



**CITY COUNCIL AGENDA  
SPECIAL CITY COUNCIL MEETING  
August 26, 2019 3:30 P.M.**

The City of Montrose is committed to maintaining a safe, welcoming, family-friendly community, with affordable housing, where parents can raise their families; to ensuring our skilled, motivated employees provide high quality public services at a value; to sound stewardship and fiscal responsibility to ensure our city remains strong and prosperous, both now and into the future; to nurturing business-friendly partnerships to promote economic development and local jobs; to thoughtfully address community needs and plan for growth, innovation and sustainable development; and to ethical leadership that is responsive and accountable to our citizens.

Montrose City Hall  
Conference Room  
311 Buffalo Avenue South  
Montrose, Minnesota 55363

**1. CALL TO ORDER**

**2. ROLL CALL**

**3. PUBLIC HEARING**

**A. Consider Amendments to the Economic Development Authority's Governing Resolution**

1. Consider amendments to the City of Montrose's Economic Development Authority (EDA)'s Governing Resolution

**4. BUSINESS**

**A. United States Census Bureau Presentation – Mr. Michael Gold-Biss**

1. Year 2020 Census and the Complete Count Committee

**B. Introduction of City Attorney, Mr. James Monge**

**C. Engineering Discussion**

**D. Code Enforcement**

1. Update on Code Enforcement Progress
2. Discussion on Fencing - 123 Hill Street



**E. Franchise Fees Discussion**

**F. Telephone System Proposal**

**5. UPCOMING MEETINGS**

- A.** City Council Year 2020 Budget and Levy Workshop – Monday, August 26, 2019 immediately following the Special City Council Meeting in the Montrose City Hall Conference Room
- B.** Park and Recreation Commission Meeting – Wednesday, September 4, 2019 at 5:30 p.m. in the Montrose City Hall Conference Room
- C.** Regular City Council Meeting – Monday, September 9, 2019 at 7:00 p.m. in the Montrose Community Center
- D.** Planning and Zoning Commission Meeting – Wednesday, September 11, 2019 at 7:00 p.m. in the Montrose Community Center
- E.** City Council Workshop – Monday, September 23, 2019 at 3:30 p.m. in the Montrose City Hall Conference Room

**6. ADJOURNMENT**



CITY OF MONTROSE  
NOTICE OF PUBLIC HEARING

Notice is hereby given that the Montrose City Council will hold a Public Hearing at 3:30 p.m. or as soon thereafter on Monday, August 26, 2019 at Montrose City Hall, located at 311 Buffalo Avenue South, for the purpose of considering amendment of the City of Montrose's Economic Development Authority's Governing Resolution.

Notice is further given that any written or oral comments from citizens regarding the proposed Governing Resolution amendments will be heard at the Public Hearing. All interested persons are invited to attend the meeting and will be afforded the opportunity to speak on the applications during the Public Hearing.

Deb Boelter  
Montrose City Clerk-Treasurer

Date of Posting: **Tuesday, August 13, 2019**

Date of Publication: **Thursday, August 15, 2019**



CITY OF MONTROSE  
COUNTY OF WRIGHT  
STATE OF MINNESOTA

RESOLUTION NO. 2019-20

RESOLUTION AMENDING RESOLUTION NUMBER 92-15  
ESTABLISHING THE ECONOMIC  
DEVELOPMENT AUTHORITY FOR THE CITY OF MONTROSE

WHEREAS, the City Council of the City of Montrose previously adopted resolution 92-15 providing for the establishment of the City of Montrose Economic Development Authority; and

WHEREAS, the City Council has determined that it is appropriate to alter the membership requirements for the City of Montrose Economic Development Authority to provide additional focus for economic development activities and projects; and

WHEREAS, a public hearing was held on August 26, 2019 for the purpose of receiving public comment on the modification to the Governing Resolution for the City of Montrose Economic Development Authority.

NOW, THEREFORE, BE IT RESOLVED that the Montrose City Council hereby amends the "Governing Resolution, City of Montrose Economic Development Authority", and that said document as amended is incorporated herein and made part of this resolution.

By order of the City Council of the City of Montrose.

Adopted by the City Council of Montrose, Minnesota this 26<sup>th</sup> day of August, 2019.

CITY OF MONTROSE

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Michelle Otto, Mayor

ATTEST:

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Deb Boelter, City Clerk-Treasurer



GOVERNING RESOLUTION, CITY OF MONTROSE  
ECONOMIC DEVELOPMENT AUTHORITY

- I. Authority to Establish, Governing Law:
  - A. The City of Montrose Economic Development Authority (hereinafter the "Authority") is established under the authority of Minnesota Statutes 469.090 through 469.1081, as amended, and the organization, powers and activities of the Authority shall be governed by those statutes and this resolution.
  
- II. Commission Size, Appointment, Compensation, and Removal of Commissioners:
  - A. Size: The Authority shall consist of five Commissioners, two of which shall also be members of the City Council.
  
  - B. Terms and Appointment: Each of the Commissioners that are not City Council members shall be appointed to a 2-year term. Those Commissioners that are also City Council members shall be appointed by the City Council annually.
  
  - C. Compensation and Reimbursement: Commissioners shall be paid for attending each regular or special meeting of the Authority in an amount to be set by resolution of the City Council. The Authority may budget for additional expenses that may be incurred by Commissioners in conducting the business of the Authority.
  
  - D. Removal for Cause: A Commissioner may be removed by the City Council for inefficiency, neglect of duty or misconduct in office. Such removal shall be preceded by a hearing wherein the Commissioner charged shall be given an opportunity to be heard in person or by counsel. The Commissioner charged shall be provided a written copy of the charges at least ten days before any hearing. If written charges are submitted against a Commissioner, the City Council may temporarily suspend said Commissioner. When any Commissioner is removed for cause a record of the proceedings of the hearing shall be filed in the office of the City Clerk together with the charges and findings of fact.
  
- III. Authority Officers and Duties:
  - A. Officers. The officers of the Authority shall be a President, a Vice-President, a Treasurer, an Assistant Treasurer and a Secretary. The President, the Vice-President and the Treasurer shall be members of the Board and shall be elected annually, and no Commissioner may be both President and Vice-President simultaneously. The Assistant Treasurer and the Secretary need not be members of the Board.
  
  - B. President. The President shall preside at all meetings of the Board. Except as otherwise authorized by resolution of the Board, the President and the Secretary (the Vice-President, in the Secretary's absence or incapacity) shall sign all contracts, deeds and other instruments made or executed by the



Authority, except that all checks of the Authority shall be signed by the Treasurer and Assistant Treasurer. At each meeting the President shall submit such recommendations and information as he or she may consider proper concerning the business, affairs, and policies of the Authority.

- C. Vice-President. The Vice-President shall perform the duties of the President in the absence or incapacity of the President; and in case of the resignation or death of the President, the Vice-President shall perform such duties as are imposed on the President until such time as the Board shall select a new President.
  - D. Secretary. The Secretary shall keep minutes of all meetings of the Board and shall maintain all records of the Authority. The Secretary shall also have such additional duties and responsibilities as the Board may from time to time and by resolution prescribe.
  - E. Treasurer. The Treasurer shall have the care and custody of all funds of the Authority and shall deposit the same in the name of the Authority in such bank or banks as the Board may select. The Treasurer and Assistant Treasurer shall sign all orders and checks for the payment of money and shall pay out and disburse such moneys under the direction of the Board. The Treasurer shall keep regular books of accounts showing receipts and expenditures and shall render to the Board, at least annually (or more often when requested), an account of such transactions and also of the financial condition of the Authority. The Assistant Treasurer shall act as the Treasurer's agent and assistant to perform the above-described duties, subject to the Treasurer's approval thereof.
  - F. Additional Duties. The officers of the Authority shall perform such other duties and functions as may from time to time be required by the Board or the bylaws or rules and regulations of the Authority.
  - G. Vacancies. Should the office of President, Vice-President, Treasurer, Assistant Treasurer or Secretary become vacant, the Board shall elect a successor at the next regular meeting, or at a special meeting called for such purpose, and such election shall be for the unexpired term of said officer.
  - H. Additional Personnel. The Board may from time to time employ such personnel as it deems necessary to exercise its powers, duties, and functions. The selection and compensation of such personnel shall be determined by the Board.
- IV. Organizational Matters:
- A. Regular Meetings. The regular meetings of the Board shall occur according to a meeting schedule, if any, adopted or revised from time to time by resolution of the Board.



- B. Special Meetings. Special meetings of the Board may be called by the President or any two members of the Board for the purpose of transacting any business designated in the call. The call for a special meeting may be delivered at any time prior to the time of the proposed meeting to each member of the Board or may be mailed to the business or home address of each member of the Board at least two (2) days prior to the date of such special meeting. At such special meeting no business shall be considered other than as designated in the call, but if at least four members of the Board are present at a special meeting, any and all business may be transacted at such special meeting. Notice of any special meeting shall be posted and/or published as may be required by law.
- C. Quorum. The powers of the Authority shall be vested in the Board. Three Commissioners shall constitute a quorum for the purpose of conducting the business and exercising the powers of the Authority and for all other purposes, but a smaller number may adjourn from time to time until a quorum is obtained. When a quorum is in attendance, action may be taken by the Board upon a vote of a majority of the Commissioners present.
- D. Order of Business. At the regular meetings of the Board the following shall be the order of business:

Roll call.  
 Approval of the minutes of previous meeting.  
 Bills and communications.  
 Reports.  
 Unfinished business.  
 New business.  
 Adjournment.

All resolutions shall be written or transcribed and shall be retained in the journal of the proceedings maintained by the Secretary.

- E. Adoption of Resolutions. Resolutions of the Board shall be deemed adopted if approved by not less than a simple majority of all Commissioners present, unless a different requirement for adoption is prescribed by law. Resolutions may but need not be read aloud prior to vote taken thereon and may but need not be executed after passage.
- F. Rules of Order. The meetings of the Board shall be governed by the most recent edition of Robert's Rules of Order.
- V. Powers of the Authority.
- A. Powers: The Authority shall have all of the powers listed and granted in Minnesota Statute 469.090 through 469.1081, as amended, and those powers granted to a Housing and Redevelopment Authority in Minnesota Statutes 460.01 through 469.047 as amended.



B. Bonding and Other Obligations: The Authority shall have the power to issue bonds and incur other obligations as granted in Minnesota Statute for an Economic Development Authority and a Housing and Redevelopment Authority. All financial obligations will require the approval of the Montrose City Council prior to being incurred.

C. Tax Levy: The City of Montrose may levy a tax in any year for the benefit of the Authority. Said tax cannot be more than .01813 percent of the taxable market value. The City of Montrose may increase its levy for the Authority's purposes in accordance with Minnesota Statute 469.107, Subd. 2, as amended.

VI. MISCELLANEOUS

A. Conflicts of Interest. Except as authorized in Minnesota Statute 471.88 a Commissioner or employee of the Authority shall not acquire any financial interest, direct or indirect, in any project or any property included or planned to be included in any project.

B. Budget to the City. The Authority shall submit its detailed budget to the Montrose City Council by August 1 of each year.

C. Fiscal Year. The fiscal year of the Authority shall coincide with the fiscal year of the City of Montrose.





Honorable City Council  
City of Montrose

## 2020 Census and the Complete Count Committee

Thank you for meeting with me to discuss the Census Bureau's plans for conducting the 2020 Census. Operations for the 2020 Census have begun and opportunities for local government involvement are now available.

To summarize, a Complete Count Committee (CCC) has some, or all the following characteristics:

- Organized at the county, municipal, or community level
- Formed by local, consensus vote, resolution, official proclamation or passage of ordinance
- Members, who are "trusted voices" in the community, are volunteers and are appointed by the Highest Elected Official (HEO)
- Committee organizes local outreach efforts
- Provides leadership/support for participation

The CCC purposes include:

- Assist Census Bureau to meet the goal of a timely, accurate and cost-effective census count.
- Act as 2020 Census Champions
- Provide "trusted voices" as Census Ambassadors

### CCC Objectives

- Monitor census participation
- Target outreach efforts in low response rate areas
- Marshall resources to support Complete Count goals
- Collaborate with Regional Director and Partnership Specialists for training and support

### Sample Topics for CCCs:

- How to reach specific audiences, such as Millennials, students, Seniors, businesses, and faith-based communities
- How to help recruit for Census Jobs
- How to use and engage with Media & Social Media
- How to share, reinforce, and localize the Census message



#### CCC Key Communication Phases

- Gear Up Phase                Now – Fall 2019
- Engage Phase                Nov – Dec 2019
- Educate Phase               Feb 2020
- Encourage Phase           Mar – May 2020
- Remind Phase               May – Jul 2020
- Thank You Phase           Start Jul 2020

A CCC commitment letter can indicate the general willingness to work with the US Census Bureau to ensure an accurate count on Census Day, April 1, 2020 for a count where everyone is counted once, only once and in the right place. Specifics such as use of social media or bulletin boards, newsletters are welcome. The important part of the letter is to indicate a commitment to work with the Census, details to be determined as the process moves along.

A Complete Count Committee commitment letter or memorandum should be sent to our Director:

Mrs. Marilyn A. Sanders, Regional Director  
US Census Bureau-Chicago Regional Census Center  
175 West Jackson Boulevard, Suite 600  
Chicago, Illinois 60604

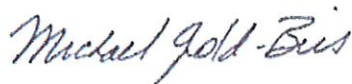
It can be sent electronically at [marilyn.a.sanders@census.gov](mailto:marilyn.a.sanders@census.gov). Please consider sending me a copy.

As you know, the Census means a lot more to Minnesota than a simple count – it is the basis for many of the funding and policy decisions that are made at all levels of government. We have learned from previous censuses that the involvement of state and local officials as well as local partners in the process is essential to the overall success of the Census and does make a difference in the results.

Again, thank you for your time and for your partnership in this important mission. I look forward to working with you and the City of Montrose as we prepare for Census Day – April 1, 2020,

Please call me at 651-281-0876 if you have questions or need additional assistance.

Sincerely,



Michael Gold-Biss



## ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE IMPLEMENTING AN ELECTRIC SERVICE FRANCHISE FEE ON NORTHERN STATES POWER COMPANY, A MINNESOTA CORPORATION, ITS SUCCESSORS AND ASSIGNS, FOR PROVIDING ELECTRIC SERVICE WITHIN THE CITY OF MONTROSE.

THE CITY COUNCIL OF THE CITY OF MONTROSE DOES ORDAIN:

**SECTION 1.** The City of Montrose Municipal Code is hereby amended to include reference to the following Special Ordinance.

**1. Purpose.** The Montrose City Council has determined that it is in the best interest of the City to impose a franchise fee on those public utility companies that provide electric services within the City of Montrose.

- (a) Pursuant to City Ordinance \_\_\_\_\_, a Franchise Agreement between the City of Montrose and Northern States Power Company, a Minnesota corporation, its successors and assigns, the City has the right to impose a franchise fee on Northern States Power Company, a Minnesota corporation, its successors and assigns, in an amount and fee design as set forth in the fee schedule attached hereto as Schedule A.

**2. Terms.** A franchise fee is hereby imposed on Northern States Power Company, a Minnesota Corporation, its successors and assigns, under its electric franchise in accordance with the schedule attached here to and made a part of this Ordinance, commencing with the NSPM \_\_\_\_\_, 20\_\_ billing month.

The fee shall be in lieu of any permit or other fees being imposed on Company. This fee is an account-based fee on each premise and not a meter-based fee. In the event that an entity covered by this ordinance has more than one meter at a single premise, but only one account, only one fee shall be assessed to that account. If a premise has two or more meters being billed at different rates, the Company may have an account for each rate classification, which will result in more than one franchise fee assessment for electric service to that premise. If the Company combines the rate classifications into a single account, the franchise fee assessed to the account will be the largest franchise fee applicable to a single rate classification for energy delivered to that premise. In the event any entities covered by this ordinance have more than one premise, each premise (address) shall be subject to the appropriate fee. In the event a question arises as to the proper fee amount for any premise, the Company's manner of billing for energy used at all similar premises in the city will control.

**3. Payment.** The franchise fee shall be payable quarterly and shall be based on the amount collected by Company during complete billing months during the period for which payment is to be made. The payment shall be due the last business day of the month following the period for which the payment is made. The franchise fee may be changed by ordinance from time to time; however, each change shall meet the same notice requirements and not occur more often than annually and no change shall require a collection from any customer for electric service in excess of the amounts specifically permitted by the attached fee schedule. The time and manner of collecting the franchise fee may be subject to the approval of the Commission. No franchise fee shall be payable by Company if Company is unable to first collect an amount equal to the franchise fee from its customers in each applicable class of customers by imposing a surcharge in Company's applicable rates for electric service. Company may pay the City the fee based upon the surcharge billed subject to subsequent reductions to account for uncollectibles, refunds and correction of erroneous billings. Company



agrees to make its records available for inspection by the City at reasonable times provided that the City and its designated representative agree in writing not to disclose any information which would indicate the amount paid by any identifiable customer or customers or any other information regarding identified customers.

4. **Surcharge.** The City recognizes that the Minnesota Public Utilities Commission may allow Company to add a surcharge to customer rates of city residents to reimburse Company for the cost of the fee.

5. **Equivalent Fee Requirement.** This ordinance shall not be effective against Company unless it lawfully imposes and the City monthly or more often collects a fee or tax of the same or greater equivalent amount on the receipts from sales of energy within the City by any other energy supplier, provided that, as to such a supplier, the City has the authority to require a franchise fee or to impose a tax. The "same or greater equivalent amount" shall be measured, if practicable, by comparing amounts collected as a franchise fee from each similar customer, or by comparing, as to similar customers the percentage of the annual bill represented by the amount collected for franchise fee purposes. The franchise fee or tax shall be applicable to energy sales for any energy use related to heating, cooling or lighting, or to run machinery and appliances, but shall not apply to energy sales for the purpose of providing fuel for vehicles. If the Company specifically consents in writing to a franchise or separate ordinance collecting or failing to collect a fee from another energy supplier in contravention of this section, the foregoing conditions will be waived to the extent of such written consent.

6. **Enforcement.** Any dispute, including enforcement of a default regarding this ordinance will be resolved in accordance with Section 2.5 of the Franchise Agreement.

7. **Effective Date of Franchise Fee.** The effective date of this Ordinance shall be after its publication and ninety (90) days after the sending of written notice enclosing a copy of this adopted Ordinance to NSPM by certified mail. Collection of the fee shall commence as provided above.

Passed and approved: \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
*Mayor*

Attest:

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

SEAL



## SCHEDULE A

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### Franchise Fee Rates:

#### Electric Utility

The franchise fee shall be in an amount determined by applying the following schedule per customer premise/per month based on metered service to retail customers within the City:

<u>Class</u>	<u>Amount per month</u>
Residential	\$ ____
Sm C & I – Non-Dem	\$ ____
Sm C & I – Demand	\$ ____
Large C & I	\$ ____
Public Street Ltg	\$ ____
Muni Pumping –N/D	\$ ____
Muni Pumping – Dem	\$ ____

Franchise fees are submitted to the City on a quarterly basis as follows:

January – March collections due by April 30.  
 April – June collections due by July 31.  
 July – September collections due by October 31.  
 October – December collections due by January 31.



## ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE IMPLEMENTING A GAS SERVICE FRANCHISE FEE ON NORTHERN STATES POWER COMPANY, A MINNESOTA CORPORATION, ITS SUCCESSORS AND ASSIGNS, FOR PROVIDING GAS SERVICE WITHIN THE CITY OF MONTROSE

THE CITY COUNCIL OF THE CITY OF MONTROSE DOES ORDAIN:

**SECTION 1.** The City of Montrose Municipal Code is hereby amended to include reference to the following Special Ordinance.

**Subd. 1. Purpose.** The Montrose City Council has determined that it is in the best interest of the City to impose a franchise fee on those public utility companies that provide natural gas services within the City of Montrose.

- (a) Pursuant to City Ordinance \_\_\_\_\_, a Franchise Agreement between the City of Montrose and Northern States Power Company, a Minnesota corporation, its successors and assigns, the City has the right to impose a franchise fee on Northern States Power Company, a Minnesota corporation, its successors and assigns, in an amount and fee design as set forth in the fee schedule attached hereto as Schedule A.

**Subd. 2. Terms.** A franchise fee is hereby imposed on Northern States Power Company, a Minnesota Corporation, its successors and assigns, under its gas franchise in accordance with the schedule attached here to and made a part of this Ordinance, commencing with the NSPM \_\_\_\_\_, 20\_\_ billing month.

The fee shall be in lieu of any permit or other fees being imposed on Company. This fee is an account-based fee on each premise and not a meter-based fee. In the event that an entity covered by this ordinance has more than one meter at a single premise, but only one account, only one fee shall be assessed to that account. If a premise has two or more meters being billed at different rates, the Company may have an account for each rate classification, which will result in more than one franchise fee assessment for electric service to that premise. If the Company combines the rate classifications into a single account, the franchise fee assessed to the account will be the largest franchise fee applicable to a single rate classification for energy delivered to that premise. In the event any entities covered by this ordinance have more than one premise, each premise (address) shall be subject to the appropriate fee. In the event a question arises as to the proper fee amount for any premise, the Company's manner of billing for energy used at all similar premises in the city will control.

**Subd. 3. Payment.** The franchise fee shall be payable quarterly and shall be based on the amount collected by Company during complete billing months during the period for which payment is to be made. The payment shall be due the last business day of the month following the period for which the payment is made. The franchise fee may be changed by ordinance from time to time; however, each change shall meet the same notice requirements and not occur more often than annually and no change shall require a collection from any customer for gas service in excess of the amounts specifically permitted by the attached fee schedule. The time and manner of collecting the franchise fee may be subject to the approval of the Commission. No franchise fee shall be payable by Company if Company is unable to first collect an amount equal to the franchise fee from its customers in each applicable class of customers by imposing a surcharge in Company's applicable rates for gas service. Company may pay the City the fee based upon the surcharge billed subject to subsequent reductions to account for uncollectibles, refunds and correction of erroneous billings.



Company agrees to make its records available for inspection by the City at reasonable times provided that the City and its designated representative agree in writing not to disclose any information which would indicate the amount paid by any identifiable customer or customers or any other information regarding identified customers.

**Subd. 4. Surcharge.** The City recognizes that the Minnesota Public Utilities Commission may allow Company to add a surcharge to customer rates of city residents to reimburse Company for the cost of the fee.

**Subd. 5. Equivalent Fee Requirement.** The separate ordinance imposing the fee shall not be effective against Company unless it lawfully imposes and the City monthly or more often collects a fee or tax of the same or greater equivalent amount on the receipts from sales of energy within the City by any other energy supplier, provided that, as to such a supplier, the City has the authority to require a franchise fee or to impose a tax. The "same or greater equivalent amount" shall be measured, if practicable, by comparing amounts collected as a franchise fee from each similar customer, or by comparing, as to similar customers the percentage of the annual bill represented by the amount collected for franchise fee purposes. The franchise fee or tax shall be applicable to energy sales for any energy use related to heating, cooling or lighting, or to run machinery and appliances, but shall not apply to energy sales for the purpose of providing fuel for vehicles. If the Company specifically consents in writing to a franchise or separate ordinance collecting or failing to collect a fee from another energy supplier in contravention of this section, the foregoing conditions will be waived to the extent of such written consent.

**Subd. 6. Enforcement.** Any dispute, including enforcement of a default regarding this ordinance will be resolved in accordance with Section 2.5 of the Franchise Agreement.

**Subd. 7. Effective Date of Franchise Fee.** The effective date of this Ordinance shall be after its publication and ninety (90) days after the sending of written notice enclosing a copy of this adopted Ordinance to NSPM by certified mail. Collection of the fee shall commence as provided in above.

Passed and approved: \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
*Mayor*

Attest:

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

SEAL



## SCHEDULE A

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### Franchise Fee Rates:

Gas Utility

The franchise fee shall be in an amount determined by applying the following schedule per customer premise/per month based on metered service to retail customers within the City:

<u>Class</u>	<u>Amount per month</u>
Residential	\$ _____
Commercial/Industrial Firm	\$ _____
Interruptible	\$ _____
Transportation Firm/Interruptible	\$ _____

Franchise fees are submitted to the City on a quarterly basis as follows:

January – March collections due by April 30.  
 April – June collections due by July 31.  
 July – September collections due by October 31.  
 October – December collections due by January 31.





**A**

## **Communications System Proposal**

**Designed Specifically  
For**

**City of Montrose**

**By**

**Carey Castner  
CENTRAL TELEPHONE SALES AND SERVICE  
August 19, 2019**

Our commitment is to determine **YOUR** Present and Future  
Requirements so as to Provide **YOU** with Cost Effective  
Solutions and Options





Deb Boelter  
City of Montrose  
311 Buffalo Ave S  
Montrose, MN. 55363

Dear Deb,

On behalf of Central Telephone Sales and Service, we appreciate the opportunity to present this proposal for a new telecommunications system for **City of Montrose**. The information presented here is in direct response to your request. Should you require any additional information, please do not hesitate to call.

For this proposal, Central Telephone Sales and Service recommends the NEC SV9100. The system satisfies the requirements of your business while establishing a platform for your long-term corporate telecommunication goals and needs.

The NEC SV9100 system has a proven track record for reliability and will enable **City of Montrose** to embrace the latest technologies. The NEC products have historically evolved, and will continue to evolve to provide its users with the latest capabilities available in the marketplace.

Central Telephone Sales and Service is a premier authorized NEC SV9100 distributor. We have a proven track record for quality installations and superior service. We at Central Telephone Sales and Service welcome the opportunity to work with **City of Montrose** to provide you with the best solutions to your communications requirements.

Best regards,

CENTRAL TELEPHONE SALES AND SERVICE

Carey Castner



*In 1979  
You could buy Telephone  
Systems with Service, from Larger  
Well-Known Companies such as:*

- US WEST/ NORTHWESTERN BELL
- HONEYWELL
- NORELCO
- ITT
- RCA
- AT&T
- GE
- LITTON INDUSTRIES
- NYNEX
- HARRIS-LANIER
- TELEPHONE SPECIALISTS INC.

and

- CENTRAL TELEPHONE SALES AND SERVICE

*Today,  
Of the Above Companies,  
Only*

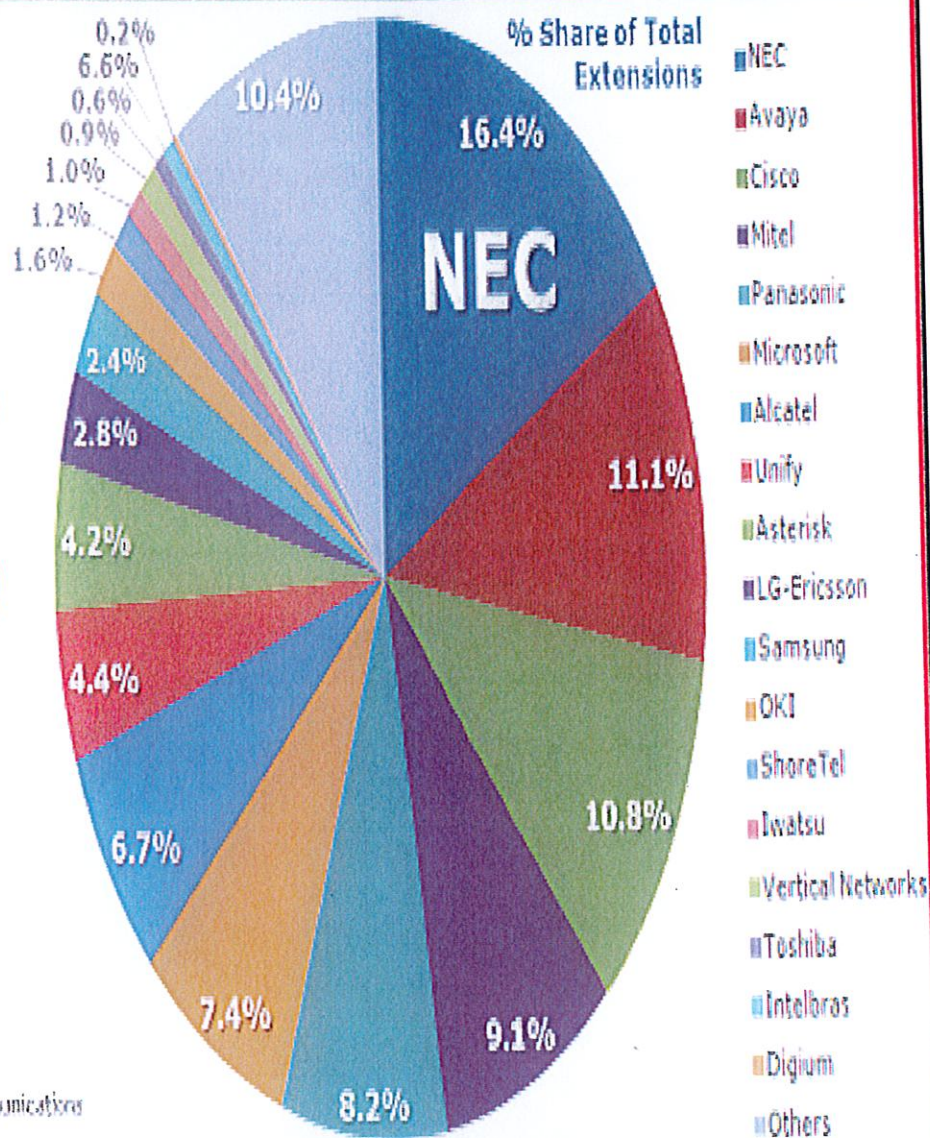
CENTRAL TELEPHONE SALES AND SERVICE

*Still Sells and Services Telephones.*



# IEC Global Market Share Q1 2017

**NEC #1**  
**Worldwide**  
**Q1 2017**



Source: T3i Group, Global InfoTrack for Enterprise Communications  
Q1 2017 Summary Results





## **Proposed Equipment**

**For**

**City of Montrose**

- 1 NEC SV9100E VoIP server cabinet
- 1 PRI T1 Card with Caller ID
- 1 4 Port Analog Station Card (For fax machines and analog devices)
- 11 Standard IP User Licenses
- 50 Resource Licenses
- 1 INMAIL Integrated Voice Mail System with Full Automated Attendant
- 11 Unified Messaging Licenses (Voice mail to E-mail integration)
- 11 Mobile Extension Licenses
- 5 24 Button IP Display Terminals with Speakerphone and Flex Keys
- 6 12 Button IP Display Terminals with Speakerphone and Flex Keys
- 1 NEC Web Pro Administration Tool
- 1 UPS unit (Uninterruptable power system)
- 1 One year NEC hardware warranty, one year Central Telephone labor warranty and one year Software Assurance Plan



## Payment Options

### 1. Lease

Central Telephone Sales and Service partners with a variety of different lease companies to provide the best lease option for your business. Some reasons that a business would lease their new telephone system are:

- Leasing provides the ability to purchase new equipment at an affordable monthly payment.
- Leasing is an Operating Expense – keep your cash for needed Capital Expenses.
- At the end of the lease; you have the option to purchase, renew or return the equipment.
- There may be a tax incentive.

If our suggested leasing company and rates are not part of your business plan, Central Telephone Sales and Service can most likely work with your current leasing company.

Lease payment options for this proposal are listed below. Amount shown is the monthly payment. Tax is not included in the monthly payment. Your down payment would be two (2) monthly payments. All leases are subject to credit approval.

<u>Lease type</u>	<u>36 months</u>	<u>48 months</u>	<u>60 months</u>
<b>\$1.00 purchase option</b>			<b>\$196.82/month</b>

The type of lease you choose will determine the buyout; the \$1.00 buyout option allows you to own the system for \$1.00 at the end of term. FMV purchase option allows you to purchase the system for its Fair Market Value. This type of lease is generally recommended for businesses that plan to either renew the lease or return the equipment. FMV pricing is many times "negotiated" with the lease company at the end of term.

### 2. Cash

When purchased with cash, a down payment of 30% is required. The balance is due at cutover (installation) of the system. Large installations that require cable installation and construction will require a 50% progress payment while the cable installation is taking place. The balance would be due at cutover.

Cash price for this proposal is \$9,045.00 plus applicable sales tax.



To insure that your organization's personnel will fully utilize all the necessary features of your company's telephone system, **Central Telephone Sales & Service** will not only deliver user guides but will **also** instruct your employees on their use. The Customer Training Representative or technician responsible for your system will conduct the following instructional programs:

☆ ***EXTENSION USER TRAINING***

Employees will be trained in group sessions that include a demonstration of system features and written instructions for extension users. These sessions are usually scheduled the day new systems are cut-over.

☆ ***EXECUTIVE / MANAGEMENT TRAINING***

Personal instruction on or before cut-over day include an explanation of system features with instructions on their use, and a demonstration of special executive features.

☆ ***OPERATOR / RECEPTIONIST TRAINING***

Your receptionist will meet with a Customer Training Representative for personal and comprehensive instructions. They will also receive a detailed user guide.

***WE ARE DEDICATED TO PROVIDING THE TRAINING NEEDED TO  
INSURE A SMOOTH TRANSITION.***



## WARRANTY, MAINTENANCE & SERVICE

We offer our clients the most comprehensive protection program available in the telephone industry for new systems. These systems receive a *Full One Year Parts and Labor Warranty*. This warranty covers any problems that may occur except acts of God, power surges, or abuse.

### EXTENDED WARRANTIES UP TO 7 YEARS ARE AVAILABLE

Following the warranty expiration, our technicians are readily available to keep your telephone system operating at peak efficiency. Customers may elect to enter into a maintenance agreement, which provides fixed-price system protection. Our maintenance agreements are always tailored to your individual needs.

**Central Telephone Sales and Service** has established, for over 35 years, an enviable reputation for quality telephone maintenance and service. We maintain an extensive inventory of replacement parts and components to provide a timely response to customer service requests.

Our radio equipped staff of factory trained technicians can quickly identify and correct problems should they occur. In addition to our staff of skilled technicians, we have priority access to the engineering departments of the manufacturers we represent.

### SERVICE CALLS

Fully equipped service vehicles and technicians are available around-the-clock for emergency repairs. Normal maintenance and service requests are dispatched by radio between 8:00am and 4:00pm Monday through Friday. After hours/ emergency service calls are dispatched through our automatic answering system, which is in direct contact with our on-call service technicians.

### MAJOR PROBLEMS

At our customer's request, we will dispatch a technician within two (2) hours. And for a **total outage**, we will locate and **immediately dispatch** the nearest technician.

### UTILITY COORDINATION

We will act as a liaison between you and your local service provider, in an effort to solve your problems as rapidly as possible.

Many of our customers, when possible, enjoy the benefits of our Remote Maintenance and Diagnostic Center. This allows our technicians to utilize computer diagnostics at our office to monitor and maintain your equipment quickly, conveniently and economically.

**Quality service is an absolute necessity in the Telephone Industry.** To this end Central Telephone Sales and Service is totally committed.



## **STATEMENT OF EXPERIENCE**

### **CENTRAL TELEPHONE SALES AND SERVICE**

#### **Company History**

Based on the need for quality telephone products and superior service for the business community Central Telephone Sales and Service was established in 1979. An efficient and reliable telephone system is vitally important to the continued success of a business. After 35 years of supplying and servicing business telephone systems successfully, we still continue to strive for perfection.

#### **Certifications**

We are certified by the Minnesota State Board of Electricity and are fully bonded and insured to provide installations and maintenance of telephone systems for both private and government sectors.

#### **Products & Services**

Central Telephone Sales and Service is an authorized and certified distributor of NEC VoIP, Digital and Hybrid products PLUS Star2Star "Semi Cloud" based VoIP service. Peripheral products that we offer include:

- ☎ Voice Mail
- ☎ Automated Attendant
- ☎ Call Accounting Equipment
- ☎ Paging Systems

#### **Data and Cable Networks**

We provide *all* of your company's wiring needs in planning and implementing a complete telephone and Computer/Data System.

Our Technicians are experienced with all types of network cabling including Category 5, Category 6, Fiber Optics, patch panels and data racks.

#### **Service Policy**

Our aim is to provide the best possible service to our customers. We employ a staff of highly trained account executives and service technicians, with an average tenure of 14 years at Central Telephone Sales and Service.



## Installations (continued)

### Construction Companies

Brother Builders, Brost Construction, Cobra Construction, Cornerstone Construction, Glenn Construction, Kootenia Homes

### Dental Offices

Arcade Dental, Kenneth Dayton DDS, Edina Dental Care, Fuller Dental, Galaxy Dental, Mark Watson DDS

### Optometrists

Sona Laser Center, St. Paul Eye Clinic, America's Best Contacts & Eyeglasses, Kennedy Vision, Buffalo Eye Clinic, Eye Care Center

### Transportation

Super Shuttle, Peace Transportation

### Electrical

Viking Electric, Herb Kohn Electric, Ultimate Electronics, Electric City



## Some Installations we have done over the years

### Medical Institutions

Minneapolis Clinic of Neurology, Camden Physicians, Institute for Athletic Medicine, Northwest Family Physicians, Regions Hospitals, Maple Grove Urgent Care

### Insurance Providers

American Family Insurance, Farmers Insurance, St. Farm Insurance, Builders Insurance Group

### Lodging

Americinn, Best Western, Days Inn, Fairfield Inn, Holiday Inn, Country Inn and Suites

### Lending Institutions

Associated Bank, LB Community Bank, Crown Bank, JRA Financial Advisers, Duke Realty Investments, Marquette Financial, Financial Security Bank, Gateway Bank, Crown Bank

### Hardware Stores

Frattalone's Ace Hardware, Bredemus Hardware, Hance Hardware

### Restaurants

Fuddruckers, Green Mill, Red Robin, Benchwarmer Bob's, Bread & Chocolates, Buzz Café, Howie G's, Café Latte, Dunn Brothers Coffee, Hooters in the Mall

### Non Profit Organizations

Goodwill Easter Seals, Salvation Army, Stillwater Good Samaritan, Center for Cross Cultural, Guardian Angels, Youth Works

### Churches

Fourth Baptist, Mt. Olivet Lutheran Church, Laestadian Lutheran, St. Andrew's Parish, Bridgewood Community Church, Calvary Lutheran, St. Luke's, Trinity Lone Oak, Zion Lutheran Church, Christ Lutheran Church St. Stephens Catholic Church, St. Stephens Episcopal Church

### Retirement Communities

Walker Elder Suites, Mt. Olivet Careview, Providence Place, Esteem Nursing Care

### Schools

Ascension Academy, St. Stephen's, Eagle Ridge Academy, IHM- St. Luke's, Cambridge Christian School





## SALES AGREEMENT

This **SALES AGREEMENT** is made between Central Telephone Sales and Service, with its principal office at 12857 Industrial Park Boulevard, Plymouth, MN 55441, Telephone 763 550 2000 and

*Customer Name:* **City of Montrose**

*ADDRESS:* **311 Buffalo Ave S**

*CITY:* **Montrose** *ST:* **MN.**

*ZIP:* **55363**

*TELEPHONE:* **763-575-7425**

*EMAIL:* **dboelter@montrose-mn.com**

Hereinafter called "Customer", and is non-cancellable. We shall provide and install the equipment listed below at:

*ADDRESS:* Same as above

**DESCRIPTION OF PURCHASE** – Includes all necessary hardware and labor to complete the installation.



### *List of equipment including 12 month warranty...*

- 1 NEC SV9100E Cabinet and CPU
- 1 NEC PRI Card
- 1 NEC 4 Port Analog Station Card
- 62 NEC Resource Licenses
- 13 NEC Standard User licenses
- 1 NEC INMAIL Integrated Voice Mail System
- 11 NEC Unified Messaging Licenses
- 11 Mobile Extension Licenses
- 4 NEC 24 Button IP Telephones
- 9 NEC 12 Button Ip Telephones
- 1 Universal Power Supply
- 1 NEC Web Pro Administration Tool
- 1 NEC Software Assurance Plan

**TERMS:** 50% down payment with purchase order

Purchase Price: **\$9,045.00**

**NOTE:** An NEC 60 month \$1.00 buyout lease would be \$196.92/month

*Does not include sales tax*

*Balance Due Upon Completion of Cutover*

**Extended Warranty Option;** 12 Month Extended Warranty is not included. An Optional, Annual, Extended Warranty Invoice will be sent to Customer upon expiration of original Warranty/Extended Warranty.

**SECURITY;** to protect us, you give us a purchase money interest created under the Uniform Commercial Code of this State in the equipment sold and described under the "Description of Purchase".

**SERVICE;** the above Product(s) are guaranteed to be free of any defects in the material and workmanship for a period of 12 months. Seller will, without charge, repair or replace during working hours, any parts or equipment found to be defective.

**CUSTOMER ACKNOWLEDGEMENT;** the Customer acknowledges receipt of a copy of this agreement. There are no representations, warranties or stipulations; oral or written, not herein contained. This agreement shall be legally binding upon the parties hereto and their respective heirs, estates, successors and permitted assigns.

**ACCEPTED:**

\_\_\_\_\_  
PURCHASERS AUTHORIZED SIGNATURE

\_\_\_\_\_  
DATE

\_\_\_\_\_  
SALES REPRESENTATIVE

\_\_\_\_\_  
DATE

\_\_\_\_\_  
PURCHASERS PRINTED NAME

Offer Valid for \_\_\_\_\_ Days



