as said bidder wires funds for the Deposit amount within two hours of said offer.

The City will retain the Deposit of the successful bidder, the amount of which will be deducted at settlement and no interest will accrue to the successful bidder. In the event the successful bidder fails to comply with the accepted Proposal, said amount will be retained by the City. No Proposal can be withdrawn after the time set for receiving Proposals unless the meeting of the City scheduled for award of the Bonds is adjourned, recessed, or continued to another date without award of the Bonds having been made.

AWARD

The Bonds will be awarded on the basis of the lowest interest rate to be determined on a true interest cost (TIC) basis. The City's computation of the interest rate of each Proposal, in accordance with customary practice, will be controlling. In the event of a tie, the sale of the Bonds will be awarded by lot. The City will reserve the right to: (i) waive non-substantive informalities of any Proposal or of matters relating to the receipt of Proposals and award of the Bonds, (ii) reject all Proposals without cause, and (iii) reject any Proposal which the City determines to have failed to comply with the terms herein.

INFORMATION FROM SUCCESSFUL BIDDER

The successful bidder will be required to provide, in a timely manner, certain information relating to the initial offering price of the Bonds necessary to compute the yield on the Bonds pursuant to the provisions of the Internal Revenue Code of 1986, as amended.

OFFICIAL STATEMENT

By awarding the Bonds to any underwriter or underwriting syndicate submitting a Proposal therefor, the City agrees that, no more than seven business days after the date of such award, it shall provide to the senior managing underwriter of the syndicate to which the Bonds are awarded, the Final Official Statement in an electronic format as prescribed by the Municipal Securities Rulemaking Board (MSRB).

FULL CONTINUING DISCLOSURE UNDERTAKING

The City will covenant in the resolution awarding the sale of the Bonds and in a Continuing Disclosure Undertaking to provide, or cause to be provided, annual financial information, including audited financial statements of the City, and notices of certain material events, as required by SEC Rule 15c2-12.

BANK QUALIFICATION

The City will designate the Bonds as qualified tax-exempt obligations for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

BOND INSURANCE AT UNDERWRITER'S OPTION

If the Bonds qualify for issuance of any policy of municipal bond insurance or commitment therefor at the option of the successful bidder, the purchase of any such insurance policy or the issuance of any such commitment shall be at the sole option and expense of the successful bidder of the Bonds. Any increase in the costs of issuance of the Bonds resulting from such purchase of insurance shall be paid by the successful bidder, except that, if the City has requested and received a rating on the Bonds from a rating agency, the City will pay that rating fee. Any other rating agency fees shall be the responsibility of the successful bidder. Failure of the municipal bond insurer to issue the policy after the Bonds have been awarded to the successful bidder shall not constitute cause for failure or refusal by the successful bidder to accept delivery on the Bonds.

The City reserves the right to reject any and all Proposals, to waive informalities and to adjourn the sale.

Dated: July 20, 2015

BY ORDER OF THE NORTH MANKATO CITY COUNCIL

/s/ Clara Thorne
Finance Director

Additional information may be obtained from:
Northland Securities, Inc.
45 South 7th Street, Suite 2000
Minneapolis, Minnesota 55402
Telephone No.: 612-851-5900

STATE OF MINNESOTA)
)
COUNTY OF NICOLLET)
)
CITY OF NORTH MANKATO)

I, the undersigned, being the duly qualified and acting City Clerk of the City of North Mankato, Minnesota (the "City"), hereby certify that I have carefully compared the attached and foregoing extract of minutes of a regular meeting of the City Council of the City held on Monday, July 20, 2015, with the original minutes on file in my office and the extract is a full, true and correct copy of the minutes, insofar as they relate to the issuance and sale of the City's General Obligation Refunding Bonds, Series 2015B, in the proposed aggregate principal amount of \$5,795,000.

WITNESS My hand as City Clerk and the corporate seal of the City this ____ day of _____, 2015.

(SEAL)

City Clerk
City of North Mankato, Minnesota

Extract of Minutes of Meeting
of the City Council of the City of
North Mankato, Nicollet County, Minnesota

Pursuant to due call and notice thereof a regular meeting of the City Council of the City of North Mankato, Minnesota, was held at the City Hall in the City on Monday, July 20, 2015, commencing at 7:00 P.M.

The following members of the Council were present:

and the following were absent:

The following resolution was presented by Member _____, who moved its adoption:

FINANCE PLAN SUMMARY

FOR

CITY OF NORTH MANKATO, MINNESOTA

\$5,795,000

**GENERAL OBLIGATION REFUNDING BONDS,
SERIES 2015B**

NORTHLAND  SECURITIES

45 South 7th Street
Suite 2000
Minneapolis, MN 55402
612-851-5900 800-851-2920

July 20, 2015

City of North Mankato, Minnesota
\$5,795,000
General Obligation Refunding Bonds, Series 2015B

FINANCING PLAN OVERVIEW

Upon a review with the City's staff we recommend the City consider issuing \$5,795,000 General Obligation Refunding Bonds, Series 2015B (the Series 2015B Bonds) to refund the callable maturities of the City's:

- GO Capital Project Bonds, Series 2005A, Callable February 1, 2015 – Current
- GO Utility Revenue Bonds, Series 2006B, Callable February 1, 2016 – Crossover
- GO Improvement Bonds, Series 2006C, Callable February 1, 2015 – Current
- GO Utility Revenue Bonds, Series 2007B, Callable February 1, 2018 – Crossover
- GO Water Utility Revenue Bonds, Series 2008B, Callable February 1, 2018 – Crossover
- GO State Aid & Refunding Bonds, Series 2009D, Callable April 1, 2017 – Crossover

The primary objectives of this finance plan include:

- Maximize debt service cost savings - municipal interest rates are at historically low levels once again. Locking in low fixed rates in advance of the call date on the Refunded Bonds will reduce the City's future interest costs and help manage future debt service levies.

AUTHORITY & PURPOSE

The Bonds will be issued pursuant to Minnesota Statutes 475, 429, and 444. The proceeds will be used to current refund the Series 2005A Bonds and the Series 2006C Bonds which are currently callable and to crossover refund the Series 2006B, the Series 2007B, Series 2008B and the Series 2009D Bonds on the call dates, as referenced above, (collectively, the "Refunded Bonds") and to pay the costs of issuing the Bonds. The estimated source and uses of funds are shown in Figure 1 that follows.

FIGURE 1.
Refunding Summary

Dated 09/15/2015 | Delivered 09/15/2015

	2005A	2006B	2006C	2007B	2008B	2009D	Issue Summary
Sources Of Funds							
Par Amount of Bonds	\$425,000.00	\$725,000.00	\$445,000.00	\$375,000.00	\$1,905,000.00	\$1,920,000.00	\$5,795,000.00
Total Sources	\$425,000.00	\$725,000.00	\$445,000.00	\$375,000.00	\$1,905,000.00	\$1,920,000.00	\$5,795,000.00
Uses Of Funds							
Deposit to Crossover Escrow Fund	416,991.92	711,800.65	437,126.67	367,065.28	1,868,438.70	1,882,151.11	5,683,574.33
Total Underwriter's Discount (1.000%)	4,250.00	7,250.00	4,450.00	3,750.00	19,050.00	19,200.00	57,950.00
Costs of Issuance	3,725.62	6,355.48	3,900.95	3,287.32	16,699.57	16,831.06	50,800.00
Rounding Amount	32.46	(406.13)	(477.62)	897.40	811.73	1,817.83	2,675.67
Total Uses	\$425,000.00	\$725,000.00	\$445,000.00	\$375,000.00	\$1,905,000.00	\$1,920,000.00	\$5,795,000.00

SECURITY

The Series 2012A Bonds will be a general obligation of the City. In addition, the City will pledge special assessment revenues, water and sewer revenues originally pledged to the Refunded Bonds.

METHOD OF REFUNDING

We recommend utilizing combination of current and "crossover advance" refundings to achieve the refunding objective. A current refunding is when the call date on the Refunded Bonds is within 90 days of the closing of the refunding bonds. A crossover advance refunding is required when one wishes to lock in current interest rates more than 90 days in advance of the call date on the old bonds. An advance refunding requires the proceeds of the new refunding bonds to be invested in government securities and held in escrow until the call date. The funds in the escrow are used to pay interest on the new refunding bonds until the call date and then prepay the principal of the old bonds. Savings occurs after the call date of the bonds being refunded. A complete and detailed refunding analysis illustrating the preliminary structure of the refunding has been provided and reviewed with City staff.

SAVINGS ANALYSIS

The callable maturities of the Bonds are currently outstanding at average interest rates of 4.06%, 4.25%, 4.00%, 4.39%, 4.09%, and 3.86% respectively. Based on current market conditions, we estimate the Bonds could be refunded with a bank-qualified, tax-exempt average interest rate of approximately 2.04%. This interest rate spread, together with interest earnings on the new bond proceeds until the call dates as stated above, would result in a total debt service cost savings of approximately \$298,786. The estimated savings is net of all financing costs and is based on a

“Level Savings” scenario whereby the savings is realized through the original terms of the Bonds.

The debt service comparison showing the scheduled debt service versus the new estimated combined debt service is illustrated in Figure 2 below. The estimated combined debt service for the new Series 2015B Bonds is shown in Exhibit A on page 7.

FIGURE 2.

Debt Service Comparison

Date	Total P+I	PCF	Existing D/S	Net New D/S	Old Net D/S	Savings
04/01/2016	355,372.22	(728,941.94)	1,290,715.63	914,470.24	922,564.38	8,094.14
04/01/2017	444,992.50	(1,935,812.50)	2,339,855.00	849,035.00	866,045.00	17,010.00
04/01/2018	662,367.50	(2,217,730.00)	2,435,190.00	879,827.50	912,540.00	32,712.50
04/01/2019	721,667.50	-	-	721,667.50	761,440.00	39,772.50
04/01/2020	728,730.00	-	-	728,730.00	764,317.50	35,587.50
04/01/2021	699,305.00	-	-	699,305.00	730,517.50	31,212.50
04/01/2022	528,910.00	-	-	528,910.00	555,957.50	27,047.50
04/01/2023	525,215.00	-	-	525,215.00	552,760.00	27,545.00
04/01/2024	475,715.00	-	-	475,715.00	498,800.00	23,085.00
04/01/2025	476,362.50	-	-	476,362.50	496,600.00	20,237.50
04/01/2026	216,127.50	-	-	216,127.50	223,620.00	7,492.50
04/01/2027	211,350.00	-	-	211,350.00	220,830.00	9,480.00
04/01/2028	211,280.00	-	-	211,280.00	222,640.00	11,360.00
04/01/2029	215,880.00	-	-	215,880.00	224,030.00	8,150.00
Total	\$6,473,274.72	(4,882,484.44)	\$6,065,760.63	\$7,653,875.24	\$7,952,661.88	\$298,786.64

PV Analysis Summary (Net to Net)

Gross PV Debt Service Savings.....	240,064.44
Net PV Cashflow Savings @ 2.025%(Bond Yield).....	240,064.44
Contingency or Rounding Amount.....	2,675.67
Net Present Value Benefit	\$242,740.11
Net PV Benefit / \$5,891,058.32 PV Refunded Debt Service	4.120%

RELATED CONSIDERATIONS

- *Bank Qualified* - because total tax-exempt debt issued by the City in calendar year 2016 is expected to be less than \$10.0M, the bonds will be designated as “bank qualified” obligations pursuant to Federal Tax Law. The impact of this designation may result in slightly lower interest rates since banking institutions will be interested in purchasing the bonds. We have adjusted the estimated interest rates accordingly.

- *Arbitrage Compliance* –
 - Project Fund – All tax exempt issues are subject to federal rebate requirements which require all arbitrage earned to be rebated to the U.S. Treasury. Because the proceeds of the refunding bonds will be deposited into a yield restricted escrow fund, arbitrage will not be generated.

 - Debt Service Fund – The City must maintain a bona fide debt service fund for the bonds or be subject to yield restriction in the debt service fund. A bona fide debt service fund involves an equal matching of revenues to debt service expense with a balance forward permitted equal to the greater of the investment earnings in the fund during that year or 1/12 of the debt service of that year.

The City should become familiar with the various Arbitrage Compliance requirements for this bond issue. The Bond Resolution explains the requirements in greater detail. We are also available to assist the City in meeting these requirements.

- *Continuing Disclosure* - Because this issue is greater than \$1,000,000, and the City's outstanding debt exceeds \$10.0M, it is subject to the Securities and Exchange Commission's continuing disclosure requirements. Northland Securities is prepared to assist the City in this capacity.

EXHIBIT A

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
09/15/2015	-	-	-	-	-
12/01/2015	335,000.00	0.450%	20,372.22	355,372.22	-
04/01/2016	-	-	-	-	355,372.22
06/01/2016	-	-	47,496.25	47,496.25	-
12/01/2016	350,000.00	0.750%	47,496.25	397,496.25	-
04/01/2017	-	-	-	-	444,992.50
06/01/2017	-	-	46,183.75	46,183.75	-
12/01/2017	570,000.00	1.000%	46,183.75	616,183.75	-
04/01/2018	-	-	-	-	662,367.50
06/01/2018	-	-	43,333.75	43,333.75	-
12/01/2018	635,000.00	1.250%	43,333.75	678,333.75	-
04/01/2019	-	-	-	-	721,667.50
06/01/2019	-	-	39,365.00	39,365.00	-
12/01/2019	650,000.00	1.450%	39,365.00	689,365.00	-
04/01/2020	-	-	-	-	728,730.00
06/01/2020	-	-	34,652.50	34,652.50	-
12/01/2020	630,000.00	1.650%	34,652.50	664,652.50	-
04/01/2021	-	-	-	-	699,305.00
06/01/2021	-	-	29,455.00	29,455.00	-
12/01/2021	470,000.00	1.850%	29,455.00	499,455.00	-
04/01/2022	-	-	-	-	528,910.00
06/01/2022	-	-	25,107.50	25,107.50	-
12/01/2022	475,000.00	2.000%	25,107.50	500,107.50	-
04/01/2023	-	-	-	-	525,215.00
06/01/2023	-	-	20,357.50	20,357.50	-
12/01/2023	435,000.00	2.150%	20,357.50	455,357.50	-
04/01/2024	-	-	-	-	475,715.00
06/01/2024	-	-	15,681.25	15,681.25	-
12/01/2024	445,000.00	2.300%	15,681.25	460,681.25	-
04/01/2025	-	-	-	-	476,362.50
06/01/2025	-	-	10,563.75	10,563.75	-
12/01/2025	195,000.00	2.450%	10,563.75	205,563.75	-
04/01/2026	-	-	-	-	216,127.50
06/01/2026	-	-	8,175.00	8,175.00	-
12/01/2026	195,000.00	2.600%	8,175.00	203,175.00	-
04/01/2027	-	-	-	-	211,350.00
06/01/2027	-	-	5,640.00	5,640.00	-
12/01/2027	200,000.00	2.700%	5,640.00	205,640.00	-
04/01/2028	-	-	-	-	211,280.00
06/01/2028	-	-	2,940.00	2,940.00	-
12/01/2028	210,000.00	2.800%	2,940.00	212,940.00	-
04/01/2029	-	-	-	-	215,880.00
Total	\$5,795,000.00	-	\$678,274.72	\$6,473,274.72	-

Average Coupon	2.0415579%
Net Interest Cost (NIC)	2.2159832%
True Interest Cost (TIC)	2.2145884%
All Inclusive Cost (AIC)	2.3828907%



2015 LEGISLATIVE WRAP-UP MEETING

*Owatonna Arts Center
Wednesday, July 15, 2015
9:00 a.m. – 11:00 a.m.*

AGENDA

- 9:00 a.m. **Welcome & Introductions**
New Ulm Mayor Bob Beussman, U.S. Highway 14 Partnership President
- 9:05 a.m. **Business Meeting**
- *Approval of minutes from Annual Membership Meeting*
 - *Membership Update*
 - *Treasurer's Report*
- 9:15 a.m. **Review of 2015 Legislative Session and Outlook for 2016**
Carolyn Jackson, Flaherty & Hood, P.A.
- 9:45 a.m. **MnDOT District 7 Project Updates**
Chad Fowlds (Asst. District Engineer-Program Delivery)
- 10:00 a.m. **MnDOT District 6 Project Updates**
Greg Paulson (Asst. District Engineer-Program Delivery) and Michael Dougherty (District 6 Public Affairs)
- 10:15 a.m. **Remarks from Federal Delegation**
*John Pierce (Congressman Walz), Chuck Ackman (Sen. Klobuchar),
and Jake Schwitzer (Sen. Franken)*
- 10:30 a.m. **Remarks by State Legislators** (all Corridor legislators invited, below confirmed)
Rep. John Petersburg, Rep. Clark Johnson, Rep. Paul Torkelson, Rep. Brian Daniels, Sen. Vicki Jensen, Sen. Kathy Sheran, Sen. Julie Rosen
- 11:00 a.m. **Other Business/Adjourn**

**Highway 14 Partnership Fund
Balance Sheet
June 30, 2015**

<u>Account</u>	<u>Amount</u>
Assets:	
Cash & Investments	\$ 34,056
Total Assets:	<u>\$ 34,056</u>
Liabilities:	
Deferred Revenue Due To Other Funds	\$ -
Total Liabilities:	<u>\$ -</u>
Fund Balance:	
Fund Balance	\$ 34,056
Total Fund Balance	<u>\$ 34,056</u>
Total Liabilities & Fund Balance	<u>\$ 34,056</u>

US HIGHWAY 14 MEMBERSHIP 2015

ASSOCIATE MEMBERS

Greater Mankato Growth, Inc	Lloyd Management
New Ulm Chamber of Commerce	M & R Paving & Excavating
Nicollet Chamber of Commerce	MWPC
Owatonna Chamber of Commerce	Mathiowetz Construction Company
All American Foods	Mayo Clinic Foundation
America Can Depend on Farmers	Mayo Clinic Health System
Associated Milk Producers, Inc	McNeilus Steel, Inc
Benco Electric Cooperative	Minnesota Strasse, LLC
Berens, Rodenbergm & O'Connor Chartered	New Ulm Telecom, Inc.
Bic Graphic	Norwood Bic Graphic
Bolton & Menk, Inc	Petersburg, John
Braun Intertec Corporation	RDO Equipment Company
Crystal Valley Co-op	Region 9 Development Corporation
C & S Supply	S & S Motors
Dirt Merchant	Salonek Concrete & Construction, Inc
Federated Insurance	Shelter Products, Inc
Gislason & Hunter LLP	Short Elliott Hendrickson
Hiniker Company	Southern MN Construction / OMG Midwest
Hy Vee	Southern MN Initiative Fund
I & S Group	Wis-Pak, Inc
Kato Cab	Xcel Energy
Kraft Foods	Gary Zellmer
Lidstrom Commercial Realtors	

LOCAL GOVERNMENT MEMBERS

Belgrade Township	City of Janesville
Blue Earth County	City of Kasson
Brown County	City of Mankato
Dodge County	City of New Ulm
Nicollet County	City of Nicollet
Olmsted County	City of North Mankato
Steele County	City of Owatonna
Waseca County	City of Rochester
City of Courtland	City of Sleepy Eye
City of Dodge Center	City of Waseca
City of Eagle Lake	

U.S. Highway 14 Partnership
2015 Annual Membership Meeting
Owatonna Arts Center
435 Garden View Lane, Owatonna, MN 55060
Friday, January 9, 2014
9:00 a.m. – 11:30 a.m.

Draft Meeting Minutes

President Bob Beussman called the meeting to order at 9:04 a.m. Members provided introductions.

Staffing Updates

Amanda Duerr is leaving Flaherty & Hood. Amanda expressed her sadness at leaving and thankfulness for the advocacy and unity of the Partnership, stressing that having one voice for the Partnership is a priority. She will be joining the MN Municipal Utilities Association.

Tim Flaherty then introduced Carolyn Jackson and announced that she, Tim Flaherty and Marty Seifert will be lobbying for the Highway 14 Partnership.

President Beussman expressed thanks to the membership for their coordinated efforts in 2014 with the press and public.

Introduction of New Legislators, Changes

Rep. Jack Considine is the new State Representative for Mankato. He has been advocating for Hwy 14 since 1999. He will serve on the Aging and Long-Term Care Policy, Mining and Outdoor Recreation Policy, and Public Safety and Crime Prevention Policy and Finance committees

Rep. Brian Daniels, the new State Representative from Faribault, was unable to attend for health reasons.

President Beussman reported that Congressman Walz had called to let us know that he no longer serves on transportation committee, but he is still willing to work for transportation, including Highway 14.

Project Updates

Chad Fowlds, MnDOT District 7, reported that MnDOT is on pace for bid letting for the North Mankato-Nicollet. They hope to get done by 2016. 60% of land parcels have been purchased so far. MnDOT hopes low fuel prices will lead to good bids. There will be a 6 to 8 week detour in 2015 due to culvert replacement. Estimate: \$32M or less for the entire project.

Chad then answered questions and announced that Commissioner Zelle is recruiting members for a task force for all the projects in New Ulm to determine stakeholder needs. Deadline next week.

Greg Paulson, MnDOT District 6, reported update on the Owatonna to Dodge Center segments 1, 2 and 3. Segment 1: Delays came as a result of a cement shortage and early cold weather. The concrete lanes are done and in 2015 they expect to finish the shoulder work. There will be a 2 lane switch over to west

bound lanes for east bound construction. They expect to be finished in summer 2015. Funding came from Corridors of Commerce; didn't have new rights of ways to purchase.

2015: They have already let bids for the mill and overlay project from I-35 to Hwy 56N, culvert improvement, turn lane extensions, ramp repair, curb and gutter clean up. The project is expected to start July 6 and end this fall. Sections 2 and 3 are not funded for construction, but the planning moving forward. The hydraulic design is completed. Currently, they are conducting a soils investigation and locating all farm tile lines.

Second round corridors of commerce \$8.8M for right of way acquisition. Meeting with property owners and doing title work. Next, appraisals, offers and acquisition. Estimate \$7M for segment two, \$25M for overall. Trying to get Segment 2 (W) ready.

Currently they are finalizing Steele and Dodge County turn back agreements. The next step will be work with townships, building new township road segments, trying to get agreements in place.

Greg then answered questions, stressing the benefits of doing preliminary work to have shovel ready projects available.

Business Meeting

Approval of minutes from July, 2014 meeting. Moved and seconded. Approved by voice vote.

Treasurer's report: The treasurer's report was included in the packet. Moved and seconded. Approved by voice vote.

Budget: Based by estimate of dues. Amanda reminded members that membership payments were due on January 1, so all government members should remit payment as soon as possible. All affiliate members have paid. President Beussman acknowledged that hiring for website, social media upkeep has led to new affiliate members, but he also encouraged recruiting more affiliate members.

Motion to authorized contract with Flaherty and Hood: Moved and seconded. Approved by voice vote.

Election of officers: Presidents and VPs can serve up to 3 years; President Buessman and Vice President Gray have only served 1 year. President Beussman indicated interest in continuing as president. Bob Béussman was nominated and seconded. A call for other nominations produced no other nominations. Called for unanimous ballot. Approved by voice vote. President Beussman expressed thanks and pride in the group. Steve Gray indicated interest in continuing as Vice President. Steve Gray was nominated and seconded. A call for nominations resulted in no other nominations. Call for unanimous vote. Approved by voice vote.

Website and Social Media Update

Amanda reported that last fall the Partnership contracted with Katie Nelson from the Owatonna Chamber to do web updates. The social media presence she has established helps at the capitol, and Amanda reminded members that re-tweeting is helpful. Katie is currently updating the Highway 14 Partnership website. The website will also have access to a new technology, CRM, which allows members to directly contact their legislator. There will be a big rollout.

Legislative Strategy

Tim Flaherty presented the 2015 legislative strategy. The primary issue is to secure \$200 million per year for the next two years in funding for Corridors of Commerce.

He reviewed the election results: Governor Dayton won re-election, the Senate did not face an election and remains in DFL control, and the House switched from DFL to GOP control with the switch of 10 seats. The current talk centers on helping Greater Minnesota. Kurt Daudt from Crown is the new House Speaker, Rep. Kelly from Red Wing is the House Transportation chair, and Rep. Petersburg from Waseca is the vice chair of the Transportation committee.

We are expecting a large transportation bill from the Senate and from the Governor. The coalition MoveMN put forth a large transportation proposal on Thursday, January 8. The conversation from the House Republicans about transportation has concentrated on highways, bridges and local roads, reprioritizing existing dollars, and bonding. Everyone agrees transportation is a key issue. The big question is whether this session will produce a long term solution or a one-time solution.

Laying out the strategy, Tim called for members to continue doing what they have been doing, only more so. The Partnership will lobby for the Corridors of Commerce bill, hold lobbyist meetings with members, have constituents contact members, and work for media coverage of the issue.

Rep. Considine then reported about a presentation Legislators heard from the Itasca Project, a business think-tank. This presentation stressed transportation as key to long term strategic planning for the state.

Tim then answered questions, stressing that Highway 14 is positioned to get project funding, especially if the Partnership continues its lobbying efforts and stressed the importance of having the Corridors of Commerce bill be an appropriation in the transportation budget. Amanda explained that our participation in MoveMN helps us move the larger package. Tim forecasted that a comprehensive package is possible, maybe not as big as MoveMN or governor's package. If business community gets behind, it will happen.

The MN Chamber of Commerce has put forth its agenda, calling for "maintenance plus," the same level of funding plus \$50M year from general fund, efficiencies from MnDOT, efficiencies from interchange redesign and value recapture. The MN Chamber meeting with statewide chambers Jan. 16th to discuss.

Policy Positions

Amanda read through the proposed changes to the Partnership policy positions. A technical amendment was offered and accepted.

The policy positions were moved and seconded to adopt as amended. They were approved by voice vote. The amended policies are attached hereto.

Other Business

Waseca County Mark Lighterman, planning and zoning administrator for Waseca County, presented the attached request for a resolution of support regarding transfer of certain land parcels from MnDOT. Discussion centered on the need more information. The resolution was not moved.

Steve Gray then spoke about his continued support for the Highway 14 Partnership, stressing how having the president on one end of the route in New Ulm, and the Vice President on the other end in Rochester shows the importance of the entire partnership.

President Beussman then told a story how the economic developer in New Ulm hears from companies, "Once you get a four-lane, call us back." He reiterated the need for support from Rochester to New Ulm.

Owatonna Mayor Tom Kuntz then spoke about a coalition against bigger trucks. There is a proposal to increase the 82,000 pound limit to 97,000 pounds. He asked for city and county support for that coalition.

President Beussman adjourned the meeting at 11:05 a.m.

Respectfully submitted,
FLAHERTY & HOOD, P.A.

Carolyn Jackson
Senior Lobbyist