

INVER GROVE HEIGHTS CITY COUNCIL AGENDA
MONDAY, MARCH 23, 2015
8150 BARBARA AVENUE
7:00 P.M.

1. **CALL TO ORDER**
2. **ROLL CALL**
3. **PRESENTATIONS**
4. **CONSENT AGENDA** – All items on the Consent Agenda are considered routine and have been made available to the City Council at least two days prior to the meeting; the items will be enacted in one motion. There will be no separate discussion of these items unless a Council member or citizen so requests, in which event the item will be removed from this Agenda and considered in normal sequence.
 - A. i) Minutes – March 2, 2015 City Council Work Session _____
 - ii) Minutes – March 9, 2015 Regular City Council Meeting _____
 - B. Resolution Approving Disbursements for Period Ending March 18, 2015 _____
 - C. Resolution Approving Estimated Costs for the Project, the Joint Powers Agreement with Dakota County Transportation Department for Milling, Bituminous Overlay, and City Utility Repairs and Resolution Ordering City Project No. 2015-16, 70th Street Mill and Overlay (TH 3 to Cahill Avenue) _____
 - D. Resolution Approving Waiver of Assessment Appeal Agreement for the Schmandt (Landowner) Property for City Project No. 2015-14, 47th Street Area Water and Sewer Improvements and Rehabilitation _____
 - E. Authorize Placement of Stormwater Discharge Improvements along the Mississippi River on the Minnesota Pollution Control Agency’s Project Priority List and Intended Use Plan to Seek State Revolving Funds and Point Source Improvement Grants and Order the Preparation of a Feasibility Study for City Project No. 2016-01, Stormwater Treatment for Mississippi River Discharge _____
 - F. Approve Purchase Agreement and Acceptance of Permanent Drainage and Utility Easement Agreement related to the Emergency Overflow of Pond H-2 _____
 - G. Approve Therapeutic Massage Licenses _____
 - H. Approve Contractor for Inver Wood Golf Course Maintenance Facility _____
 - I. Approve Directed Engineering Study for Energy Efficiency Projects at City Facilities _____
 - J. Approve Rich Valley Dugout Covers _____
 - K. Approve 2015 Tree Replacement Plan _____
 - L. Approve Job Description and Authorize Advertisement for Administrative Intern _____

- M. Schedule Public Hearing _____
- N. Schedule Special Meetings _____
- O. Approve Joint Powers Agreement between Dakota County Law Enforcement Agencies for the Continued Service of the Dakota County MAAG Team _____
- P. Approve Agreement for Appraisal Services _____
- Q. Personnel Actions _____

5. **PUBLIC COMMENT:** Public comment provides an opportunity for the public to address the Council on items that are not on the Agenda. Comments will be limited to three (3) minutes per person.

6. **PUBLIC HEARINGS:**

7. **REGULAR AGENDA:**

PUBLIC WORKS:

A. **CITY OF INVER GROVE HEIGHTS:** Consider Selection of Alignment for Argenta Trail North Study Area _____

COMMUNITY DEVELOPMENT:

B. **RICHARD & DODY SOBASZKIEWICZ:** Consider Application for Chicken License for property located at 7775 Boyd Avenue _____

C. **CITY OF INVER GROVE HEIGHTS:** Consider Ordinance Amending Inver Grove Heights City Code Title 5, Chapter 9 related to Public Nuisances on Property _____

ADMINISTRATION:

D. **CITY OF INVER GROVE HEIGHTS:** Consider Resolution Approving Encroachment Agreement with Magellan Pipeline _____

E. **CITY OF INVER GROVE HEIGHTS:** Consider Resolution Approving the Negotiated Settlement Agreement between James E. Peltier and the City Concerning Damages Relating to the Peltier Property Relative to City Project 2015-10 _____

F. **CITY OF INVER GROVE HEIGHTS:** Consider Resolutions Relating to the Transfer and Extension of the Comcast Franchise _____

8. **MAYOR & COUNCIL COMMENTS**

9. **ADJOURN**

This document is available upon 3 business day request in alternate formats such as Braille, large print, audio recording, etc. Please contact Melissa Kennedy at 651.450.2513 or mkennedy@invergroveheights.org

**INVER GROVE HEIGHTS CITY COUNCIL WORK SESSION
MONDAY, MARCH 2, 2015 – 8150 BARBARA AVENUE**

1. CALL TO ORDER: The City Council of Inver Grove Heights met in work session on Monday, March 2, 2015, in the Council chambers. Mayor Tourville called the meeting to order at 7:00 p.m. Present were Council members Bartholomew, Hark, Mueller and Piekarski Krech; City Administrator Lynch, City Attorney Kuntz, Community Development Director Link, City Planner Hunting, and Deputy Clerk Kennedy

2. CABLE FRANCHISE RENEWAL UPDATE

Jodie Miller, NDC4, stated the cable commission was a joint-powers cooperative with seven (7) member cities in the northern part of Dakota County. The organization had been in existence for approximately 30 years and the commission was at the end of its second 15-year franchise agreement with Comcast. She noted staff at the cable commission was available to take calls regarding questions or complaints from cable subscribers. She explained the franchise was not exclusive. Under federal and state law it was not legal to enter into an exclusive franchise. Another company could come in at anytime and apply for a competitive franchise. The current franchise agreement with Comcast was set to expire at the end of the month and there was a legal procedure in place for renewal. She stated the commission was in the midst of the renewal process when Comcast announced their intent to purchase Time-Warner properties and their plan to divest certain Midwest properties. By law the cable company is required to request, from the City, approval to transfer the franchise to another owner. She noted the City did not have complete freedom to approve or deny the transfer, but would be allowed to look at the legal, technical, and financial qualifications of the new company. The transaction was being reviewed by the FCC, US Department of Commerce, and the Securities and Exchange Commission. The Midwest properties that would be divested represented approximately 4 million cable subscribers. The new ownership, Midwest Cable, would be a newly created entity that would be publically traded. Two financial reviews were conducted and part of the difficulty with the review was the fact that the company had no financial history because it was a newly created company. Midwest Cable intended to contract a substantial number of services with Charter as well as subcontracts with Comcast. She explained Charter currently operated cable systems in the larger regional areas of the State and had 6 million subscribers nationwide. She stated technical personnel would be Midwest Cable employees, other operational services such as staffing at call centers would likely be operated by Charter. Subscribers would retain their Comcast telephone numbers and would keep their existing cable equipment through the transition. Email services would change and subscribers would have to transition away from their existing email address. Billing services would transition to Midwest Cable. It was anticipated that the FCC review of the transaction would be completed within the next three (3) months. Two resolutions were presented to the Council. The first related to authorization to extend the existing franchise for an additional 12 months and would require either Comcast or the new ownership to abide by the terms of the franchise. The second resolution was approved by the cable commission in February to approve the merger transaction with a set of conditions in place to protect the member cities. She reiterated all aspects of the existing franchise would continue, including PEG funding. She stated many of the member cities and school districts were working cooperatively with the County on getting more fiber segments completed to eventually have their own fiber that would not be a part of the Comcast network. The cable commission recommended that the Council consider approval of both resolutions at their next regular meeting.

Mayor Tourville stated the commission considered voting against the extension but realized that would not stop the merger from occurring and could result in the commission losing leverage.

Councilmember Piekarski Krech questioned what the negative impacts could be on the local cable subscribers.

Ms. Miller stated their biggest concern at the moment was a fear of the unknown. She explained cable packages and pricing structures may change, and subscribers may need new equipment. She added subscribers may experience some inconvenience related to transitioning to a new email address. She noted the new owner would not want to do things that would cause them to lose customers.

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Councilmember Piekarski Krech questioned what the timeline would be for customers to transition to their new email address and new billing system.

Ms. Miller stated in the past changes had been rolled out in long-term phases to provide customers every opportunity to make the transition.

Councilmember Piekarski Krech stated one of the problems was that customers really did not have a choice if they wanted high-speed internet and reliable cable services.

Mayor Tourville stated that was the primary reason the commission was excited about the prospect of a competitive franchise.

Ms. Miller stated there were rules in place at both the federal and local levels regarding customer notifications and grace periods during a transition to a new provider.

Mayor Tourville stated another concern was the financial leverage of the company because it was brand new.

Councilmember Hark stated email changes are typically phased in to provide customers ample opportunity to make the switch. He opined that Comcast was not very forthcoming with a lot of their financial information. He added that after reading the information regarding the transfer of the franchise it became apparent that the City had no leverage to deny the transfer.

Councilmember Bartholomew questioned if Century Link's potential entrance into the market would include internet services in addition to cable subscriptions.

Ms. Miller stated Century Link was upgrading their infrastructure in the Twin Cities and increasing their internet and phone capacity. She noted they would only have to obtain City approval for a video franchise.

Mayor Tourville opined the City was a very small piece of the puzzle and the cable commission was doing everything possible to protect the local subscribers.

Councilmember Hark questioned if the PEG funding financed NDC4.

Ms. Miller stated NDC4 had two main sources of financing, a 5% franchise fee and a PEG fee. She noted the PEG fee was used for Town Square Television.

3. HOUSING COMMITTEE

Mr. Hunting explained last year ULI completed their "Opportunity City" program and the report generated outlined some recommendations and next steps for the City to consider. The Housing Committee reviewed the information from ULI and created a work plan for the year that they would like to discuss with the Council.

Mary T'Kach, Housing Committee, stated they were looking for direction and feedback from the Council regarding the proposed work plan. She explained once the committee received clear direction they could begin working on projects to prepare information for Council review. She stated the work plan prioritized four (4) items for the committee to work on in 2015. The first priority was the development and adoption of a housing policy. The second priority was implementation of a rental property ordinance. The third priority related to drafting an ordinance to regulate accessory dwelling units. The fourth priority was integration of the work of the Housing Committee into the formal City processes. She stated the committee would like more institutionalized ways of communicating with the Planning Commission, City Council, and staff. She opined the committee should be serving as a resource to the Council and the overall feeling was that the committee had become very reactionary because they was no procedure in place to proactively interact and provide input to the Council or the Planning Commission. She added that the committee often hears about potential development proposals very late in the process.

Councilmember Bartholomew clarified it had always been staff's intention to include the Housing Committee in the establishment of the rental housing program.

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Mr. Link replied in the affirmative. He provided an update on the rental housing licensure program. He anticipated a draft ordinance would be prepared within a month and would be in front of the Council for discussion in late spring and early summer. He reiterated the Housing Committee would be involved in the process and would have an opportunity to review and comment on the ordinance.

Mayor Tourville requested that the memo from the Housing Committee be revised to clearly outline the four (4) priorities that were presented.

Ms. T’Kach explained the priorities were based on the recommendations in the ULI report.

Jim Zentner stated several of the items in the memo were intended to reflect what may be contained within a set housing policy.

Mayor Tourville suggested that the priorities be clearly defined in a document so everyone was on the same page.

Councilmember Bartholomew questioned how far along the committee was in developing a policy.

Mr. Zentner stated they had started drafting the housing policy.

Councilmember Bartholomew stated a draft policy may be ready for review and discussion the next time the committee met with the Council.

Mayor Tourville suggested staff forward development proposals onto the committee so they had a chance to review and comment on the information.

Mr. Hunting stated staff would improve the communication and notification process with the committee so they would be able to prepare written comments for staff, Planning Commission, and Council.

4. ADJOURN

The meeting was adjourned by a unanimous vote at 8:00 p.m.

**INVER GROVE HEIGHTS CITY COUNCIL MEETING
MONDAY, MARCH 9, 2015 - 8150 BARBARA AVENUE**

CALL TO ORDER/ROLL CALL The City Council of Inver Grove Heights met in regular session on Monday, March 9, 2015, in the City Council Chambers. Mayor Tourville called the meeting to order at 7:00 p.m. Present were Council members Bartholomew, Hark, Mueller and Piekarski Krech; City Administrator Lynch, City Attorney Kuntz, Community Development Director Link, Public Works Director Thureen, Parks and Recreation Director Carlson, Chief Stanger, Chief Thill, and Deputy Clerk Kennedy

3. PRESENTATIONS:

A. National Nutrition Month Proclamation

Mayor Tourville proclaimed the month of March as “National Nutrition Month” in the City.

Carol Brunzell, University of Minnesota, stated she was a registered dietician. She introduced Gail Anderson from the Minnesota Department of Education and Joy Hayes from the Minneapolis Heart Institute. She thanked the City for participating in National Nutrition Month. She explained she and her colleagues belonged to the Academy of Nutrition and Dietetics and their organization’s mission was to help people improve their health through good diet and nutrition. She noted in the future the organization would like to hold small events that would provide assistance to the citizens of Inver Grove Heights. She directed individuals seeking more information on diet and nutrition to visit the organization’s website at: www.eatright.org

4. CONSENT AGENDA:

Councilmember Piekarski Krech removed Items 4D, 4E, and 4F from the Consent Agenda.

Councilmember Hark removed Item 4I from the Consent Agenda.

- A. Minutes – February 23, 2015 Regular City Council Meeting**
- B. Resolution No. 15-34** Approving Disbursements for Period Ending March 4, 2015
- C. Resolution No. 15-35** Awarding Contract for Demolition of 6845 Dixie Avenue East, 6836 Dickman Trail, and 6549 Doffing Avenue East to Max Steininger
- G. Resolution No. 15-38** Authorizing the Submittal of Grant Applications for the Community Conservation Partnership (CCP) with Dakota County Soil and Water Conservation District for City Project No. 2015-09E, 47th Street Area Reconstruction for the Boyd Avenue Biofiltration Basin and Bower Court Hydrodynamic Separator
- H. Approve Therapeutic Massage License**
- J. Award Contract for Installation of Rooftop Heating Units at Fire Station 3**
- K. Approve Temporary Liquor License – Inver Hills Community College Foundation**

Motion by Bartholomew, second by Hark, to approve the Consent Agenda

Ayes: 5

Nays: 0 Motion carried.

- D. Change Order No. 8 and Pay Voucher No. 6 for City Project No. 2014-09D, College Trail Street Reconstruction and Barbara Avenue Partial Street Reconstruction and City Project No. 2014-06, Blaine Avenue Retaining Wall Replacement Improvements**
- E. Resolution Accepting Individual Project Order (IPO) 19B for Additional Final Design and Construction Phase Services for City Project No. 2014-09D, College Trail Street Reconstruction and Barbara Avenue Partial Street Reconstruction**
- F. Resolution Accepting Individual Project Order (IPO) 20A for Additional Final Design and Construction Phase Services for City Project No. 2014-06, Blaine Avenue Retaining Wall Replacement**

Councilmember Piekarski Krech stated there seemed to be a pattern of things happening that required change orders or additional consulting services. She referenced past issues with contractors and suggested that staff review the list of reputable contractors to make sure projects are done by those the City has had success with.

Mayor Tourville stated the issues with the retaining wall were related, in part, to faulty records.

Motion by Piekarski Krech, second by Mueller, to approve Change Order No. 8 and Pay Voucher No. 6 for City Project No. 2014-09D, College Trail Street Reconstruction and Barbara Avenue Partial Street Reconstruction and City Project No. 2014-06, Blaine Avenue Retaining Wall Replacement Improvements, Resolution No. 15-36 Accepting Individual Project Order (IPO) 19B for Additional Final Design and Construction Phase Services for City Project No. 2014-09D, College Trail Street Reconstruction and Barbara Avenue Partial Street Reconstruction, and Resolution No. 15-37 Accepting Individual Project Order (IPO) 20A for Additional Final Design and Construction Phase Services for City Project No. 2014-06, Blaine Avenue Retaining Wall Replacement

Ayes: 5

Nays: 0 Motion carried.

I. Amend Official City Council Schedule

Councilmember Hark proposed amending the schedule to start the Council Work Sessions at 6 p.m. rather than 7 p.m. He questioned if this posed a problem for staff or other members of the Council.

Mr. Lynch stated it would not cause an issue from staff’s perspective.

The Council agreed to start work sessions at 6 p.m. beginning with the April 6th meeting.

Motion by Hark, second by Bartholomew, to change the start time for work sessions to 6 p.m.

Ayes: 5

Nays: 0 Motion carried.

Motion by Piekarski Krech, second by Bartholomew, to approve Item 4I as proposed and amend the official schedule to include events on April 8th and April 16th

Ayes: 5

Nays: 0 Motion carried.

5. PUBLIC COMMENT: None.

6. PUBLIC HEARINGS:

7. REGULAR AGENDA:

PUBLIC WORKS:

A. CITY OF INVER GROVE HEIGHTS: Argenta Trail North Study Area Update, Alignment 3A

Mr. Thureen stated at the last Council meeting staff was directed to analyze alignment 3a to determine if it was a viable alternative. He noted one aspect of the analysis was to discuss the offer from a property owner to potentially use a portion of their property for storm water ponding purposes to facilitate alignment 3a. Two subsequent meetings were held. One meeting involved City and County staff, the engineering consultant, the neighborhood, the developer, and the builder to discuss the potential relocation of the affected regional basin. The developer’s engineer also presented a concept that would involve a revised plat with fewer lots in the Blackstone Ridge development. The primary concerns and questions raised by the neighborhood during the meeting related to the size of the ponding area that was proposed, the timetable for the acquisition of land, the potential effects on the groundwater table in the area, and the potential for seepage in basements. After reviewing the information presented at the meeting the property owners withdrew their offer to allow the use of their property for relocation of the regional basin due to concerns regarding the magnitude of the impact on their property. The second meeting that was held involved City and County staff, the developer’s team, and the builder to review alignment 3a as well as the

concept plat the developer had put together to assess its viability. The major conclusions from the meeting were that replacement of the regional basin would be challenging and that the developer, County, and the City would have to discuss potentially sharing the ponding needs to achieve some economies of scale. Expectations for the future county road right-of-way were also discussed, as well as the impacts on the plat of Blackstone Ridge and the reduction of lots. The developer's team proposed a combination of items that they felt, if included, they could potentially support the alternative alignment. City and County staff were still in the process of reviewing the developer's proposal to determine its viability. He noted County staff also wanted the concept plat to be reviewed by the Plat Commission to get input from a larger group of staff. He explained the revised schedule presented to the Council included consideration of a comprehensive plan amendment and a public hearing in front of the Planning Commission. He stated the results of the analysis would be presented at the next regular meeting on March 23rd.

Mayor Tourville clarified that all of the alignment alternatives would be discussed at the Planning Commission public hearing.

Mr. Thureen replied in the affirmative.

Councilmember Mueller questioned what the comprehensive plan amendment would consist of.

Mr. Link stated the amendment would consist of the alignment alternative selected by the Council on March 23rd. The comprehensive plan identified the corridor for the future Argenta Trail.

Councilmember Mueller questioned how it could be denoted on the comprehensive plan that he was not in favor of a six-lane roadway.

Mr. Link stated that would have to be a part of the Council's direction when an alignment alternative was selected on March 23rd.

Councilmember Mueller stated Argenta Trail was a County road, not a City street. He questioned why the City would pay 45% of the cost for the construction of the road.

Mr. Link explained the cost-share agreement had been a long-standing policy of the County.

Mr. Thureen noted that the County's latest update to their transportation plan added a new component. He stated there was a possibility, if a six-lane roadway was being planned, to discuss the potential for a 75/25 cost share because the six-lane roadway could be considered a major arterial and the extra width would be to fulfill a regional need.

Dian Piekarski, 7609 Babcock Trail, questioned when the practice started to plan for roads 20 years in advance.

Mr. Link stated legislative action, starting in the 1970's, required all cities to have a plan in place that extended out at least 20 years. He noted that had been the metropolitan standard for the last few decades.

Ms. Piekarski opined that the practice caused a lot of potential problems for developing cities. She questioned where the planned County greenway would be located in relation to the road being discussed.

Mayor Tourville stated the greenway would be located west of the existing Argenta Trail.

Ms. Piekarski stated if she lived in the area she would want to see both the greenway and the realignment of Argenta Trail on a map.

Mr. Kuntz stated a subsequent item on the agenda for consideration related to the plat of Blackstone Vista. He explained the greenway was identified on the plats for both Blackstone Vista and Blackstone Ponds.

Ms. Piekarski questioned if the Met Council would allow the City to reduce the density projections based on the amount of land that would be used for greenways and roads.

Mr. Link stated that was taken into account during the last update to the comprehensive plan. He explained the density calculations from the Met Council did exclude the right-of-ways for major roads.

Ms. Piekarski questioned if the alignment that would be eventually selected was binding or if it could be changed in the future.

Mr. Kuntz stated as long as substantial portions had not been constructed and considerable public investment had not been made, the alignment could presumably be changed by the Council. He explained the road was a County road and the timing of construction was heavily dependent on the County and their investment. He noted extension of major county roads required City participation. He added that comprehensive plan amendments required a 4/5 vote by the Council. He stated the Council did select an alignment for the southern segment of Argenta Trail and there was a plan in place to construct that segment in 2016.

Nikki Abbott, 6720 Argenta Trail, questioned how long the City had known that Argenta Trail would be an eventual six-lane roadway.

Mr. Thureen stated the potential need for the six-lane roadway was first discussed during the County's Regional Roadway System Visioning Study that was completed in 2010. He explained that process spanned over a 12-month period and many meetings and open houses were held to present and discuss the information resulting from the study. He noted that the six-lane roadway was identified in the study.

Dennis Wolfe, 6742 Argenta Trail, stated the neighborhood appreciated City and County staff taking the time to further examine alignment 3a before making a recommendation to the Council. He also thanked staff for taking the time to meet with property owners in the neighborhood and answer questions. He stated the neighborhood hoped the process could continue to move towards a conclusion that would be fair to both the developer and the existing property owners.

Mary T'Kach, 7848 Babcock Trail, questioned if there would also be work done to analyze basic concept designs associated with the other alignment alternatives. She stated if the developer could live with alignment 5, a concept plan under that scenario could be created so the Council would be able to compare the development impacts in both cases.

Mayor Tourville stated the primary focus of staff's time was to determine if alignment 3a was viable.

Ms. T'Kach questioned if all of the alignment alternatives were still on the table for consideration.

Mayor Tourville stated all of the alternatives would be presented to the Planning Commission, but the main focus of the additional work was related to alignment 3a.

Councilmember Piekarski Krech stated all of the alternatives were still being considered because a final decision had not been made.

Councilmember Bartholomew stated he did not recall the developer saying he was comfortable with alignment alternative 5.

Mr. Thureen clarified staff's entire focus since the last Council meeting had been to determine if alignment 3a would be viable. He stated comparable work had already been completed on the other alignment alternatives prior to the last Council meeting.

Jim Deanovic, developer, stated he never said that alignment alternative 5 would be a viable option for him. He noted that someone would be affected under each of the different scenarios. He explained the Council had to consider that alignment alternative 5 would totally eliminate the home on the Flannery property and would also kill the City's tax base. He stated his main concern was that the final decision was legal and that those involved were properly compensated. He explained the City, County, and his development team were working hard to find a solution that would accommodate the neighborhood. He suggested everyone involved continue to look at alignment 3a to find out if it might work for everyone involved.

Mr. Wolfe reiterated everyone involved was interested in a resolution that would be fair for everyone involved, including the developer.

Motion by Piekarski Krech, second by Mueller, to receive correspondence from Martha Zachary and McGough Construction

Ayes: 5

Nays: 0 **Motion carried.**

COMMUNITY DEVELOPMENT:

B. RYLAND HOMES: Consider a Resolution relating to the Final Plat and Final PUD Development Plans for Blackstone Vista

Mr. Hunting reviewed the location of the property. He explained the Council was asked to review the final plans against the preliminary plans and conditions of approval. He stated both the plan and the plat were consistent with what was preliminarily approved. He noted the final plat was reduced by one (1) lot to accommodate the lift station. He stated the plat was not contingent upon the alignment selected for the northern segment of Argenta Trail. He explained the City Engineer was satisfied that the final plat had met the preliminary conditions of approval. A development contract and related stormwater management documents would be presented for approval at a subsequent meeting. He stated the development contract would address the construction of the Mendota-Lebanon trail. Both Planning staff and the Planning Commission recommended approval of the final plat and final PUD development plans.

Mayor Tourville questioned if the applicant agreed with the conditions of approval.

Tracy Russ, Ryland Homes, stated they agreed with the conditions of approval and were excited to move forward with the development.

Motion by Piekarski Krech, second by Bartholomew, to adopt Resolution No. 15-39 approving a Final Plat and Final PUD Development Plans for Blackstone Vista

Ayes: 5

Nays: 0 **Motion carried.**

C. ROOTY'S DEN, LLC & LES JEPSEN: Consider the following actions for the A&W Property located at 9061 Buchanan Trail:

- i) Resolution Amending the Final PUD Development Plan and related agreements for A&W to allow for an Expansion of the Building and to allow One Free Standing Sign on the Property
- ii) Resolution Amending the Approved Conditions of Approval for Arbor Pointe 14th Addition to allow One Free Standing Sign on the Subject Property

Mr. Link reviewed the location of the property. He explained the applicant wanted to reopen the A&W restaurant and expand the building. The outdoor, drive-in style ordering component would be removed and additional seating for 64 patrons would be added to the interior of the restaurant. The access from Broderick Boulevard and the on-site parking would not change. No additional impervious surface would be added to the site. He stated the second part of the request related to signage. Current regulations prohibited pylon signs. He noted staff recognized that the site had limitations, including low visibility, and supported the need for a free-standing pylon sign. The main concerns related to the height and size of the sign. The applicant requested a 40 foot tall, 141 square foot oval sign with the A&W logo. Planning staff suggested a maximum height of 30 feet and a sign that was 100 square feet in size. Staff wanted to ensure that the sign remained in character with the commercial neighborhood and no other pylon signs were currently permitted in the Arbor Pointe area. He noted there were two (2) 100 square foot pylon signs located just outside the Arbor Pointe district at Tractor Supply and Absolute Trailer. Both Planning staff and the Planning Commission recommended approval of the amendments to the final PUD development plan to allow for expansion of the building. Staff and the Planning Commission also recommended approval of the request for the pylon sign, although each recommended different sizes be allowed. The Planning Commission approved the applicant's request for a 40 foot tall, 141 square foot oval pylon sign.

Councilmember Piekarski Krech questioned what the rationale was for the size of sign requested by the applicant.

Mr. Link stated the larger sign was mainly intended to increase the visibility of the business.

Mayor Tourville clarified that the rationale for staff's recommendation was to stay in line with what was allowed for Tractor Supply and Absolute Trailer.

Mr. Link replied in the affirmative.

Councilmember Hark stated both Tractor Supply and Absolute Trailer were located much closer to the highway than the A&W restaurant. He explained the applicant wanted the larger signage to increase the visibility of the restaurant from the highway. He opined he could rationalize allowing the larger sign for A&W because of the difference in proximity to the highway.

Les Jepsen, applicant, stated at a height of 30 feet the sign would not be visible over the Holiday gas station. He noted a larger sign would increase the overall visibility of the restaurant.

Mr. Hunting stated the oval sign would be 141 square feet in size.

Councilmember Piekarski Krech opined the business had to have visibility from the highway in order to be successful. She stated a lack of visibility contributed to the failure of the original restaurant at that location.

Councilmember Mueller stated the larger sign was needed in order to be visible over the Holiday station.

Dian Piekarski, 7609 Babcock Trail, questioned if the applicant had any relationship with the previous owner of A&W.

Mayor Tourville replied in the negative.

Ms. Piekarski suggested staff review the signage requirements for the entire Arbor Pointe commercial district to try to attract more attention and traffic to the area.

Motion by Piekarski Krech, second by Mueller, to adopt Resolution No. 15-40 amending the Final PUD Development Plan and related agreements for A&W to allow for an expansion of the building and to allow one (1) free standing sign on the property and Resolution No. 15-41 Amending the Approved Conditions of Approval for Arbor Pointe 14th Addition to allow one (1) free standing sign on the subject property

Ayes: 5

Nays: 0 Motion carried.

FINANCE:

D. CITY OF INVER GROVE HEIGHTS: Consider the following actions:

- i) Approve 2014 & 2015 Transfers
- ii) Approve Carryover of Unused Budget Appropriations

Ms. Smith reviewed the proposed transfers for 2014 and 2015. She noted updated information was provided to the Council prior to the meeting. The requests included a transfer from the Host Community Fund to the Community Center Fund in the amount of \$288,826.68 to cover the operating deficit. The cost recovery for the Community Center was at 89%, the highest it had been in quite some time. She noted the established goal for cost recovery was 90%. Transfers from the Community Project Fund and Capital Facilities Fund were also requested for a total of \$188,815.76 to cover capital purchases at the Community Center. A request was also presented to transfer \$100,000 from the Host Community Fund to the Golf Course Fund for funding of future capital needs. The transfer was previously budgeted to cover improvements to the driving range that did not occur in 2014. She stated the preliminary audit numbers estimated a cash increase of approximately \$82,000 at the Golf Course after repayment of 1/3 of the loan. She proposed a transfer of \$500,000 from the Host Community Fund to the Pavement Management Fund. She explained the transfer request to the EDA was for the assessment completed for the Dickman Trail area and the Arbor Pointe retail analysis.

Councilmember Bartholomew questioned if the \$100,000 transfer to the Golf Course Fund was intended

to be a loan.

Ms. Smith replied in the negative. She stated the transfer was budgeted in 2014 for improvements at the driving range.

Motion by Bartholomew, second by Piekarski Krech, to adopt Resolution No. 15-42 approving 2014 and 2015 Transfers

Ayes: 5

Nays: 0 Motion carried.

Ms. Smith stated the total carryover request for the General Fund was \$103,800. The total carryover for the Community Center Fund, tied to operating and capital needs, was \$291,400. Additionally, carryovers were requested to the ADA Fund in the amount of \$62,600, the Water Fund in the amount of \$30,000, the Sewer Fund in the amount of \$50,000, and the Golf Course Fund in the amount of \$1,200. She noted the requisite transfers related to the carryovers in the Community Center Fund would come back for separate Council approval. An estimated surplus of \$900,000 in the General Fund was projected prior to the transfer and carryover requests. She stated a large portion of the surplus was attributable to increased revenues.

Mayor Tourville noted that the excess revenues were primarily the result of increased building and construction permits in 2014.

Councilmember Hark clarified that the carryover requests were funds previously appropriated by the Council in 2014 that went unspent.

Ms. Smith replied in the affirmative.

Councilmember Mueller questioned if the funds would be placed into each fund separately.

Ms. Smith replied in the affirmative. She explained the budget would be amended to reflect the changes in each of the affected line items.

Motion by Mueller, second by Hark, to adopt Resolution No. 15-43 approving the Carryover of Unused Budget Appropriations

Ayes: 5

Nays: 0 Motion carried.

ADMINISTRATION:

E. CITY OF INVER GROVE HEIGHTS: Consider Approval of Lease Agreement with Criminal Justice Information Integration Network (CJIIN) Program through Dakota County

Mr. Lynch stated the request was to approve a lease agreement for the use of space in City Hall by CJIIN. The program was offered through Dakota County to assist public safety agencies. The organization was currently housed in the Administration Center in Hastings and no longer had sufficient space to operate in the County facilities. The organization approached the City to inquire about the potential to lease space in the Public Safety building. The lease agreement was reviewed by both the County Attorney and the City Attorney. He stated the lease would be for a five (5) year term and the City would receive annual payments of \$8,900. CJIIN agreed to pay up to \$6,500 for furniture, installation, and system changes such as electrical work that may be required. The City would pay up to \$6,000 in other expenses for furniture that would stay in the building.

Councilmember Piekarski Krech questioned how the lease amount was determined.

Mr. Lynch stated the amount was based on square footage.

Councilmember Piekarski Krech questioned if the lease payment included utilities.

Mr. Lynch replied in the affirmative.

Councilmember Hark questioned who would pay for the removal of the technology installed by CJIIN if the

organization decided to terminate the lease.

Mr. Lynch stated the County would be responsible for the technology and equipment they need to connect to the County system.

Councilmember Bartholomew questioned why a formula was used to calculate the CAM charge versus using the actual costs.

Mr. Lynch stated the formula accounted for the use of shared spaces such as restrooms, lunch rooms, and public spaces.

Motion by Bartholomew, second by Hark, to approve Lease Agreement with Criminal Justice Information Integration Network (CJIIN) Program through Dakota County

Ayes: 5

Nays: 0 Motion carried.

8. MAYOR & COUNCIL COMMENTS:

9. EXECUTIVE SESSION:

- A.** Update on Union Negotiations
- B.** Consideration of Termination of Employment

Mr. Kuntz reviewed the statutory background related to the ability of the Council to meet in executive session. He stated the first item related to a discussion with the department of administration regarding labor negotiations with a collective bargaining unit. Minnesota Statute 13D.03, Subd. 1, allows discussions and the development strategy related to labor negotiations to be done in a closed door session. He noted the session would be taped, as required by law. The second item to be discussed in executive session related to the preliminary consideration of allegations or charges against an individual subject to the Council’s authority as provided by Minnesota Statute 13D.05, Subd. 2. The employee to be discussed was identified as Patricia Niedzielski. He noted no formal action would be taken in the executive session.

Motion by Piekarski Krech, second by Bartholomew, to move to executive session for the reasons and under the statutes presented by the City Attorney

Ayes: 5

Nays: 0 Motion carried.

The Council recessed at 8:23 pm and reconvened in executive session at 8:30 pm.

10. ADJOURN: Motion by Mueller, second by Hark, to adjourn. The meeting was adjourned by a unanimous vote at 9:50 pm

CITY OF INVER GROVE HEIGHTS

REQUEST FOR COUNCIL ACTION

Meeting Date: March 23, 2015
 Item Type: Consent
 Contact: Kristi Smith 651-450-2521
 Prepared by: Bill Schroepfer, Accountant
 Reviewed by: N/A

Fiscal/FTE Impact:
 None
 Amount included in current budget
 Budget amendment requested
 FTE included in current complement
 New FTE requested – N/A
 Other

PURPOSE/ACTION REQUESTED

Approve the attached resolution approving disbursements for the period of March 5, 2015 to March 18, 2015.

SUMMARY

Shown below is a listing of the disbursements for the various funds for the period ending March 18, 2015. The detail of these disbursements is attached to this memo.

General & Special Revenue	\$369,770.95
Debt Service & Capital Projects	464,185.64
Enterprise & Internal Service	340,552.89
Escrows	88,220.53
	<hr/>
Grand Total for All Funds	<u><u>\$1,262,730.01</u></u>

If you have any questions about any of the disbursements on the list, please call Kristi Smith, Finance Director at 651-450-2521.

Attached to this summary for your action is a resolution approving the disbursements for the period March 5, 2015 to March 18, 2015 and the listing of disbursements requested for approval.

DAKOTA COUNTY, MINNESOTA

RESOLUTION NO. _____

**RESOLUTION APPROVING DISBURSEMENTS FOR THE
PERIOD ENDING March 18, 2015**

WHEREAS, a list of disbursements for the period ending March 18, 2015 was presented to the City Council for approval;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF INVER GROVE HEIGHTS: that payment of the list of disbursements of the following funds is approved:

General & Special Revenue	\$369,770.95
Debt Service & Capital Projects	464,185.64
Enterprise & Internal Service	340,552.89
Escrows	88,220.53
Grand Total for All Funds	<u><u>\$1,262,730.01</u></u>

Adopted by the City Council of Inver Grove Heights this 23rd day of March, 2014.

Ayes:

Nays:

George Tourville, Mayor

ATTEST:

Melissa Kennedy, Deputy City Clerk



Expense Approval Report

By Fund

Payment Dates 3/5/2015 - 3/18/2015

Vendor Name	Payable Number	Post Date	Description (Item)	Account Number	Amount
20/20 BRAND SOLUTIONS	11750-1	03/11/2015	281542	101.41.1100.413.60040	2,596.55
ABDO, EICK & MEYERS, LLP	341847	03/18/2015	43697	101.41.2000.415.30100	20,000.00
ACE PAINT & HARDWARE	523303/5	03/11/2015	Invoice	101.43.5200.443.60040	46.99
ACE PAINT & HARDWARE	523434/5	03/18/2015	Invoice	101.44.6000.451.60040	8.49
ACE PAINT & HARDWARE	523451/5	03/18/2015	Invoice	101.44.6000.451.60012	31.43
ACE PAINT & HARDWARE	523473/5	03/18/2015	501126	101.42.4200.423.60065	10.72
ACE PAINT & HARDWARE	523414/5	03/18/2015	Invoice	101.44.6000.451.60040	13.48
ASPEN MILLS	155621	03/18/2015	550771	101.42.4200.423.60045	105.90
AT & T MOBILITY	3/4/15 287237771092	03/18/2015	287237771092	101.41.1000.413.50020	178.52
AT & T MOBILITY	3/4/15 287237771092	03/18/2015	287237771092	101.43.5100.442.50020	59.51
BATTERIES PLUS	030-503065-01	03/11/2015	C-1034	101.42.4200.423.40042	25.90
BELLEISLE, MONICA	2/27/15	03/11/2015	REIMBURSE-MILEAGE	101.42.4200.423.50065	62.64
BROTHER MOBILE SOLUTIONS INC	590064196	03/18/2015	1627	101.42.4000.421.60065	288.14
CA DEPT OF CHILD SUPPORT SERVICES	INV0038160	03/06/2015	MIGUEL GUADALAJARA FEIN(TA)	101.203.2032100	279.69
CAREERTRACK	2964341	03/11/2015	5/19/15 168341	101.45.3000.419.50080	149.00
CENTURY LINK	2/19/15 651 455 9072 782	03/11/2015	651 455 9072 782	101.42.4200.423.50020	42.57
CENTURY LINK	2-22-15 4184	03/18/2015	Invoice	101.44.6000.451.50020	64.94
CENTURY LINK	2-22-15 5524	03/18/2015	Invoice	101.44.6000.451.50020	72.89
CHADER BUSINESS EQUIPMENT	IN12556	03/18/2015	IG00	101.42.4000.421.40044	188.00
CITY OF MINNEAPOLIS RECEIVABLES	400413005605	03/18/2015	612005365	101.42.4000.421.30700	1,935.00
CITY OF SAINT PAUL	IN00007408 B	03/18/2015	JANUARY 2015	101.42.4000.421.40042	386.50
COLLINS ELECTRICAL CONST.	1530274.01	03/11/2015	Invoice	101.43.5200.443.40046	171.50
COLLINS ELECTRICAL CONST.	1530328.01	03/11/2015	Invoice	101.43.5200.443.40046	442.00
COMCAST	2/19/15 8772 10 591 0020311/2015	03/11/2015	8772 10 591 0024732	101.42.4200.423.30700	2.25
COMCAST	3/5/15 8772 10 591 035103/18/2015	03/18/2015	8772 10 591 0359526	101.42.4200.423.30700	25.24
CREW 2	121319	03/18/2015	BD2015-258	101.45.0000.3221000	22.60
CULLIGAN	157-98459100-6	03/18/2015	157-98459100-6	101.42.4200.423.60065	63.81
CULLIGAN	2/28/15 157-98459118-8	03/18/2015	157-984549118-8	101.42.4200.423.60065	83.58
DAKOTA CTY FINANCIAL SVCS	14994	03/18/2015	Invoice	101.44.6000.451.60065	282.11
DAKOTA CTY PROP TAXATION & RECORDS	2/10/15	03/18/2015	TORRENS FEE 361660	101.45.0000.3413000	46.00
DAKOTA CTY PROP TAXATION & RECORDS	2015 PROPERTY TAX F	03/18/2015	2015 CITY PROPERTY TAX PAYM	101.44.6000.451.70600	23.94
DAKOTA ELECTRIC ASSN	246837-9 3/15	03/11/2015	Invoice	101.44.6000.451.40020	345.26
DAKOTA ELECTRIC ASSN	250165-8 3/15	03/11/2015	Invoice	101.44.6000.451.40020	52.81
DAKOTA ELECTRIC ASSN	393563-2 3/15	03/11/2015	Invoice	101.44.6000.451.40020	279.59
DAKOTA ELECTRIC ASSN	426713-4 3/15	03/11/2015	Invoice	101.43.5400.445.40020	50.80
DAKOTA ELECTRIC ASSN	443054-2 3/15	03/11/2015	Invoice	101.44.6000.451.40020	13.95
DAKOTA ELECTRIC ASSN	109394-7 3/15	03/11/2015	Invoice	101.43.5400.445.40020	1,201.07
EFTPS	INV0039052	03/20/2015	FEDERAL WITHHOLDING	101.203.2030200	39,368.65
EFTPS	INV0039054	03/20/2015	MEDICARE WITHHOLDING	101.203.2030500	10,954.42
EFTPS	INV0039055	03/20/2015	SOCIAL SECURITY WITHHOLDING	101.203.2030400	34,158.40
EFTPS	INV0038361	03/09/2015	MEDICARE WITHHOLDING	101.203.2030500	6.76
EFTPS	INV0038362	03/09/2015	SOCIAL SECURITY WITHHOLDING	101.203.2030400	28.92
EYEMED	3/9/15 MARCH 2015	03/18/2015	MARCH 2015	101.203.2032700	224.09
FIRST IMPRESSION GROUP, THE	60561	03/18/2015	4363	101.41.1100.413.50030	57.62
FIRST IMPRESSION GROUP, THE	60561	03/18/2015	4363	101.42.4000.421.50030	230.52
FIRST IMPRESSION GROUP, THE	60561	03/18/2015	4363	101.43.5100.442.50030	57.62
FIRSTSCRIBE	2465366	03/18/2015	3/1/15	101.43.5100.442.40044	250.00
GENESIS EMPLOYEE BENEFITS ACH ONLY	INV0039038	03/20/2015	HSA ELECTION-FAMILY	101.203.2032500	2,605.42
GENESIS EMPLOYEE BENEFITS ACH ONLY	INV0039039	03/20/2015	HSA ELECTION-SINGLE	101.203.2032500	2,925.35
GENESIS EMPLOYEE BENEFITS, INC	IN496948	03/11/2015	Invoice	101.41.1100.413.30550	34.19
GENESIS EMPLOYEE BENEFITS, INC	IN496948	03/11/2015	Invoice	101.41.2000.415.30550	95.39
GENESIS EMPLOYEE BENEFITS, INC	IN496948	03/11/2015	Invoice	101.42.4000.421.30550	272.86
GENESIS EMPLOYEE BENEFITS, INC	IN496948	03/11/2015	Invoice	101.42.4200.423.30550	14.00
GENESIS EMPLOYEE BENEFITS, INC	IN496948	03/11/2015	Invoice	101.43.5000.441.30550	13.17
GENESIS EMPLOYEE BENEFITS, INC	IN496948	03/11/2015	Invoice	101.43.5100.442.30550	56.56
GENESIS EMPLOYEE BENEFITS, INC	IN496948	03/11/2015	Invoice	101.43.5200.443.30550	35.51
GENESIS EMPLOYEE BENEFITS, INC	IN496948	03/11/2015	Invoice	101.44.6000.451.30550	53.75
GENESIS EMPLOYEE BENEFITS, INC	IN496948	03/11/2015	Invoice	101.45.3000.419.30550	18.06
GENESIS EMPLOYEE BENEFITS, INC	IN496948	03/11/2015	Invoice	101.45.3200.419.30550	15.19
GENESIS EMPLOYEE BENEFITS, INC	IN496948	03/11/2015	Invoice	101.45.3300.419.30550	18.50
ICMA RETIREMENT TRUST - 457	INV0039040	03/20/2015	ICMA-AGE <49 %	101.203.2031400	3,141.44
ICMA RETIREMENT TRUST - 457	INV0039041	03/20/2015	ICMA-AGE <49	101.203.2031400	4,582.30
ICMA RETIREMENT TRUST - 457	INV0039042	03/20/2015	ICMA-AGE 50+ %	101.203.2031400	1,242.49
ICMA RETIREMENT TRUST - 457	INV0039043	03/20/2015	ICMA-AGE 50+	101.203.2031400	4,779.36
ICMA RETIREMENT TRUST - 457	INV0039044	03/20/2015	ICMA (EMPLOYER SHARE ADMIN	101.203.2031400	73.67
ICMA RETIREMENT TRUST - 457	INV0039051	03/20/2015	ROTH IRA (AGE 49 & UNDER)	101.203.2032400	799.24
IGH FIRE RELIEF ASSN	3/13/15	03/18/2015	2014 IGH FIRE RELIEF COMPENS	101.42.4200.423.20500	1,000.00

Vendor Name	Payable Number	Post Date	Description (Item)	Account Number	Amount
ING DIRECT	INV0038314	03/06/2015	MSRS-HCSP	101.203.2032200	4,424.68
INVER GROVE FORD	2/25/15 94917	03/11/2015	94917	101.42.4000.421.70300	267.81
JEFFERSON FIRE & SAFETY, INC.	214087	03/18/2015	2/27/15	101.42.4000.423.60065	69.95
KEEPRS, INC	268490	03/18/2015	INVERG0002	101.42.4000.421.60045	549.08
KEEPRS, INC	266959-03	03/18/2015	INVERG0001	101.42.4000.421.60045	62.16
KEEPRS, INC	267262-02	03/18/2015	INVERG0008	101.42.4000.421.60045	257.20
KEEPRS, INC	268490-01	03/18/2015	INVERG0002	101.42.4000.421.60045	278.76
KEEPRS, INC	267262-03	03/18/2015	INVERG0008	101.42.4000.421.60045	137.14
KEEPRS, INC	267262-01	03/18/2015	INVERG0008	101.42.4000.421.60045	331.74
KEEPRS, INC	268307	03/18/2015	INVERG0001	101.42.4000.421.60045	10.07
LANGUAGE LINE SERVICES	3559011	03/18/2015	9020909043	101.42.4000.421.50020	24.56
LEAGUE OF MN CITIES	16732	03/18/2015	2015 MAYORS ASSOCIATION	101.41.1000.413.50070	120.00
LOCAL GOVERNMENT INFORMATION SYSTEM	39605	03/18/2015	106325	101.42.4000.421.70501	1,735.00
LOCAL GOVERNMENT INFORMATION SYSTEM	39615	03/18/2015	11541	101.42.4200.423.30700	118.00
LOCAL GOVERNMENT INFORMATION SYSTEM	39688	03/18/2015	106325	101.42.4000.421.70501	1,548.00
LOCAL GOVERNMENT INFORMATION SYSTEM	39820	03/18/2015	106325	101.42.4000.421.70501	1,735.00
LOCAL GOVERNMENT INFORMATION SYSTEM	39830	03/18/2015	111541	101.42.4200.423.30700	118.00
METROPOLITAN AREA MGMT ASSOC.	1710	03/18/2015	2015 MEMBERSHIP	101.41.1000.413.50070	45.00
METROPOLITAN COUNCIL ENVIRON SRVCS	3/11/15 7116	03/18/2015	7116	101.43.5100.442.30300	100.00
METROPOLITAN COUNCIL ENVIRON SRVCS	FEBRUARY 2015	03/06/2015	FEBRUARY 2015	101.41.0000.3414000	(124.25)
MINNEAPOLIS OXYGEN CO.	171120644	03/18/2015	113504	101.42.4200.423.40042	49.28
MINNEAPOLIS OXYGEN CO.	171120645	03/18/2015	113504	101.42.4200.423.40042	49.28
MINNESOTA CHIEFS OF POLICE ASSOCIATION	4/20-4/22 2015 B	03/11/2015	REGISTRATION	101.42.4000.421.50080	325.00
MINNESOTA DEPARTMENT OF HUMAN SERVICES	INV0038161	03/06/2015	JUSTIN PARRANTO FEIN/TAXPA)	101.203.2032100	300.41
MINNESOTA TURF & GROUNDS FOUNDATION	3/18/15	03/18/2015	PRUNING YOUNG TREES REGIS	101.44.6000.451.50080	260.00
MN DEPT OF LABOR & INDUSTRY	FEBRUARY 2015	03/06/2015	SURCHARGE FEBRUARY 2015	101.207.2070100	2,016.70
MN DEPT OF LABOR & INDUSTRY	FEBRUARY 2015	03/06/2015	SURCHARGE FEBRUARY 2015	101.41.0000.3414000	(40.33)
MN DEPT OF REVENUE	INV0039053	03/20/2015	STATE WITHHOLDING	101.203.2030300	16,075.69
MN GLOVE & SAFETY, INC.	286954	03/18/2015	Invoice	101.44.6000.451.60045	490.38
MN LIFE INSURANCE CO	MARCH 2015	03/11/2015	POLICY#0027324	101.203.2030900	3,055.07
MN LIFE INSURANCE CO	MARCH 2015	03/11/2015	POLICY#0027324	101.43.5100.442.20620	(49.23)
MN NCPERS LIFE INSURANCE	MARCH 2015	03/11/2015	MARCH 2015	101.203.2031600	336.00
MOORE MEDICAL LLC	98546157 I	03/11/2015	21185816	101.42.4200.423.40042	314.93
MRPA	8461	03/18/2015	2/17/15	101.41.1100.413.50025	50.00
NORTHERN STAR COUNCIL	2015 EXPLORING POS	03/11/2015	2015 RENEWAL FEE	101.42.4200.423.50070	616.00
OXYGEN SERVICE COMPANY, INC	03295639	03/18/2015	04394	101.42.4000.421.60065	22.40
PERA	INV0039045	03/20/2015	PERA COORDINATED PLAN	101.203.2030600	30,691.54
PERA	INV0039046	03/20/2015	EMPLOYER SHARE (EXTRA PER/	101.203.2030600	2,360.87
PERA	INV0039047	03/20/2015	PERA DEFINED PLAN	101.203.2030600	69.23
PERA	INV0039048	03/20/2015	EMPLOYER SHARE (PERA DEFIN	101.203.2030600	69.23
PERA	INV0039049	03/20/2015	PERA POLICE & FIRE PLAN	101.203.2030600	11,489.68
PERA	INV0039050	03/20/2015	EMPLOYER SHARE (POLICE & FI	101.203.2030600	17,234.50
PRO HYDRO TESTING LLC	9914	03/18/2015	3/9/15	101.42.4200.423.40042	1,835.00
RANK, PAUL	3/3/15	03/18/2015	REIMBURSE- MILEAGE	101.42.4200.423.50065	20.95
RANK, PAUL	3/3/15	03/18/2015	REIMBURSE- MILEAGE	101.42.4200.423.50075	40.53
S & T OFFICE PRODUCTS	1/31/15	03/11/2015	1/31/15	101.41.1100.413.60070	43.44
S & T OFFICE PRODUCTS	1/31/15	03/11/2015	1/31/15	101.41.2000.415.60070	44.48
S & T OFFICE PRODUCTS	1/31/15	03/11/2015	1/31/15	101.43.5100.442.60070	203.47
S & T OFFICE PRODUCTS	1/31/15	03/11/2015	1/31/15	101.45.3000.419.60010	14.17
SAM'S CLUB	3/7/15 7715 0907 6899	03/18/2015	7715 0907 6899 5607	101.42.4200.423.50070	45.00
SAM'S CLUB	3/7/15 7715 0907 6899	03/18/2015	7715 0907 6899 5607	101.42.4200.423.60011	63.70
SAM'S CLUB	3/7/15 7715 0907 6899	03/18/2015	7715 0907 6899 5607	101.42.4200.423.60065	9.61
SCHROEPPER, WILLIAM	FEBRUARY 2015	03/11/2015	REIMBURSE-MILEAGE	101.41.2000.415.50065	38.87
SENSIBLE LAND USE COALITION	3/25/15	03/18/2015	REGISTRATION- T. LINK & A. HUN	101.45.3000.419.50080	38.00
SENSIBLE LAND USE COALITION	3/25/15	03/18/2015	REGISTRATION- T. LINK & A. HUN	101.45.3200.419.50080	38.00
SHORT ELLIOTT HENDRICKSON, INC.	294710	03/18/2015	4340	101.43.5100.442.30300	2,243.80
SPRINGSTED, INC.	2/5/15 1	03/11/2015	1	101.41.2000.415.50080	25.00
ST PAUL STAMP WORKS INC	325940	03/11/2015	INVER002	101.41.1100.413.50030	267.66
STATE FIRE MARSHAL DIVISION	2015 CONFERENCE J.	03/18/2015	2015 STATE FIRE MARSHAL CON	101.42.4200.423.50080	130.00
STERLING CODIFIERS	16497	03/18/2015	INO921	101.41.1100.413.30700	1,516.00
STRAIGHT RIVER MEDIA	1288	03/18/2015	2/25/15	101.41.1100.413.50032	900.00
STREICHER'S	11137857	03/11/2015	285	101.42.4000.421.60018	2,693.79
STREICHER'S	11137859	03/11/2015	285	101.42.4000.421.60018	3,918.24
THOMSON REUTERS - WEST	831359679	03/18/2015	10000197212	101.42.4000.421.30700	147.95
TRACTOR SUPPLY CREDIT PLAN	21815	03/11/2015	Invoice	101.43.5200.443.60016	151.93
TRACTOR SUPPLY CREDIT PLAN	21815	03/11/2015	Invoice	101.43.5200.443.60045	59.97
TWIN CITIES OCCUPATIONAL HEALTH PC	26812387	03/11/2015	26812387	101.41.1100.413.30500	95.00
TYLER TECHNOLOGIES, INC	025-119077	03/18/2015	41443	101.41.2000.415.40044	438.00
UNIFIRST CORPORATION	0900243357	03/18/2015	Invoice	101.43.5200.443.60045	31.62
UNIFIRST CORPORATION	0900243357	03/18/2015	Invoice	101.44.6000.451.60045	24.39
UNIFIRST CORPORATION	0900242389	03/11/2015	Invoice	101.43.5200.443.60045	31.62
UNIFIRST CORPORATION	0900242389	03/11/2015	Invoice	101.44.6000.451.60045	24.39
UNIFORMS UNLIMITED	238116	03/11/2015	I14866	101.42.4000.421.60045	146.98
UNIFORMS UNLIMITED	239499	03/18/2015	I14866	101.42.4000.421.60045	553.00
UNIFORMS UNLIMITED	239506	03/18/2015	I14866	101.42.4000.421.60045	558.72
UNIFORMS UNLIMITED	239644	03/18/2015	I14866	101.42.4000.421.60045	55.44

Vendor Name	Payable Number	Post Date	Description (Item)	Account Number	Amount
VERIZON WIRELESS	9741141203	03/18/2015	Invoice	101.41.1100.413.50020	59.84
VERIZON WIRELESS	9741141203	03/18/2015	Invoice	101.42.4000.421.50020	1,183.16
VERIZON WIRELESS	9741141203	03/18/2015	Invoice	101.42.4200.423.50020	674.91
VERIZON WIRELESS	9741141203	03/18/2015	Invoice	101.43.5000.441.50020	52.14
VERIZON WIRELESS	9741141203	03/18/2015	Invoice	101.43.5100.442.50020	304.98
VERIZON WIRELESS	9741141203	03/18/2015	Invoice	101.43.5200.443.50020	268.27
VERIZON WIRELESS	9741141203	03/18/2015	Invoice	101.44.6000.451.50020	272.60
VERIZON WIRELESS	9741141203	03/18/2015	Invoice	101.45.3000.419.50020	50.83
VERIZON WIRELESS	9741141203	03/18/2015	Invoice	101.45.3300.419.50020	156.42
WAL-MART BUSINESS	2/22/15 6032 2025 3025	03/18/2015	6032 2025 3025 7113	101.42.4000.421.60065	123.61
WHAT WORKS INC	IGH ED2-06	03/18/2015	2/19/15	101.44.6000.451.30700	270.00
XCEL ENERGY	448420159	03/18/2015	Invoice	101.44.6000.451.40010	957.33
XCEL ENERGY	448420159	03/18/2015	Invoice	101.44.6000.451.40020	1,549.09
XCEL ENERGY	447368104	03/18/2015	Invoice	101.43.5400.445.40020	869.78
XCEL ENERGY	447534857	03/18/2015	Invoice	101.43.5200.443.40020	235.76
XCEL ENERGY	447534857	03/18/2015	Invoice	101.43.5400.445.40020	9,944.40
XCEL ENERGY	4475544266	03/18/2015	Invoice	101.42.4200.423.40010	2,662.95
XCEL ENERGY	4475544266	03/18/2015	Invoice	101.42.4200.423.40020	1,299.64
XCEL ENERGY	448237557	03/18/2015	Invoice	101.42.4000.421.40042	40.48

Fund: 101 - GENERAL FUND **271,786.26**

ENSEMBLE CREATIVE & MARKETING	IGH022515	03/11/2015	JAN/FEB 2015	201.44.1600.465.30700	1,665.00
ENSEMBLE CREATIVE & MARKETING	IGH022515	03/11/2015	JAN/FEB 2015	201.44.1600.465.30700	1,665.00
ENSEMBLE CREATIVE & MARKETING	IGH022515	03/11/2015	JAN/FEB 2015	201.44.1600.465.50025	6,082.55
ST PAUL ARENA COMPANY, LLC	SPAC0001391	03/11/2015	JAN-DEC 2015	201.44.1600.465.50025	2,400.00
ST PAUL ARENA COMPANY, LLC	SPAC0001334	03/11/2015	10/29/14	201.44.1600.465.50025	3,900.00

Fund: 201 - C.V.B. FUND **15,712.55**

AMERICAN CARNIVAL MART & PARTY LAND	120966	03/18/2015	Invoice	204.44.6100.452.60009	600.00
GENESIS EMPLOYEE BENEFITS, INC	IN496948	03/11/2015	Invoice	204.44.6100.452.30550	14.48
IGH SENIOR CLUB	3/5/2015	03/18/2015	Invoice	204.227.2271000	144.00
IGH/SSP COMMUNITY EDUCATION	3/5/2015	03/18/2015	Invoice	204.227.2271000	447.00
ROBERT BEALKE INDUSTRIES	775159	03/11/2015	3/6/15	204.44.6100.452.30700	300.00
S & T OFFICE PRODUCTS	1/31/15	03/11/2015	1/31/15	204.44.6100.452.60010	24.64
TAHO SPORTSWEAR	15TF0215	03/18/2015	Invoice	204.44.6100.452.60045	115.16
VERIZON WIRELESS	9741141203	03/18/2015	Invoice	204.44.6100.452.50020	76.09

Fund: 204 - RECREATION FUND **1,721.37**

ACE PAINT & HARDWARE	523322/5	03/18/2015	Invoice	205.44.6200.453.60012	3.60
ACE PAINT & HARDWARE	523331/5	03/18/2015	Invoice	205.44.6200.453.60016	12.17
ACE PAINT & HARDWARE	523361/5	03/18/2015	Invoice	205.44.6200.453.60012	27.98
ACE PAINT & HARDWARE	523387/5	03/18/2015	Invoice	205.44.6200.453.60012	6.36
CULLIGAN	2/28/15 157-01143890-8	03/18/2015	Invoice	205.44.6200.453.60016	706.04
CULLIGAN	2/28/15 157-01143890-8	03/18/2015	Invoice	205.44.6200.453.60016	176.51
CULLIGAN-METRO	101X27551707	03/18/2015	Invoice	205.44.6200.453.40040	242.00
ECSI SYSTEM INTEGRATORS	21707	03/18/2015	Invoice	205.44.6200.453.50055	174.00
ECSI SYSTEM INTEGRATORS	21707	03/18/2015	Invoice	205.44.6200.453.50055	174.00
GARTNER REFRIGERATION & MFG, INC	15164	03/18/2015	Invoice	205.44.6200.453.40040	2,009.00
GENESIS EMPLOYEE BENEFITS, INC	IN496948	03/11/2015	Invoice	205.44.6200.453.30550	8.75
GENESIS EMPLOYEE BENEFITS, INC	IN496948	03/11/2015	Invoice	205.44.6200.453.30550	40.89
GENESIS EMPLOYEE BENEFITS, INC	IN496948	03/11/2015	Invoice	205.44.6200.453.30550	8.75
GENESIS EMPLOYEE BENEFITS, INC	IN496948	03/11/2015	Invoice	205.44.6200.453.30550	3.50
GENESIS EMPLOYEE BENEFITS, INC	IN496948	03/11/2015	Invoice	205.44.6200.453.30550	11.00
GOODIN COMPANY	02088673-00	03/18/2015	Invoice	205.44.6200.453.40040	1,096.91
GOODIN COMPANY	02088673-01	03/18/2015	Invoice	205.44.6200.453.40050	3,505.50
GOODIN COMPANY	02088673-01	03/18/2015	Invoice	205.44.6200.453.60040	73.64
GOODIN COMPANY	02089337-00	03/18/2015	Invoice	205.44.6200.453.40050	(3,465.50)
GOPHER PLUMBING SUPPLY	239788	03/18/2015	Invoice	205.44.6200.453.40040	17.20
GRAINGER	9686641938	03/18/2015	Invoice	205.44.6200.453.60016	275.25
HANSEN PLUMBING	12/12/2014	03/18/2015	Invoice	205.44.6200.453.40040	1,300.00
HILLYARD INC	601511337	03/18/2015	Invoice	205.44.6200.453.60011	38.83
HILLYARD INC	601511337	03/18/2015	Invoice	205.44.6200.453.60011	38.82
HILLYARD INC	601522616	03/18/2015	Invoice	205.44.6200.453.60011	250.25
HILLYARD INC	601522616	03/18/2015	Invoice	205.44.6200.453.60011	250.25
HUEBSCH SERVICES	3423926	03/18/2015	Invoice	205.44.6200.453.40040	168.22
HUEBSCH SERVICES	3423926	03/18/2015	Invoice	205.44.6200.453.40040	133.06
IMPRESSION SIGNS AND GRAPHICS	11860	03/18/2015	Invoice	205.44.6200.453.50025	383.83
MENARDS - WEST ST. PAUL	77939	03/18/2015	Invoice	205.44.6200.453.60016	57.31
MINNESOTA WOMEN'S PRESS, INC.	00064144	03/18/2015	DISPLAY AD CAMP GUIDE	205.44.6200.453.50025	312.00
MSHSL REGION 3AA	3-16-15	03/18/2015	Invoice	205.44.0000.3492200	5,165.00
NAC MECHANICAL & ELECTRICAL SERVICE	111993	03/18/2015	Invoice	205.44.6200.453.40040	2,882.82
NAC MECHANICAL & ELECTRICAL SERVICE	111995	03/18/2015	Invoice	205.44.6200.453.40040	614.85
NAC MECHANICAL & ELECTRICAL SERVICE	112265	03/18/2015	Invoice	205.44.6200.453.40040	1,871.50
PIONEER PRESS	215414398	03/18/2015	Invoice	205.44.6200.453.50025	650.00
R & R SPECIALTIES OF WI, INC.	0056979-IN	03/18/2015	Invoice	205.44.6200.453.60040	555.00
ROACH, RICK	2/23/15	03/18/2015	REIMBURSE-MILEAGE	205.44.6200.453.50065	26.45
ROACH, RICK	2/23/15	03/18/2015	REIMBURSE-MILEAGE	205.44.6200.453.60065	47.16

Vendor Name	Payable Number	Post Date	Description (Item)	Account Number	Amount
ROACH, RICK	3/2/15	03/18/2015	REIMBURSE-SUPPLIES	205.44.6200.453.40040	236.75
S & T OFFICE PRODUCTS	1/31/15	03/11/2015	1/31/15	205.44.6200.453.60065	24.65
SAM'S CLUB	2/23/15 7715 0907 6938	03/11/2015	7715 0907 6938 3064	205.44.6200.453.60011	9.62
SAM'S CLUB	2/23/15 7715 0907 6938	03/11/2015	7715 0907 6938 3064	205.44.6200.453.60011	9.62
SAM'S CLUB	2/23/15 7715 0907 6938	03/11/2015	7715 0907 6938 3064	205.44.6200.453.60065	7.67
SAM'S CLUB	2/23/15 7715 0907 6938	03/11/2015	7715 0907 6938 3064	205.44.6200.453.60065	11.98
SAM'S CLUB	2/23/15 7715 0907 6938	03/11/2015	7715 0907 6938 3064	205.44.6200.453.60065	14.96
SCHINDLER ELEVATOR CORPORATION	8103954100	03/18/2015	Invoice	205.44.6200.453.40040	287.16
SECTIONAL BASKETBALL PROGRAM	2015 Sectionals	03/18/2015	Invoice	205.44.6200.453.50025	170.00
SPRUNG SERVICES	66039	03/18/2015	Invoice	205.44.6200.453.40040	582.00
TARPS INC	3899	03/11/2015	2/9/15	205.44.6200.453.60016	630.00
THONE, ANDREA	7/30/14	08/06/2014	REFUND WEEK 9 KIDS ROCK	205.44.0000.3496000	140.00
VANCO SERVICES LLC	Feb 2015 stmt	03/18/2015	Invoice	205.44.6200.453.70600	95.75
VERIZON WIRELESS	9741141203	03/18/2015	Invoice	205.44.6200.453.50020	84.91
VERIZON WIRELESS	9741141203	03/18/2015	Invoice	205.44.6200.453.50020	23.95
VERIZON WIRELESS	9741141203	03/18/2015	Invoice	205.44.6200.453.50020	23.99
VERIZON WIRELESS	9741141203	03/18/2015	Invoice	205.44.6200.453.50020	84.92
VERIZON WIRELESS	9741141203	03/18/2015	Invoice	205.44.6200.453.50020	47.90
XCEL ENERGY	448420159	03/18/2015	Invoice	205.44.6200.453.40010	12,996.38
XCEL ENERGY	448420159	03/18/2015	Invoice	205.44.6200.453.40010	4,357.22
XCEL ENERGY	448420159	03/18/2015	Invoice	205.44.6200.453.40020	10,694.21
XCEL ENERGY	448420159	03/18/2015	Invoice	205.44.6200.453.40020	13,578.92
ZYLA, DEBRA	3/5/15	03/18/2015	REFUND- FITNESS REFUND LOW	205.44.0000.3493501	24.00
Fund: 205 - COMMUNITY CENTER					63,989.46
BARNESS, KIRSTIN	220	03/11/2015	2/10/15	290.45.3000.419.30700	1,400.00
DAKOTA CTY PROP TAXATION & RECORDS	2015 PROPERTY TAX	03/18/2015	2015 CITY PROPERTY TAX PAYM	290.45.3000.419.80100	15,160.08
GENESIS EMPLOYEE BENEFITS, INC	IN496948	03/11/2015	Invoice	290.45.3000.419.30550	1.23
Fund: 290 - EDA					16,561.31
DAKOTA CTY PROP TAXATION & RECORDS	SA15-1006	03/18/2015	ANNUAL SPECIAL ASSESSMENT:	399.57.9000.570.30700	9,428.80
Fund: 399 - CLOSED BOND FUND					9,428.80
MPCA	2/24/15	03/11/2015	VP26510/CVP11790	402.44.6000.451.30700	(250.00)
Fund: 402 - PARK ACQ. & DEV. FUND					(250.00)
METROPOLITAN COUNCIL ENVIRON SRVCS	FEBRUARY 2015	03/06/2015	FEBRUARY 2015	404.217.2170000	12,425.00
Fund: 404 - SEWER CONNECTION FUND					12,425.00
BRAUN INTERTEC CORPORATION	B014256	03/18/2015	I09213	425.72.5900.725.30700	6,556.49
BRAUN INTERTEC CORPORATION	B017282	03/18/2015	I09213	425.72.5900.725.30700	2,869.15
MPCA	2/24/15	03/11/2015	VP26510/CVP11790	425.72.5900.725.30700	375.00
Fund: 425 - 2005 IMPROVEMENT FUND					9,800.64
FLUID INTERIORS LLC	37027	03/18/2015	88-00	428.72.5900.728.80500	4,423.95
WSB & ASSOCIATES, INC.	2/17/15 02954-000	03/11/2015	02954-000	428.72.5900.728.30300	2,515.00
Fund: 428 - 2008 IMPROVEMENT FUND					6,938.95
CITY OF SOUTH ST. PAUL	3/13/15 AUTO PREVEN	03/18/2015	AUTO THEFT PREVENTION	434.42.4000.421.30700	12,600.00
CITY OF SOUTH ST. PAUL	3/13/15 AUTO PREVEN	03/18/2015	AUTO THEFT PREVENTION	434.42.4000.421.30700	1,200.00
CITY OF SOUTH ST. PAUL	3/13/15 AUTO PREVEN	03/18/2015	AUTO THEFT PREVENTION	434.42.4000.421.30700	650.00
CITY OF WEST ST. PAUL	3/13/15	03/18/2015	AUTO THEFT PREVENTION	434.42.4000.421.30700	12,600.00
CITY OF WEST ST. PAUL	3/13/15	03/18/2015	AUTO THEFT PREVENTION	434.42.4000.421.30700	650.00
CITY OF WEST ST. PAUL	3/13/15	03/18/2015	AUTO THEFT PREVENTION	434.42.4000.421.30700	1,200.00
KIMLEY-HORN & ASSOCIATES, INC.	6450336	03/18/2015	160509025.3	434.73.5900.734.30300	31,178.04
S. M. HENTGES & SONS, INC.	PAY VO. NO. 6	03/11/2015	CITY PROJECT NO. 2014-09D	434.73.5900.734.80300	31,202.41
Fund: 434 - 2014 IMPROVEMENT FUND					91,280.45
AMERICAN ENGINEERING TESTING, INC.	66387	03/18/2015	INV001	440.74.5900.740.30340	33.00
BARR ENGINEERING COMPANY	23190328.14-30	03/18/2015	47TH STREET IMPROVEMENTS	440.74.5900.740.30300	1,646.34
FINANCE & COMMERCE, INC.	742058406	03/18/2015	10025798	440.74.5900.740.50025	290.03
KIMLEY-HORN & ASSOCIATES, INC.	6450334	03/18/2015	160509021.3	440.74.5900.740.30300	6,129.44
S. M. HENTGES & SONS, INC.	PAY VO. NO. 6	03/11/2015	CITY PROJECT NO. 2014-09D	440.74.5900.740.80300	253,018.02
Fund: 440 - PAVEMENT MANAGEMENT PROJ					261,116.83
LEAGUE OF MN CITIES	212945	03/18/2015	9/1	441.74.5900.741.50070	1,240.00
WSB & ASSOCIATES, INC.	1/23/15 10	03/18/2015	01702-250	441.74.5900.741.70600	651.50
Fund: 441 - STORM WATER MANAGEMENT					1,891.50
BOLTON & MENK, INC.	0174710	03/18/2015	T18.108658	446.74.5900.746.30300	12,256.00
BOLTON & MENK, INC.	0174710	03/18/2015	T18.108658	446.74.5900.746.30300	427.50
BOLTON & MENK, INC.	0174710	03/18/2015	T18.108658	446.74.5900.746.30300	3,518.00
BOLTON & MENK, INC.	0174710	03/18/2015	T18.108658	446.74.5900.746.30310	6,180.00
BRAUN INTERTEC CORPORATION	B019955/B022303	03/18/2015	B14-09606	446.74.5900.746.30340	6,000.00
BRAUN INTERTEC CORPORATION	B021647	03/11/2015	B021647	446.74.5900.746.30340	2,635.00
BRAUN INTERTEC CORPORATION	B023268	03/18/2015	I09213	446.74.5900.746.30340	7,215.00
BRKW APPRAISALS, INC.	7445	03/11/2015	1/30/15	446.74.5900.746.30700	2,000.00

Vendor Name	Payable Number	Post Date	Description (Item)	Account Number	Amount
BRKW APPRAISALS, INC.	7470	03/11/2015	1/30/15	446.74.5900.746.30700	4,500.00
BRKW APPRAISALS, INC.	7446 & 7447	03/11/2015	2/13/15	446.74.5900.746.30700	5,200.00
BRKW APPRAISALS, INC.	7477 & 7479	03/11/2015	2/13/15	446.74.5900.746.30700	5,000.00
BRKW APPRAISALS, INC.	7448	03/11/2015	2/18/15	446.74.5900.746.30700	3,000.00
BRKW APPRAISALS, INC.	7478	03/11/2015	2/18/15	446.74.5900.746.30700	3,500.00
EMMONS & OLIVIER RESOURCES	00095-0043-13	03/18/2015	00095-0043	446.74.5900.746.30300	730.35
GOLIATH HYDRO-VAC INC	19687	03/11/2015	2/2/15	446.74.5900.746.30340	1,400.00
Fund: 446 - NW AREA					63,561.85
DAKOTA CTY PROP TAXATION & RECORDS	2015 PROPERTY TAX	03/18/2015	2015 CITY PROPERTY TAX PAYM	448.74.5900.748.70600	175.12
Fund: 448 - NWA - STORM WATER					175.12
BARR ENGINEERING COMPANY	1/15/15	03/18/2015	11/29/14-12/26/14	451.75.5900.751.30700	5,156.50
BARR ENGINEERING COMPANY	2/4/15	03/18/2015	12/27/14-1/23/15	451.75.5900.751.30700	2,660.00
Fund: 451 - HOST COMMUNITY FUND					7,816.50
AMERICAN WATER WORKS ASSN	7000980577	03/18/2015	00139413	501.50.7100.512.50070	1,783.00
GENESIS EMPLOYEE BENEFITS, INC	IN496948	03/11/2015	Invoice	501.50.7100.512.30550	33.32
GOPHER STATE ONE-CALL	133134	03/18/2015	Invoice	501.50.7100.512.30700	152.25
MN DEPT OF HEALTH	1/1/15-3/31/15 1190014	03/11/2015	1190014	501.207.2070100	11,985.00
S & T OFFICE PRODUCTS	1/31/15	03/11/2015	1/31/15	501.50.7100.512.60070	(93.81)
SEELYE PLASTICS INC	SI+0164976	03/18/2015	Invoice	501.50.7100.512.60016	103.91
TKDA	002015000346	03/18/2015	Invoice	501.50.7100.512.30700	1,453.19
VERIZON WIRELESS	9741141203	03/18/2015	Invoice	501.50.7100.512.50020	248.72
XCEL ENERGY	447549104	03/18/2015	Invoice	501.50.7100.512.40010	2,344.27
XCEL ENERGY	447549104	03/18/2015	Invoice	501.50.7100.512.40020	13,875.09
Fund: 501 - WATER UTILITY FUND					31,884.94
GENESIS EMPLOYEE BENEFITS, INC	IN496948	03/11/2015	Invoice	502.51.7200.514.30550	16.62
METROPOLITAN COUNCIL	0001041646	03/18/2015	5084	502.51.7200.514.40015	141,807.25
VISU-SEWER INC	26601	03/18/2015	Invoice	502.51.7200.514.40043	48,959.10
XCEL ENERGY	447549104	03/18/2015	Invoice	502.51.7200.514.40010	281.26
XCEL ENERGY	447549104	03/18/2015	Invoice	502.51.7200.514.40020	1,116.27
Fund: 502 - SEWER UTILITY FUND					192,180.50
ACE PAINT & HARDWARE	523378/5	03/11/2015	Invoice	503.52.8600.527.60012	32.26
ARAMARK REFRESHMENT SERVICES	9607790	03/11/2015	Invoice	503.52.8300.524.40042	73.37
ARAMARK UNIFORM SERVICES	16117546	03/11/2015	Invoice	503.52.8600.527.60045	137.88
ARAMARK UNIFORM SERVICES	629-8171327	02/11/2015	Invoice	503.52.8600.527.60045	79.22
ARAMARK UNIFORM SERVICES	629-818-0707	03/11/2015	Invoice	503.52.8600.527.60045	79.22
BATTERIES PLUS	030-626132	03/18/2015	Invoice	503.52.8600.527.60012	27.95
CLEVELAND GOLF/SRIXON	4432928 SO	03/18/2015	Invoice	503.52.8200.523.76250	98.80
CLEVELAND GOLF/SRIXON	4434055	03/18/2015	Invoice	503.52.8200.523.76250	404.07
COPY RIGHT	66013	03/18/2015	Invoice	503.52.8500.526.50030	3,638.80
COPY RIGHT	66136	03/18/2015	Invoice	503.52.8500.526.50030	241.03
DAKOTA ELECTRIC ASSN	201360-5 3/15	03/11/2015	Invoice	503.52.8600.527.40020	236.59
DEADPERFECT GOLF	27371	03/18/2015	Invoice	503.52.8200.523.76400	543.83
DEX MEDIA EAST	2/20/2015	03/18/2015	Invoice	503.52.8500.526.50025	48.50
FAST SIGNS	190-68247	03/18/2015	Invoice	503.52.8000.521.60065	264.97
GARY'S PEST CONTROL	49521	03/18/2015	Invoice	503.52.8500.526.40040	72.31
GEMPLER'S INC.	1020496428	03/18/2015	Invoice	503.52.8600.527.60012	829.20
GENESIS EMPLOYEE BENEFITS, INC	IN496948	03/11/2015	Invoice	503.52.8000.521.30550	11.00
GENESIS EMPLOYEE BENEFITS, INC	IN496948	03/11/2015	Invoice	503.52.8500.526.30550	11.69
GENESIS EMPLOYEE BENEFITS, INC	IN496948	03/11/2015	Invoice	503.52.8600.527.30550	25.50
HAAS-JORDAN COMPANY	664179	03/18/2015	Invoice	503.52.8200.523.76400	169.55
MENARDS - WEST ST. PAUL	76636	03/11/2015	Invoice	503.52.8600.527.40040	15.13
MENARDS - WEST ST. PAUL	77252	03/11/2015	Invoice	503.52.8600.527.40040	82.56
MENARDS - WEST ST. PAUL	77792	03/18/2015	Invoice	503.52.8600.527.40040	230.95
MENARDS - WEST ST. PAUL	78152	03/18/2015	Invoice	503.52.8600.527.40040	27.69
MN GOLF ASSOCIATION, INC.	3/5/2015	03/11/2015	Invoice	503.52.8000.521.50030	41.00
MN LIFE INSURANCE CO	MARCH 2015	03/11/2015	POLICY#0027324	503.52.8600.527.20620	(19.10)
MTI DISTRIBUTING CO	997025-01	03/18/2015	Invoice	503.52.8600.527.40042	36.43
MTI DISTRIBUTING CO	998667-00	03/18/2015	Invoice	503.52.8600.527.40042	800.06
MTI DISTRIBUTING CO	998667-01	03/18/2015	Invoice	503.52.8600.527.40042	33.67
MTI DISTRIBUTING CO	998667-02	03/18/2015	Invoice	503.52.8600.527.40042	27.15
MTI DISTRIBUTING CO	999070-00	03/18/2015	Invoice	503.52.8600.527.40042	281.27
MTI DISTRIBUTING CO	999105-00	03/18/2015	Invoice	503.52.8600.527.40042	212.31
NAPA OF INVER GROVE HEIGHTS	411248	03/11/2015	Invoice	503.52.8600.527.40042	138.19
NAPA OF INVER GROVE HEIGHTS	411250	03/11/2015	Invoice	503.52.8600.527.40042	(16.07)
NAPA OF INVER GROVE HEIGHTS	412733	03/11/2015	Invoice	503.52.8600.527.40042	41.44
NAPA OF INVER GROVE HEIGHTS	412792	03/11/2015	Invoice	503.52.8600.527.40042	101.76
NARDINI FIRE EQUIPMENT CO., INC.	472832	03/11/2015	Invoice	503.52.8600.527.60065	282.47
NIKE USA, INC.	968729713	03/18/2015	Invoice	503.52.8200.523.76200	90.66
NIKE USA, INC.	968764443	03/18/2015	Invoice	503.52.8200.523.76200	37.88
NIKE USA, INC.	968900106	03/18/2015	Invoice	503.52.8200.523.76350	541.00
NIKE USA, INC.	969248772	03/18/2015	Invoice	503.52.8200.523.76200	9.27
OURAY SPORTSWEAR, LLC	ARINV-155687	03/18/2015	Invoice	503.52.8200.523.76200	1,872.00

Vendor Name	Payable Number	Post Date	Description (Item)	Account Number	Amount
PARAMOUNT APPAREL INTERNATIONAL	2349307	03/18/2015	Invoice	503.52.8200.523.76200	205.71
PETTY CASH - MATT MOYNIHAN	3/12/15	03/13/2015	2015 SEASON OPENING	503.100.1010600	100.00
PETTY CASH - MATT MOYNIHAN	3/12/15	03/13/2015	2015 SEASON OPENING	503.100.1010700	1,500.00
PETTY CASH - MATT MOYNIHAN	3/12/15	03/13/2015	2015 SEASON OPENING	503.100.1010800	300.00
PING	12676613	03/18/2015	Invoice	503.52.8200.523.76200	474.24
PING	12676618	03/18/2015	Invoice	503.52.8200.523.76200	1,077.73
PRESTIGE FLAG	394231	03/11/2015	Invoice	503.52.8600.527.60050	734.02
SOUTH BAY DESIGN	3/1/2015	03/11/2015	Invoice	503.52.8500.526.50025	1,060.00
SPORT HALEY, INC.	PSI-260794	03/18/2015	Invoice	503.52.8600.527.40042	1,734.00
SPORT HALEY, INC.	PSI-260819	03/18/2015	Invoice	503.52.8600.527.40042	118.11
TAYLOR MADE GOLF COMPANY INC	30504047	03/18/2015	Invoice	503.52.8600.527.40042	184.60
TDS METROCOM	3/13/15 651 457 3667	03/18/2015	651 457 3667	503.52.8500.526.50020	249.28
TOUR EDGE GOLF MFG., INC.	IN-01039578	03/18/2015	Invoice	503.52.8200.523.76200	451.50
VERIZON WIRELESS	9741141203	03/18/2015	Invoice	503.52.8500.526.50020	238.71
WILSON SPORTING GOODS	4517449689	03/18/2015	Invoice	503.52.8600.527.60050	427.27
WILSON SPORTING GOODS	4517449690	03/18/2015	Invoice	503.52.8600.527.60050	165.34
WILSON SPORTING GOODS	4517462311	03/18/2015	Invoice	503.52.8600.527.60050	107.20
WITTEK	323394	03/18/2015	Invoice	503.52.8600.527.40042	517.84
XCEL ENERGY	447545100	03/18/2015	Invoice	503.52.8500.526.40010	273.39
XCEL ENERGY	447545100	03/18/2015	Invoice	503.52.8500.526.40020	656.10
XCEL ENERGY	447545100	03/18/2015	Invoice	503.52.8600.527.40010	569.72
XCEL ENERGY	447545100	03/18/2015	Invoice	503.52.8600.527.40020	558.24

Fund: 503 - INVER WOOD GOLF COURSE

23,596.46

GENESIS EMPLOYEE BENEFITS, INC	IN496948	03/11/2015	Invoice	602.00.2100.415.30550	2.06
KENNEDY & GRAVEN	2/20/15 12440	03/11/2015	124440	602.00.2100.415.30420	21,491.61
LEAGUE OF MN CITIES	48913	03/18/2015	9/1/14-9/1/15	602.00.2100.415.50015	798.00

Fund: 602 - RISK MANAGEMENT

22,291.67

ABM EQUIPMENT & SUPPLY	0123475	03/11/2015	Invoice	603.00.5300.444.40041	103.50
ACE PAINT & HARDWARE	523321/5	03/11/2015	Invoice	603.00.5300.444.60012	12.50
ACE PAINT & HARDWARE	523324/5	03/11/2015	Invoice	603.00.5300.444.60040	96.91
ACS FIREHOUSE SOFTWARE	23491	03/18/2015	2/28/15	603.00.5300.444.40040	1,305.00
ADVANCED GRAPHIX, INC.	190743	03/11/2015	9/22/15	603.00.5300.444.40041	251.50
ALLDATA LLC	FW374825	03/18/2015	Invoice	603.00.5300.444.40042	1,500.00
ELROY'S ELECTRIC SERVICE	4226	03/11/2015	Invoice	603.00.5300.444.40040	130.44
FACTORY MOTOR PARTS COMPANY	1-4639670	03/11/2015	Invoice	603.00.5300.444.40041	30.00
FACTORY MOTOR PARTS COMPANY	1-4639670	03/11/2015	Invoice	603.140.1450050	207.84
GENESIS EMPLOYEE BENEFITS, INC	IN496948	03/11/2015	Invoice	603.00.5300.444.30550	9.24
HEALTH EAST VEHICLE SERVICES	21803	03/11/2015	1/27/15	603.00.5300.444.80700	123.58
HEALTH EAST VEHICLE SERVICES	21431	03/11/2015	10/30/14	603.00.5300.444.80700	9,133.76
INVER GROVE FORD	5168625	02/18/2015	Invoice	603.00.5300.444.40041	12.97
INVER GROVE FORD	5168709	02/18/2015	Invoice	603.00.5300.444.40041	(3.53)
INVER GROVE FORD	5169030	02/18/2015	Invoice	603.00.5300.444.40041	(9.44)
LARSON COMPANIES	B-250650189	03/18/2015	Invoice	603.00.5300.444.40041	70.71
LARSON COMPANIES	B-250650189	03/18/2015	Invoice	603.140.1450050	141.42
LARSON COMPANIES	B-250650220	03/18/2015	Invoice	603.00.5300.444.40041	(70.71)
LARSON COMPANIES	B-250680063	03/18/2015	Invoice	603.140.1450050	36.35
METRO JANITORIAL SUPPLY INC	11013363	03/18/2015	Invoice	603.00.5300.444.60011	209.89
METROMATS	13436	03/18/2015	Invoice	603.00.5300.444.40065	38.50
METROMATS	13267	03/18/2015	Invoice	603.00.5300.444.40065	38.50
MPCA	2200100790	03/18/2015	Invoice	603.00.5300.444.40025	258.00
MTI DISTRIBUTING CO	998867-00	03/11/2015	Invoice	603.00.5300.444.40041	23.15
O'REILLY AUTO PARTS	1767-132341	03/11/2015	Invoice	603.00.5300.444.40040	163.28
O'REILLY AUTO PARTS	1767-132349	03/11/2015	Invoice	603.00.5300.444.60040	33.43
O'REILLY AUTO PARTS	1767-132391	03/11/2015	Invoice	603.00.5300.444.40041	26.36
O'REILLY AUTO PARTS	1767-132420	03/11/2015	Invoice	603.00.5300.444.40041	27.98
O'REILLY AUTO PARTS	1767-132486	03/11/2015	Invoice	603.140.1450050	233.50
O'REILLY AUTO PARTS	1767-132485	03/11/2015	Invoice	603.00.5300.444.40041	22.75
O'REILLY AUTO PARTS	1767-132490	03/11/2015	Invoice	603.140.1450050	10.51
O'REILLY AUTO PARTS	1767-132511	03/11/2015	Invoice	603.00.5300.444.60012	22.99
O'REILLY AUTO PARTS	1767-132627	03/11/2015	Invoice	603.00.5300.444.40041	3.49
O'REILLY AUTO PARTS	1767-132636	03/11/2015	Invoice	603.00.5300.444.40041	6.98
O'REILLY AUTO PARTS	1767-133093	03/11/2015	Invoice	603.00.5300.444.60012	15.98
O'REILLY AUTO PARTS	1767-133093	03/11/2015	Invoice	603.140.1450050	20.20
O'REILLY AUTO PARTS	1767-133102	03/11/2015	Invoice	603.00.5300.444.40041	10.10
O'REILLY AUTO PARTS	1767-133113	03/11/2015	Invoice	603.00.5300.444.40041	38.94
O'REILLY AUTO PARTS	1767-133137	03/11/2015	Invoice	603.00.5300.444.40041	31.34
O'REILLY AUTO PARTS	1767-133145	03/11/2015	Invoice	603.140.1450050	38.94
O'REILLY AUTO PARTS	1767-133153	03/11/2015	Invoice	603.140.1450050	223.12
O'REILLY AUTO PARTS	1767-133312	03/18/2015	Invoice	603.00.5300.444.60012	9.89
O'REILLY AUTO PARTS	1767-133330	03/11/2015	Invoice	603.140.1450050	95.05
O'REILLY AUTO PARTS	1767-133533	03/18/2015	Invoice	603.00.5300.444.60040	6.99
O'REILLY AUTO PARTS	1767-133694	03/18/2015	Invoice	603.00.5300.444.60012	13.98
O'REILLY AUTO PARTS	1767-134224	03/18/2015	Invoice	603.00.5300.444.60012	16.27
SEMA EQUIPMENT INC.	738685	03/18/2015	4504309	603.00.5300.444.40041	181.24

Vendor Name	Payable Number	Post Date	Description (Item)	Account Number	Amount
UNIFIRST CORPORATION	0900243357	03/18/2015	Invoice	603.00.5300.444.40065	195.56
UNIFIRST CORPORATION	0900243357	03/18/2015	Invoice	603.00.5300.444.60045	28.47
UNIFIRST CORPORATION	0900242389	03/11/2015	Invoice	603.00.5300.444.40065	111.08
UNIFIRST CORPORATION	0900242389	03/11/2015	Invoice	603.00.5300.444.60045	27.42
VERIZON WIRELESS	9741141203	03/18/2015	Invoice	603.00.5300.444.50020	104.12
WESTERN PETROLEUM COMPANY	97295838	03/18/2015	Invoice	603.00.5300.444.40041	127.05
XCEL ENERGY	447534857	03/18/2015	Invoice	603.00.5300.444.40010	2,514.70
XCEL ENERGY	447534857	03/18/2015	Invoice	603.00.5300.444.40020	1,653.63
ZIEGLER INC	SW060059268	03/18/2015	Invoice	603.00.5300.444.40041	3,821.09

Fund: 603 - CENTRAL EQUIPMENT

23,486.51

NEOPOST USA INC	GPAP34150	03/18/2015	52240662-356244	604.00.2200.416.60010	238.00
S & T OFFICE PRODUCTS	1/31/15	03/11/2015	1/31/15	604.00.2200.416.60005	203.77
S & T OFFICE PRODUCTS	1/31/15	03/11/2015	1/31/15	604.00.2200.416.60010	903.32
SAM'S CLUB	3/7/15 7715 0907 6899	03/18/2015	7715 0907 6899 5607	604.00.2200.416.60010	6.26

Fund: 604 - CENTRAL STORES

1,351.35

CULLIGAN	1/31/15 157-98503022-8	03/18/2015	157-98503022-8	605.00.7500.460.60011	59.35
CULLIGAN	1/31/15 B 157-98503022	03/18/2015	157-98503022-8	605.00.7500.460.60011	59.35
CULLIGAN	2/28/15 157-98503022-8	03/18/2015	157-98503022-8	605.00.7500.460.60011	62.32
GENESIS EMPLOYEE BENEFITS, INC	IN496948	03/11/2015	Invoice	605.00.7500.460.30550	3.50
HORWITZ NS/I	C003764	03/11/2015	CTYOFIGH	605.00.7500.460.40040	2,658.00
HUEBSCH SERVICES	3415938	03/11/2015	100075	605.00.7500.460.40065	107.49
HUEBSCH SERVICES	3423922	03/18/2015	Invoice	605.00.7500.460.40065	107.49
LONE OAK COMPANIES	66173	03/18/2015	UTILITY BILLING	605.00.7500.460.50035	448.20
LONE OAK COMPANIES	3/11/15	03/18/2015	3/11/15	605.00.7500.460.50035	1,504.20
MAILFINANCE	5207654	03/18/2015	115692	605.00.7500.460.40044	780.00
MINNESOTA ELEVATOR, INC	615855	03/18/2015	Invoice	605.00.7500.460.40040	239.40
MN DEPT OF LABOR & INDUSTRY	ABR0113818	03/18/2015	Invoice	605.00.7500.460.50070	10.00
NEOPOST USA INC	14512521	03/18/2015	14272702	605.00.7500.460.40044	223.99
OERTEL ARCHITECTS	3/3/14	03/18/2015	INVOICE #3	605.00.7500.460.30700	1,020.00
S & T OFFICE PRODUCTS	1/31/15	03/11/2015	1/31/15	605.00.7500.460.60040	179.22
XCEL ENERGY	447534857	03/18/2015	Invoice	605.00.7500.460.40020	7,600.24
ZEE MEDICAL SERVICE	54030474	03/11/2015	2/9/15	605.00.7500.460.60065	151.35

Fund: 605 - CITY FACILITIES

15,214.10

AT & T MOBILITY	3/4/15 287237771092	03/18/2015	287237771092	606.00.1400.413.50020	119.01
CDW GOVERNMENT INC	SJ56418	03/11/2015	2394832	606.00.1400.413.60042	295.70
ESRI INC	92936466	03/11/2015	19729	606.00.1400.413.30700	8,100.00
GENESIS EMPLOYEE BENEFITS, INC	IN496948	03/11/2015	Invoice	606.00.1400.413.30550	15.79
GOLDCOM, INC.	167514	03/11/2015	102114	606.00.1400.413.60040	252.20
GS DIRECT, INC.	313128	03/11/2015	CIT165	606.00.1400.413.60040	84.82
INTEGRA TELECOM	12694354	03/11/2015	887115	606.00.1400.413.50020	1,040.56
INTEGRA TELECOM	12752416	03/18/2015	645862	606.00.1400.413.50020	849.15
INTEGRA TELECOM	12775742	03/18/2015	887115	606.00.1400.413.50020	1,054.50
MID-AMERICA BUSINESS SYSTEMS	733380	03/11/2015	1259	606.00.1400.413.50070	9,518.00
OFFICE OF MN. IT SERVICES	DV14060468	03/11/2015	200B00171	606.00.1400.413.50070	2,487.24
TDS METROCOM	2/13/15 651 451 1944	03/11/2015	651 451 1944	606.00.1400.413.50020	247.06
US INTERNET	110-080034-0017	03/18/2015	3/10/15-4/9/15	606.00.1400.413.30700	220.00
VERIZON WIRELESS	9741141203	03/18/2015	Invoice	606.00.1400.413.50020	50.83
WORKS COMPUTING, INC.	23325	03/18/2015	INVER	606.00.1400.413.80610	1,572.50
WORKS COMPUTING, INC.	23394	03/11/2015	INVER	606.00.1400.413.30700	907.50
WORKS COMPUTING, INC.	23395	03/11/2015	INVER	606.00.1400.413.30700	42.50
WORKS COMPUTING, INC.	23352	03/18/2015	INVER	606.00.1400.413.80610	2,137.82
WORKS COMPUTING, INC.	23364	03/11/2015	INVER	606.00.1400.413.80610	1,552.18

Fund: 606 - TECHNOLOGY FUND

30,547.36

BARR ENGINEERING COMPANY	23190328.14-30	03/18/2015	47TH STREET IMPROVEMENTS	702.229.2302801	1,145.16
BOULDER IMAGES INC.	3/2/15	03/11/2015	ESCROW ACCOUNT RELEASE	702.229.2308301	800.85
CHS	2/24/15 B	03/18/2015	ESCROW FUND ACCOUNT	702.229.2308901	2,940.87
CULLIGAN	2/28/15 157-98473242-8	03/18/2015	157-98473242-8	702.229.2286300	35.75
EMMONS & OLIVIER RESOURCES	00095-0046-1	03/18/2015	00095-0046	702.229.2282002	392.85
EMMONS & OLIVIER RESOURCES	00095-0046-1	03/18/2015	00095-0046	702.229.2298301	602.15
EMMONS & OLIVIER RESOURCES	00095-0047-1	03/18/2015	00095-0047	702.229.2282902	15,915.20
EMMONS & OLIVIER RESOURCES	00095-0047-1	03/18/2015	00095-0047	702.229.2303201	1,310.50
HOISINGTON KOEGLER GROUP INC.	007-047-26	03/18/2015	007-047	702.229.2309001	106.40
IGH INVESTMENT, LLC	2/24/15	03/11/2015	ESCROW RELEASE ARGENTA HI	702.229.2288501	6,181.65
KIMLEY-HORN & ASSOCIATES, INC.	6450335	03/18/2015	160509024.3	702.229.2282902	6,815.80
LEE BRANDEL CONSTRUCTION, INC.	3/6/15	03/18/2015	ESCROW 9145 DALTON COURT	702.229.2306501	5,000.00
TACTICAL SOLUTIONS	4768	03/11/2015	3/2/15	702.229.2291000	237.00
TRINA BARR	2/23/15	03/11/2015	ESCROW FUND	702.229.2283501	475.50

Fund: 702 - ESCROW FUND

41,959.68

Vendor Name	Payable Number	Post Date	Description (Item)	Account Number	Amount
CITY OF APPLE VALLEY	3/13/15	03/18/2015	1ST QTR TAFFIC SAFETY GRANT	707.42.4000.421.30700	6,372.08
CITY OF BURNSVILLE	3/13/15	03/18/2015	1QTR TRAFFIC SAFETY GRANT	707.42.4000.421.30700	2,532.99
CITY OF HASTINGS	3/13/15	03/18/2015	1ST QTR TRAFFIC SAFETY GRAN	707.42.4000.421.30700	3,540.32
CITY OF SOUTH ST. PAUL	3/13/15	03/18/2015	1ST QTR TRAFFIC SAFETY GRAN	707.42.4000.421.30700	3,543.08
CITY OF WEST ST. PAUL	3/13/15 SAFETY GRAN	03/18/2015	1ST QTR TRAFFIC SAFETY GRAN	707.42.4000.421.30700	4,509.39
DAKOTA COMMUNICATIONS CENTER	3/13/15	03/18/2015	1ST QTR TRAFFIC SAFETY GRAN	707.42.4000.421.30700	4,433.22
DAKOTA CTY SHERIFF'S OFFICE	3/13/15	03/18/2015	1ST QTR TRAFFIC SAFETY GRAN	707.42.4000.421.30700	5,029.16
EAGAN, CITY OF	3/13/15	03/18/2015	1ST QTR TRAFFIC SAFETY GRAN	707.42.4000.421.30700	7,379.67
LAKEVILLE, CITY OF	3/13/15	03/18/2015	1ST QTR TRAFFIC SAFETY GRAN	707.42.4000.421.30700	4,585.18
MAILFINANCE	03817	03/18/2015	1 QTR TRAFFIC SAFETY GRANT	707.42.4000.421.30700	928.36
ROSEMOUNT, CITY OF	3/13/15	03/18/2015	1ST QTR TRAFFIC SAFETY GRAN	707.42.4000.421.30700	3,407.40
Fund: 707 - PD FEDERAL GRANT PASS THROUGH					46,260.85
Grand Total					1,262,730.01

CITY OF INVER GROVE HEIGHTS

REQUEST FOR COUNCIL ACTION

Resolution Approving Estimated Costs for the Project, the Joint Powers Agreement with Dakota County Transportation Department for Milling, Bituminous Overlay, and City Utility Repairs and Resolution Ordering City Project No. 2015-06 – 70th Street Mill and Overlay (TH 3 to Cahill Avenue)

Meeting Date: March 23, 2015
 Item Type: Consent
 Contact: Thomas J. Kaldunski, 651.450.2572
 Prepared by: Steve W. Dodge, Assistant City Engineer
 Reviewed by: Scott D. Thureen, Public Works Director

SAT

Fiscal/FTE Impact:	
<input type="checkbox"/>	None
<input type="checkbox"/>	Amount included in current budget
<input type="checkbox"/>	Budget amendment requested
<input type="checkbox"/>	FTE included in current complement
<input type="checkbox"/>	New FTE requested – N/A
<input checked="" type="checkbox"/>	Other: Pavement Management Fund, Sewer Fund, Water Fund

PURPOSE/ACTION REQUESTED

Resolution approving estimated costs for the project, the Joint Powers Agreement with Dakota County Transportation Department for milling, bituminous overlay, and City utility repairs and resolution ordering City Project No. 2015-06 – 70th Street Mill and Overlay (TH 3 to Cahill Avenue).

SUMMARY

Dakota County's 5-year Capital Improvement Plan includes a 2015 project to perform a mill and overlay project on 70th Street (CP 26-53) from T.H. 3 to Cahill Avenue. The mill and overlay project is funded by Dakota County. The City has inspected the proposed project and has requested that City utilities (storm, water, sanitary sewer, and water system) be adjusted/modified. The City is responsible for 80 percent of storm water system adjustments or repairs in accordance with the 2013 Joint Powers Agreement for storm sewer systems. The City is responsible for the cost of the sanitary sewer and water system utility adjustments or repairs.

A Joint Powers Agreement is attached covering the utility adjustments or repairs for sanitary sewer and water systems. Under the Joint Powers Agreement for utility repairs, the City is responsible to provide plans and cover the cost of utility repairs on Dakota County mill and overlay projects in Inver Grove Heights.

City staff has inspected the utilities and prepared plans and specifications for the project. The estimated project cost is \$38,940. The City will fund these improvements through the Pavement Management Fund and Utility Operating Funds for sewer and water.

Public Works recommends adoption of the resolution approving estimated costs for the project, the Joint Powers Agreement with Dakota County Transportation Department for Milling, Bituminous Overlay, and City Utility Repairs and the Resolution Ordering City Project No. 2015-06 – 70th Street Mill and Overlay (TH 3 to Cahill Avenue).

Attachment: Resolution
 Joint Powers Agreement

**CITY OF INVER GROVE HEIGHTS
DAKOTA COUNTY**

RESOLUTION APPROVING ESTIMATED COSTS FOR THE PROJECT, THE JOINT POWERS AGREEMENT WITH DAKOTA COUNTY TRANSPORTATION DEPARTMENT FOR MILLING, BITUMINOUS OVERLAY, AND CITY UTILITY REPAIRS, AND RESOLUTION ORDERING CITY PROJECT NO. 2015-06 – 70TH STREET MILL AND OVERLAY (TH 3 TO CAHILL AVENUE)

RESOLUTION NO. _____

WHEREAS, the Dakota County 5-year Capital Improvement Program includes a mill and overlay at 70th Street East from T.H. 3 to Cahill Avenue; and

WHEREAS, the City is responsible for cost associated with storm sewer, sanitary sewer, water utilities, and curb and gutter repairs; and

WHEREAS, the City approved a Maintenance Agreement for Storm Sewer Systems between Dakota County and the City of Inver Grove Heights on October 14, 2013; and

WHEREAS, the City has inspected utilities, provided plans and specifications, and estimated costs for the project; and

WHEREAS, the City deems this project necessary; and

WHEREAS, Dakota County Transportation Department and the City of Inver Grove Heights wants to enter into a Joint Powers Agreement for Milling, Bituminous Overlay, and City Utility Repairs.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF INVER GROVE HEIGHTS, MINNESOTA THAT:

1. City Project No. 2015-06 – 70th Street Mill and Overlay (TH 3 to Cahill Avenue) is hereby ordered.
2. Staff is authorized to enter into an agreement with the Dakota County Transportation Department for Milling, Bituminous Overlay, and City Utility Repairs.
3. Funding for the utility adjustments and repairs shall be through the Pavement Management Fund and Utility Operating Funds for sewer and water.

Adopted by the City Council of Inver Grove Heights, Minnesota this 23rd of March 2015.

AYES:

NAYS:

George Tourville, Mayor

ATTEST:

Melissa Rheaume, Deputy Clerk

Dakota County Contract No. C0026677

JOINT POWERS AGREEMENT FOR
MILLING, BITUMINOUS OVERLAY, AND CITY UTILITY REPAIRS

BETWEEN
THE COUNTY OF DAKOTA
AND
THE CITY OF INVER GROVE HEIGHTS

SYNOPSIS: Dakota County Transportation Department and the City of Inver Grove Heights agree to include the necessary repairs to City sanitary sewer and water systems in County highway resurfacing projects in Inver Grove Heights, Dakota County.

THIS AGREEMENT, made and entered into by and between the County of Dakota, referred to in this Agreement as "the County"; and the City of Inver Grove Heights, referred to in this Agreement as "the City".

WHEREAS, under Minnesota Statutes Section 162.17, subdivision 1 and 471.59, subdivision 1, two governmental units may enter into an Agreement to cooperatively exercise any power common to the contracting parties, and one of the participating governmental units may exercise one of its powers on behalf of the other governmental units; and

WHEREAS, the County and the City desire to enter into an Agreement relating to the maintenance and repair of sanitary sewer and water systems located on County highways within the corporate limits of the City; and

WHEREAS, the City has the authority to execute this Agreement as a binding legal obligation, fully enforceable in accordance with its terms and conditions as shown by the attached City Council Resolution; and

WHEREAS, the County has the authority to execute this Agreement as a binding legal obligation, fully enforceable in accordance with its terms and conditions as shown by the attached County Board Resolution 15-_____.

NOW, THEREFORE, it is agreed that the County and the City will share responsibilities and costs associated with County highway resurfacing, sanitary sewer system repairs, water system repairs, and related activities as described in the following sections:

1. County highway resurfacing. The County shall be solely responsible for the costs of the milling and bituminous overlay on County highways within the City.
2. Sanitary Sewer & Water System – City Utility Repairs. The City shall be responsible for all costs associated with the utility repairs to sanitary sewer and water systems in County highway resurfacing projects. The City shall be responsible for inspecting and approving the utility repairs. Further, the City shall be responsible for the maintenance of all such facilities after the completion of the project.

3. Plans and Specifications. Generally, the necessary sanitary sewer system and water system repairs shall be made at the time of pavement resurfacing, road rehabilitation, or other improvement project identified in the County's Capital Improvement Program. To the extent practical, the County shall provide 12 months advance notice of such projects. The County shall prepare the complete milling and paving plans and specifications and contract documents for County highway resurfacing projects consistent with State Aid design standards and the Dakota County Transportation Plan. The City shall be responsible for inventorying and identifying necessary sanitary sewer system and water system repairs and preparing plans and technical specifications to be incorporated into the County's plans and specifications. The repair plans shall be in accordance with City standards unless the City and County mutually agree on the alternative repair specifications. The County Board will award the contract for construction to the lowest responsible bidder in accordance with state law.

4. Payment. The County will administer the contract and act as the paying agent for all payments to the Contractor. Payments to the Contractor will be made as the project work progresses and when certified by the County Engineer. The County will bill the City for the City share of project costs. Upon presentation of an itemized claim by one agency to the other, the receiving agency shall reimburse the invoicing agency for its share of the costs incurred under this agreement within 35 days from the presentation of the claim. If any portion of an itemized claim is questioned by the receiving agency, the remainder of the claim shall be promptly paid, and accompanied by a written explanation of the amounts in question. Payment of any amounts in dispute will be made following good faith negotiation and documentation of actual costs incurred in carrying out the work. By submitting a written request from the Authorized Representative, the City agrees to pay their share of project costs in accordance with this Agreement.

5. Change Orders and Supplemental Agreements. Any change orders or supplemental agreements that affect project cost participation must be approved by all parties prior to execution of work.

6. Final completion. Final completion of a construction project must be approved by both the County and the City.

7. Pavement Maintenance. Upon acceptance of a project by the County and City, the County shall be responsible for all pavement maintenance within County right of way unless necessitated by a failure of a City utility system or installation of new facilities.

8. Subsequent Excavation. After completion of a project, and after expiration of the warranty period regarding repair, if excavation within the highway right of way is necessary to repair or install water, sewer, or other city utilities, the City shall apply for a permit from the County and shall be responsible to restore the excavated area and road surface to its original condition at the time of disturbance. If the City fails to have the highway properly restored, the County Engineer may have the work done and the City shall pay for the work within 30 days following receipt of a written claim by the County.

9. Rules and Regulations. The County and the City shall abide by Minnesota Department of Transportation standard specifications, rules and contract administration procedures.

10. Term. This Agreement shall be in force and effect from the date of execution by all parties and shall continue in effect until terminated in accordance with the provisions herein.

11. Termination. This Agreement may be terminated by either party upon one-year written notice and execution of a subsequent Agreement for milling, bituminous overlays, and City utility repairs agreeable to both parties. Termination of this Agreement shall not discharge any liability, responsibility or right of any party which arises from the performance of or failure to adequately perform the terms of this Agreement prior to the effective date of termination. Nor shall termination discharge any obligation, which by its nature, would survive after the date of termination.

12. Cooperative. The County and the City shall cooperate and use their reasonable efforts to ensure prompt implementation of the various provisions of this Agreement. The parties agree to, in good faith, undertake resolution of any disputes in an equitable and timely manner.

13. Independent Contractor. It is agreed that nothing herein contained is intended or should be construed in any manner as creating or establishing the relationship of agents, partners, joint ventures, or associates between the parties hereto or as constituting City as the employee of the County for any purpose or in any manner whatsoever.

14. Mutual Indemnification. Each party shall be liable for its own acts to the extent provided by law and hereby agrees to indemnify, hold harmless and defend the other, its officers and employees against any and all liability, loss, costs, damages, expenses, claims or actions, including attorney's fees which the other, its officers and employees may hereafter sustain, incur or be required to pay, arising out of or by reason of any act or omission of the party, its agents, servants, or employees, in the execution, performance, or failure to adequately perform its obligations pursuant to this Agreement. It is understood and agreed that the County's and City's liability is limited by the provisions of the Municipal Tort Claims Act, Minn. Stat. Ch. 466 or other applicable law.

15. Rights/Remedies. All remedies available to either party under the terms of this Agreement or by law are cumulative and may be exercised concurrently or separately, and the exercise of any one remedy shall not be deemed an election of such remedy to the exclusion of other remedies. The waiver of any default by either party, or the failure to give notice of any default, shall not constitute a waiver of any subsequent default or be deemed to be a failure to give such notice with respect to any subsequent default unless stated to be such in writing and signed by Authorized Representatives of the County and the City.

16. Duty to Mitigate. Both parties shall use their best efforts to mitigate any damages which might be suffered by reason of any event giving rise to a remedy hereunder.

17. Authorized Representatives. The County's Authorized Representative for the purpose of the administration of this Agreement is Mark Krebsbach, Dakota County Engineer, 14955 Galaxie Avenue, 3rd Floor, Apple Valley, MN 55124-8579, phone (952) 891-7100, or his successor. The City's Authorized Representative for the purpose of the administration of this Agreement is Scott Thureen, Public Works Director, 8150 Barbara Avenue, Inver Grove Heights, MN 55077 (651) 450-2571 or his successor. All notices or communications required or permitted by this Agreement shall be either hand delivered or mailed by certified mail, return receipt requested, to the above addresses. Either party may change its address by written notice to the other party. Mailed notice shall be deemed complete two business days after the date of mailing.

18. Modifications. Any alterations, variations, modifications, or waivers of the provisions of this Agreement shall only be valid when they have been reduced to writing, approved by the parties respective Board or Council, and signed by Authorized Representatives of the County and the City.

19. Severability. The provisions of this Agreement shall be deemed severable. If any part of this Agreement is rendered void, invalid, or unenforceable, such rendering shall not affect the validity and enforceability of the remainder of this Agreement unless the part(s) which are void, invalid, or otherwise unenforceable shall substantially impair the value of the entire Agreement with respect to either part.

20. Final Agreement. This Agreement is the final expression of the agreement of the parties and the complete and exclusive statement of the terms agreed upon and shall supersede all prior negotiations, understandings, or agreements. There are no representations, warranties, or stipulations, either oral or written, not herein contained.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS THEREOF, the parties have caused this Agreement to be executed by their duly authorized representative.

CITY OF INVER GROVE HEIGHTS

RECOMMENDED FOR APPROVAL:

Public Works Director

By _____
Mayor

(SEAL)

By _____
Deputy City Clerk

Date _____

COUNTY OF DAKOTA

RECOMMENDED FOR APPROVAL:

County Engineer

By: _____
Physical Development Director

Date: _____

APPROVED AS TO FORM:

COUNTY BOARD RESOLUTION

Assistant County Attorney Date
KS-2015-_____

No. 15- Date: April 7, 2015

4D

CITY OF INVER GROVE HEIGHTS

REQUEST FOR COUNCIL ACTION

Consider Resolution Approving Waiver of Assessment Appeal Agreement for the Schmandt (landowner) Property for City Project No. 2015-14 – 47th Street Area Water and Sewer Improvements and Rehabilitation

Meeting Date: March 23, 2015
Item Type: Consent
Contact: Steve W. Dodge, 651.450.2541
Prepared by: Steve W. Dodge, Asst. City Engineer
Reviewed by: Scott D. Thureen, Public Works Director

SDT

Fiscal/FTE Impact:	
<input type="checkbox"/>	None
<input type="checkbox"/>	Amount included in current budget
<input type="checkbox"/>	Budget amendment requested
<input type="checkbox"/>	FTE included in current complement
<input type="checkbox"/>	New FTE requested – N/A
<input checked="" type="checkbox"/>	Other: Pavement Management Fund, Special Assessments, Water Fund, Sewer Fund

PURPOSE/ACTION REQUESTED

Consider resolution approving Waiver of Assessment Appeal Agreement for the Schmandt property for City Project No. 2015-14 – 47th Street Area Water and Sewer Improvements and Rehabilitation.

SUMMARY

On March 7, 2014 the landowner petitioned the City (by way of a written petition) to construct a sewer and water extension to her property. On October 13, 2014, a resolution was adopted by the City Council accepting the landowner’s petition and adding the sewer and water extension to her property to the Feasibility Report for City Project No. 2015-09E – 47th Street Area Reconstruction. On January 26, 2015, the Council accepted the updated Feasibility Report which included the sewer and water extension to her property.

The sewer and water extension along 49th Street from Bryce Avenue to the landowner’s property will cost approximately \$30,814. The landowner is willing to have the cost of \$30,814 specially assessed against the two parcels with each parcel receiving a special assessment of \$15,407. By this agreement, the landowner is agreeing to pay 100% of the cost of the project component up to \$30,814. The landowner has executed the agreement.

Engineering recommends approval of the Waiver of Assessment Appeal Agreement for the sewer and water extension to the landowner’s property for City Project No. 2015-14 – 47th Street Area Water and Sewer Improvements and Rehabilitation.

SWD/kf

Attachments: Resolution
Waiver of Assessment Appeal Agreement

**CITY OF INVER GROVE HEIGHTS
DAKOTA COUNTY, MINNESOTA**

**A RESOLUTION APPROVING THE WAIVER OF ASSESSMENT APPEAL AGREEMENT FOR
AMOUNT UP TO \$15,407 FOR PARCEL NO. 205360000020 AND FOR AMOUNT UP TO \$15,407 FOR
PARCEL NO. 205035003300 RELATING TO CITY PROJECT NO. 2015-14 – 47TH STREET AREA
WATER AND SEWER IMPROVEMENTS AND REHABILITATION**

RESOLUTION NO. _____

WHEREAS, Eleanor Schmandt Living Trust (Landowner) petitioned the City to construct City Project No. 2015-14 – 47th Street Area Water and Sewer Improvements and Rehabilitation on two parcels as described below; and

WHEREAS, Landowner, owns certain two (2) real properties situated in the City of Inver Grove Heights, County of Dakota, State of Minnesota, according to the deed thereof on file and of record with the Office of Dakota County Recorder identified as Tax Parcel Number 205360000020 (Subject Property) and legally described as:

Lots 1 and 2, Oakland Park, Dakota County, Minnesota, according to the plat thereof now on file and of record in the office of the County Recorder in and for said County and State.

AND

Tax Parcel Number 205035003300 (Subject Property) and legally described as:

Lots 29 and 30, Block 3, Nabersberg's Addition to Saint Paul, Dakota County, Minnesota, according to the plat thereof now on file and of record in the office of the County Recorder in and for said County and State.

WHEREAS, the City accepted Landowner's petition and included the project component (City Project No. 2015-14) as part of City Project No. 2015-09E – 47th Street Area Reconstruction; and

WHEREAS, the Landowner has agreed to pay 100% of the cost of the project up to \$30,814 (\$15,407 per parcel); and

WHEREAS, landowner has signed a Waiver of Assessment Appeal Agreement subject to the terms and conditions as outlined in said agreement.

NOW, THEREFORE, the City Council of Inver Grove Heights does hereby resolve, certify and memorialize for recording the following information:

1. The Waiver of Assessment Appeal Agreement for Amount up to \$15,407 for Parcel No. 205360000020 and for Amount up to \$15,407 for Parcel No. 205035003300 Relating to City Project No. 2015-14 – 47th Street Area Water and Sewer Improvements and Rehabilitation.

Adopted by the City Council of Inver Grove Heights this 23rd day of March 2015.

AYES:

NAYS:

George Tourville, Mayor

ATTEST:

Melissa Kennedy, Deputy Clerk

CITY OF INVER GROVE HEIGHTS
DAKOTA COUNTY, MINNESOTA

WAIVER OF ASSESSMENT APPEAL AGREEMENT
FOR AMOUNT UP TO \$15,407 FOR PARCEL NO. 20536000020 AND FOR AMOUNT UP
TO \$15,407 FOR PARCEL NO. 205035003300 RELATING TO
CITY PROJECT NO. 2015-14 - 47TH STREET AREA WATER AND SEWER
IMPROVEMENTS AND REHABILITATION

THIS WAIVER OF ASSESSMENT APPEAL AGREEMENT (Agreement) is made, entered into and effective this 23rd day of February, 2015, by and between the City of Inver Grove Heights, a Minnesota municipal corporation (hereafter referred to as “IGH”), and The Eleanor Schmandt Living Trust dated 10/23/1992 (hereafter referred to as “Landowner”). Subject to the terms and conditions hereafter stated and based on the representations, warranties, covenants, agreements and recitals of the parties herein contained, the parties do hereby agree as follows:

ARTICLE 1
DEFINITIONS

1.1 Terms. The following terms, unless elsewhere specifically defined herein, shall have the following meanings as set forth below.

1.2 City. “City” means the City of Inver Grove Heights, a Minnesota municipal corporation.

1.3 Landowner. “Landowner” means The Eleanor Schmandt Living Trust dated 10/23/1992, and its successors and assigns.

1.4 Project. “Project” means City of Inver Grove Heights Project No. City Project No. 2015-14 - 47th Street Area Water and Sewer Improvements and Rehabilitation which project involves sanitary sewer and water mains upgrades and replacements within or along the following streets:

- 47th Street E., South St. Paul to its terminus
- Bower Path, 47th Street E. to 46th Street E.
- Bower Court, Bower Path to its terminus
- Boyd Avenue, Bower Path to 300 feet south of 47th Street E.

- 46th Court, Bower Path to its terminus
- 49th Street, Brent Avenue to South St. Paul
- Brent Avenue, 47th Street E. to 49th Street E.
- Bryce Avenue, 47th Street E. to 49th Street E.

1.5 Parcels. “Parcels” means individually and collectively the two parcels located in the City of Inver Grove Heights, County of Dakota, State of Minnesota legally described on Exhibit A attached hereto.

1.6 Feasibility Report. “Feasibility Report” means the Feasibility Report for City Project No. 2015-14 dated January 21, 2015 prepared by SEH, Inc.

1.7 Project Component. “Project Component” means and includes the following:

- Construction of the sanitary sewer lateral line along 49th Street from Bryce Avenue to Brent Avenue
- Sanitary sewer services to serve the Parcels
- Water main services to serve the Parcels

ARTICLE 2 **RECITALS**

Recital No. 1. Landowner owns the Parcels.

Recital No. 2. On March 7, 2014, Landowner petitioned the City (by way of a written petition) to construct the Project Component.

Recital No. 3. Initially the Landowner Property was not included in the Feasibility Report for the Project. On October 13, 2014, a resolution was adopted by the City Council accepting the Landowners petition for the Project Component and adding the Project Component to be included with the Feasibility Report for the Project.

Recital No. 4. On January 26, 2015, the Council accepted the updated Feasibility Report which report included the Project Component.

Recital No. 5. The Project Component will cost approximately \$30,814. Landowner is willing to have the cost of \$30,814 specially assessed against the two Parcels with each Parcel receiving a special assessment of \$15,407. By this Agreement, the Landowner is agreeing to pay 100% of the cost of the Project Component up to \$30,814.

Recital No. 6. Landowner is willing to waive its right to appeal the City assessment for each Parcel up to the amount of \$15,407 for each Parcel.

Recital No. 7. As a condition of the City ordering and constructing the Project Component, Landowner agrees to execute this Agreement.

Recital No. 8. Landowner warrants and represents that, as of the date of this Agreement the undersigned Landowner is the fee title owner of the Parcels.

Recital No. 9. The City has explained the nature and scope of the Project Component with the undersigned Landowner.

Recital No. 10. The City has made available the cost and assessment information and an analysis concerning the benefit of the Project Component to the Parcels.

Recital No. 11. The undersigned Landowner has examined the Feasibility Report, the engineering data and cost calculations relating to the Project Component.

Recital No. 12. The undersigned Landowner, after reviewing all of the information about the Project and the information related to assessment methodology, has determined to waive its right to appeal assessments up to \$15,407 against each Parcel for the Project Component.

Recital No. 13. Landowner acknowledges benefit to the each Parcel from the Project Component up to \$15,407.

ARTICLE 3 **AGREEMENTS OF LANDOWNER**

To induce the City to order and construct the Project Component, the undersigned Landowner recognizes, acknowledges, and knowingly and voluntarily agrees that:

1. Landowner agrees that the Recitals in Article 2 are true and correct and are hereby made an integral part of this Agreement.
2. Each Parcel will be specially benefitted up to \$15,407 by the Project Component.
3. Landowner waives any and all procedural and substantive objections to the special assessment up to \$15,407 against each Parcel for the Project Component. Landowner hereby waives all notice and hearing requirements with respect to the ordering and construction of the Project and the Project Component. Landowner hereby waives all notice and hearing requirements with respect to imposition of the special assessment. Landowner hereby waives any claim that the special assessment against each Parcel up to the amount of \$15,407 exceeds the benefit to that particular Parcel.
4. With respect to special assessments up to \$15,407 against each Parcel for the Project Component, Landowner waives any appeal rights otherwise available pursuant to Minnesota Statute § 429.081.
5. This Waiver shall be continuing and irrevocable. This Waiver is made knowingly and voluntarily by the undersigned Landowner.

6. All terms and conditions of this Waiver shall run with the Parcels herein described, and shall be binding upon the Parcels and the successors and assigns of the undersigned Landowner. This Waiver shall also apply to any after-acquired title of Landowner in the Parcels.
7. The City may record this Waiver against the Parcels.

ARTICLE 4 **AGREEMENTS OF CITY**

The City agrees as follows:

1. The special assessment against each Parcel for the Project Component shall be \$15,407.
2. The principal amount of the special assessments shall begin to accrue interest from and after January 1, 2016.
3. The interest rate payable on the unpaid principal amount of the special assessments shall be the same as the interest rate that the City imposes for City Project No. 2015-09E.
4. The principal amount of the special assessments shall be equally amortized over a ten year period with the first installment due and payable with taxes in calendar year 2016.
5. Landowner shall have the right to fully pay the levied principal amount of the assessments within 30 days after levy with no interest.

ARTICLE 5 **REQUIREMENTS FOR BUILDING PERMIT**

5.1 Requirements for Building Permit. Landowner desires to eventually sell the Parcels as buildable sites. Landowner understands and agrees that execution of this Agreement is a prerequisite to the City ordering the Project Components and that without the Project Components, the Parcels are not buildable. Landowner acknowledges and agrees that even if the Project Components are constructed, there are a number of other steps that the Landowner has to take to make the Parcels buildable in order to obtain a building permit. Those steps include, but are not limited to the following:

- a. Rezoning of the Parcels;
- b. Execution of a Custom Grading Agreement with the City for the Parcels;
- c. Filing of an engineering escrow and letter of credit pursuant to the Custom Grading Agreement;
- d. Obtaining approval of plans from the City for the grading and erosion control;

- e. Usual and customary application for building permit;
- f. Payment of building permit fees; and
- g. Payment of sewer and water hook-up fees, water treatment plant fees, M.C.E.S. SAC Unit Fee and other core connection fees.

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

IN WITNESS WHEREOF, the Landowner and the City have executed this Agreement on the 23rd day of February, 2015.

CITY OF INVER GROVE HEIGHTS

By: _____
George Tourville, Mayor

ATTEST:

Melissa Kennedy, Deputy City Clerk

STATE OF MINNESOTA)
) ss.
COUNTY OF DAKOTA)

On this 23rd day of February, 2015, before me a Notary Public within and for said County, personally appeared George Tourville and Melissa Kennedy, to me personally known, who being each by me duly sworn, each did say that they are respectively the Mayor and Deputy City Clerk of the City of Inver Grove Heights, the municipality named in the foregoing instrument, and that the seal affixed to said instrument was signed and sealed on behalf of said municipality by authority of its City Council and said Mayor and Deputy City Clerk acknowledged said instrument to be the free act and deed of said municipality.

Notary Public

**LANDOWNER
THE ELEANOR SCHMANDT LIVING TRUST DATED 10/23/1992**

Eleanor Schmandt

as Trustee of The Eleanor Schmandt Living
Trust dated 10/23/1992

STATE OF MINNESOTA)
) ss.
COUNTY OF DAKOTA)

The foregoing instrument was acknowledged before me a notary public on March 4, 2015, by Eleanor Schmandt Trustee of The Eleanor Schmandt Living Trust dated 10/23/1992.



Kathleen J. Fischer
Notary Public

This Instrument Was Drafted By:
Timothy J. Kuntz
LeVander, Gillen & Miller, P.A.
633 South Concord Street
Suite 400
South St. Paul, MN 55075
(651) 451-1831

**After Recording, Please Return This
Instrument To:**
Timothy J. Kuntz
LeVander, Gillen & Miller, P.A.
633 South Concord Street
Suite 400
South St. Paul, MN 55075
(651) 451-1831

EXHIBIT A
DESCRIPTION OF PARCELS

Dakota County Tax Parcel No. 205360000020

Legally described as Lots 1 and 2, Oakland Park, Dakota County, Minnesota

Dakota County Tax Parcel No. 205035003300

Legally described as Lots 29 and 30, Block 3, Nabersberg's Addition to Saint Paul, Dakota County, Minnesota.

CITY OF INVER GROVE HEIGHTS

REQUEST FOR COUNCIL ACTION

Authorize Placement of Stormwater Discharge Improvements along the Mississippi River on the MPCA’s Project Priority List (PPL) and Intended Use Plan (IUP) to Seek State Revolving Funds (SRF) and Point Source Improvement Grants (PSIG) and Order the Preparation of a Feasibility Study for City Project No. 2016-01 – Stormwater Treatment for Mississippi River Discharge

Meeting Date: March 23, 2015
 Item Type: Consent
 Contact: Thomas J. Kaldunski: 651-450-2572
 Prepared by: Thomas J. Kaldunski, City Engineer
 Reviewed by: Scott Thureen, Public Works Director

SAT

Fiscal/FTE Impact:

<input type="checkbox"/>	None
<input type="checkbox"/>	Amount included in current budget
<input type="checkbox"/>	Budget amendment requested
<input type="checkbox"/>	FTE included in current complement
<input type="checkbox"/>	New FTE requested – N/A
<input checked="" type="checkbox"/>	Other, Stormwater Green Infrastructure SRF, PSIG Grants, Stormwater Utility Fees, Special Assessments, 2015 Engineering Consultant Budget

PURPOSE/ACTION REQUESTED

Authorize placement of Stormwater Discharge Improvements along the Mississippi River on the MPCA’s Project Priority List (PPL) and Intended Use Plan (IUP) to Seek State Revolving Funds (SRF) and Point Source Improvement Grants (PSIG) and Order the Preparation of a Feasibility Study for City Project No. 2016-01 – Stormwater Treatment for Mississippi River Discharge.

SUMMARY

The City of Inver Grove Height operates and maintains its stormwater facilities in accordance with the 2014 MS4 permit issued by the Minnesota Pollution Control Agency (MPCA). The City has a long history of doing storm water improvements to construct, operate and maintain this Municipal Separate Storm Sewer System (MS4).

On December 8, 2014, the City approved a resolution adopting the Third Generation Inver Grove Heights Water Resources Management Plan (WRMP). This plan identified a number of priority changes from the Second Generation plan that was adopted in December 2008 to meet current 2015 stormwater regulations.

The 2014 Third Generation WRMP identified several water resource problem areas that were to be included in the CIP to help the chances of securing grant funds in the future. The areas specifically included are:

- Dixie Avenue/Dickman Trail Storm Water Improvements
- 78th Street/Concord Boulevard Storm Water improvements
- 64th Street/Doffing Avenue Storm Water Improvements
- Concord Boulevard/77th Street/Dickman Trail Improvements

The Engineering Division has reviewed these priority areas and identified the storm water improvements to be considered as the CIP is developed. These improvements are summarized and illustrated in the attached PPL application. The City Council is being asked to authorize the submittal of the PPL application at this time.

This PPL application will place the City storm water improvements on an MPCA scoring list of priority points. That will allow the agency to review the proposed projects and determine what SRF and PSIG grants the City may be eligible for. The PSIG can provide 50% grants up to \$3 million for storm water projects that help achieve a waste load reduction to improve water quality.

The Mississippi River is considered an impaired water. Total Maximum Daily Load (TMDL) standards for pollutants, such as suspended solids and phosphorus, have been established. The City's MS4 permit and the City's past improvements have been reducing the amounts of these pollutants from the City's storm water. City Project 2016-01 could provide significant reductions in the waste load to the river if grants and funding are secured.

The MPCA is promoting the use of these funds for storm water improvements. They have indicated preliminary support for the application. In recent years, the MPCA has provided funding to storm water improvements that have scored 45 points on the PPL. The current estimated PPL score for this City project is 56 points. The City has a good chance of being funded through the program.

The City has also been in discussions recently with the Minnesota DNR and 'Friends of Pool 2' (FOP2). This March 5, 2015 discussion reviewed the concerns related to sediments identified by 'Friends of Pool 2'. It was an opportunity for the parties to discuss the City's activities related to storm water management. While the FOP2 were most interested in the effects of sediments in the river, they also expressed interest and probable support for the City's storm water treatment of the discharge to the river. The DNR was also going to review the City's grant application through the MPCA.

In order to fine tune the City's anticipated \$3 to \$4 million dollar storm water CIP, Barr Engineering has been asked to prepare a proposal to assist the City with the PPL application and prepare a feasibility study for the anticipated improvements. Barr Engineering is part of the City's consultant engineering pool and they have the knowledge and expertise to assist the City in securing these funds. They have proposed a \$12,000 budget for these services as outlined in the attached Clean Water Revolving Fund Cost Proposal. This work will be funded through the Engineering Department's 2015 Consultant budget (Account No. 101.43.5100.442.30300).

As the CIP develops and the City learns of the funding that may be made available through the MPCA, the City will eventually develop an improvement project budget that will be a combination of SRF, PSIG grants, City storm water utility funds, potential special assessments, potential storm water taxing districts, redevelopment funds, and other sources available to the City. Project costs beyond this initial step of the PPL application and feasibility study will be eligible for the Clean Water Funding made available by the MPCA through the SRF and PSIG programs.

It is recommended that the City Council approve the attached Resolution Authorizing the Submittal of the PPL Application and the Preparation of the Feasibility Study for City Project No. 2016-01 – Stormwater Treatment for Mississippi River Discharge at a cost of \$12,000 based upon Barr Engineering's February 25, 2015 proposal.

TJK/kf

Attachments: PPL Application and Scoring Worksheet
March 6, 2015 Barr Letter
Resolution

**DAKOTA COUNTY
INVER GROVE HEIGHTS, MINNESOTA**

**RESOLUTION ORDERING PREPARATION OF A FEASIBILITY REPORT FOR CITY PROJECT NO. 2016-01
STORMWATER TREATMENT MISSISSIPPI RIVER DISCHARGE AND AUTHORIZATION FOR MPCA
PROJECT PRIORITY LIST AND INTENDED USE PLAN APPLICATION SUBMITTAL FOR THE PROJECT**

RESOLUTION NO. _____

WHEREAS, the City of Inver Grove Heights is a municipality that owns, operates and improves its storm water management facilities in accordance with its City Code and 2014 MS4 permit; and

WHEREAS, the City approved its Third Generation Water Resources Management Plan (WRMP) in December of 2014 which includes water resource problem areas that discharge to the Mississippi River; and

WHEREAS, the State of Minnesota has determined that the Mississippi River is an impaired water and total maximum daily loads have been identified by the South Metro Mississippi River Total Suspended Solids TMDL in 2012; and

WHEREAS, as the City desires to improve the storm sewer facilities from the three (3) watersheds that drain to the Mississippi River if sufficient project funding can be secured; and

WHEREAS, as the City has received a proposal from its consultant, Barr Engineering, dated February 25, 2015, which will provide professional services to submit applications for clean water funding and grant programs administered by the State of Minnesota, at a cost estimated at \$12,000; and

WHEREAS, Barr Engineering will be authorized to prepare a feasibility study to assist the City and MPCA in further defining the capital improvement program for these prioritized improvements in the 2014 Third Generation WRMP; and

WHEREAS, the City will prepare a funding budget for any construction following grant and loan offers from the MPCA's Clean Water Program and a financial review of various funding sources available to the City; and

WHEREAS, it is proposed to make improvements and to assess or tax the benefited properties for all or a portion of the cost of said improvement, pursuant to Minnesota Statutes, Section 429.111 to 429.111 (Laws 1953, Chapter 398, as amended) and Section 103B.201 and 103B.251 as follows:

<u>Project No.</u>	<u>Improvements</u>
2016-01	Stormwater Treatment for Mississippi River Discharge

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF INVER GROVE HEIGHTS, MINNESOTA:

1. That the proposed improvements be referred to the Public Works Director for study, and that he/she be instructed to report to the Council with all convenient speed, advising the Council, in a preliminary way, as to whether the proposed improvements are feasible and as to whether it would be best made, as proposed, or in connection with other improvements and the estimated cost of the improvements as recommended.
2. That the Barr Engineering proposal, dated February 25, 2015, for providing professional services to apply for the SRF and PSIG funding proposal and to prepare the feasibility study for the project at a \$12,000 budget is hereby authorized using funds in the 2015 Engineering Consultant Account No. 101.43.5100.442.30300.

Adopted this 23rd day of March 2015 by the City Council of Inver Grove Heights, MN

AYES:

NAYS:

George Tourville, Mayor

ATTEST:

Melissa Kennedy, Deputy Clerk

Thomas J. Kaldunski, P.E.

From: Greg D. Fransen [GFransen@barr.com]
Sent: Wednesday, February 25, 2015 10:16 AM
To: Thomas J. Kaldunski, P.E.
Cc: Karen Chandler; Steve W. Dodge. P.E.
Subject: Clean Water Revolving Fund cost proposal

Tom,

This email provides Barr's cost proposal to prepare a Clean Water Revolving Fund loan application for a stormwater infrastructure improvement project within the City of Inver Grove Heights. As we discussed during our conference call on February 10, you would like to apply for funding for a project to treat stormwater in several of the City's previously-untreated storm sewer systems that have outfalls to the Mississippi River.

The first step of the application process is to prepare and submit a Project Priority List (PPL) application. The second step is to prepare and submit a 2016 Intended Use Plan (IUP) application. Projects should be scheduled to receive financing and start construction during fiscal year 2016 (ending June 30, 2016) to be placed on the 2016 IUP list.

We propose to divide the application into two parts, including the following tasks:

Part 1: PPL application (Deadline March 6)

- Data review
- Watershed analysis
- Concept plan preparation
- Load reduction estimation
- PPL application and scoring worksheet preparation

Part 2: 2016 IUP application (Deadline June 5)

- Water quality modeling
- Cost estimate preparation
- Environmental information worksheet preparation
- Detailed project plan preparation

We propose to complete Part 1 as described above for a cost of \$4,000, to be billed on a time and expense basis. Based on our recent discussions with you regarding the scope of the proposed stormwater project, we estimate that the cost of Part 2 will be approximately \$8,000. We will refine the Part 2 cost estimate based on the concept plan developed during Part 1, and we will submit a formal cost proposal for Part 2 once Part 1 has been completed.

Please let me know if you have any questions about this cost estimate or the application process. We can start work on Part 1 as soon as we receive your notice to proceed.

Best regards,
Greg

Greg D. Fransen

Water Resources Scientist
Minneapolis office: 952.832.2626
cell: 612.250.1449



1. **Applicant name:** City of Inver Grove Heights
 Project area: Stormwater improvements over three subwatersheds totaling 1,953 acres
 Town/city: Inver Grove Heights
 Population: 34,000
 County: Dakota County
2. **Contact person:** Thomas Kaldunski, City Engineer
 Address: 8150 Barbara Ave, Inver Grove Heights MN, 55077
 Phone: 651-450-2572 Fax: 651-450-2502
 E-mail: tkaldunski@invergroveheights.org
3. **Project consultants/Firm name (if applicable):** Barr Engineering
 Contact name: Jim Herbert
 Address: 4700 W. 77th Street, Minneapolis MN 55435
 Phone: 952-832-2600 Fax: 952-832-2601
 E-mail: jherbert@barr.com

4. Need or problem project addresses:	Yes/No	Short description
a. A water quality need?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Treating previously untreated stormwater which discharges to an impaired water.
b. A water quantity need?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
c. Permanent stormwater treatment structures?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	New stormwater ponds and rainwater gardens
d. Permanent infiltration techniques?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Installing rainwater gardens
e. Treatment structure designs based on accepted engineering practices?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Pond and garden design will follow requirements for Low Impact Design from Dakota County.

5. **Please indicate if this project may be a Green Project Reserve (GPR) which are stormwater projects that are either categorical or non-categorical and have components or the entire project is applying to be determined GPR eligible.**

The U.S. Environmental Protection Agency (EPA) provided a guidance document listing examples of projects that will qualify for Green Project Reserve dollars. Below is a list of those examples. If the proposed project matches one or more of the examples, check the box next to the example that describes the project. For more information, see *CW Green Guidance* at <http://www.pca.state.mn.us/water/wastewater-financial.html>.

Categorical eligible project types

1. Water Efficiency

- a. Installation of water meters (applies only to drinking water distribution systems – contact the Minnesota Department of Health)
- b. Retrofit or replacement of water using fixtures, fittings, equipment or appliances
- c. Efficient landscape or agricultural irrigation equipment
- d. Systems to recycle gray water
- e. Reclamation, recycling, and reuse of existing rainwater, condensate, degraded water, stormwater, and/or wastewater streams.
- f. Collection system leak detection equipment
- g. Development and initial distribution of public education materials

2. Energy Efficiency

- a. Energy efficient retrofits and upgrades to pumps and treatment processes
- b. Leak detection equipment for treatment works
- c. Producing clean power for 212 treatment works on site (wind, solar, hydroelectric, geothermal, biogas powered combined heat and power)

d. Pro-rata share of capital costs for offsite publicly owned clean energy facilities that provide power to a treatment works.

3. Green Infrastructure

- a. Implementation of comprehensive street tree or urban forestry programs, including expansion of tree box sizes to manage additional stormwater and enhance tree health.
- b. Implementation of green streets (combinations of green infrastructure practices in transportation rights-of-ways), for either new development, redevelopment or retrofits
- c. Implementation of water harvesting and reuse programs or projects, where consistent with state and local laws and policies.
- d. Implementation of wet weather management systems for parking areas which include: the incremental cost of porous pavement, bioretention, trees, green roofs, and other practices that mimic natural hydrology and reduce effective imperviousness at one or more scales.
- e. Establishment and restoration of riparian buffers, floodplains, wetlands and other natural features.
- f. Downspout disconnection to remove stormwater from combined sewers and storm sewers.
- g. Comprehensive retrofit programs designed to keep wet weather out of all types of sewer systems using green infrastructure technologies and approaches.

4. Environmentally Innovative Projects

- a. Green Infrastructure/Low Impact development stormwater projects
- b. Decentralized wastewater treatment and/or reuse projects that reduce energy consumption, recharge aquifers and reduce water withdrawals and treatment costs
- c. Projects that employ development and redevelopment practices that preserve or restore site hydrologic processes through sustainable landscaping and site design.
- d. Projects that use water balance approaches (water budgets) at the project, local or state level that preserve site, local or regional hydrology. Such an effort could pilot and show-case efforts to plan and manage in a concerted manner, surface and groundwater withdrawals, stream base flow (aquatic species protection), wetland and floodplain storage, groundwater recharge and regional or local reuse and harvesting strategies using a quantified methodology.
- e. Projects that demonstrate the energy savings and climate change implications of sustainable site design practices and the use of green infrastructure such as green roofs, increased tree canopy, reduced water consumption and potable water use due to sustainable site designs, rainwater harvesting and reuse and reductions in hard or infrastructure needed to manage stormwater and Combined Sewers Overflow (CSOs).
- f. Projects that demonstrate the differential uses of water based on the level of treatment and potential uses as a means to reducing the costs of treating all water to potable water standards.
- g. Projects that identify and quantify the benefits of using integrated water resources management approaches.

5. Non-categorical (describe)

6. **Selected project and cost estimates (if known):** See Table 1 (attached) for project items and cost estimates

7. **Current project status:** See Table 1 (attached) for project status

8. **Desired construction start date, if financing is available (month/year):** 07/2016

Note: Required attachments for storm sewered area projects. A map of the project service area which has an identifiable scale, identifies all the existing and proposed structures with stormwater design flows and receiving waters.

On behalf of an eligible project as their authorized authority, I hereby submit this application for placement on the PPL:

Print Authorized
Representative Name: Thomas J. Kalounski Signature: Thomas J. Kalounski
Title: City Engineer Date: 3/6/2015

For more information, contact:
Bill Dunn, Clean Water Revolving Fund Coordinator at 651-757-2324 or bill.dunn@state.mn.us
www.pca.state.mn.us/water/wastewater-financial.html



March 6, 2015

Bill Dunn
Minnesota Pollution Control Agency
520 Lafayette Road North
St. Paul, MN 55155-4149

Re: Stormwater PPL Application for Inver Grove Heights Storm Sewer Retrofit Project

Dear Mr. Dunn:

On behalf of the City of Inver Grove Heights, I am pleased to submit an application for placement on the Project Priority List for a stormwater treatment project. The proposed project would address water quality needs through the implementation of infiltration, sedimentation, and erosion control features for three drainage basins totaling approximately 1,950 acres that drain to the Mississippi River (Figure 1). These features include established green infrastructure elements including rainwater gardens and Bioretention areas.

The project described in this application is tributary to the Mississippi River in Inver Grove Heights. The South Metro Mississippi, from river mile 844 at St. Paul to river mile 780 in upper Lake Pepin, is impaired for turbidity, meaning the water is too cloudy to meet the state water quality standard. The impairment is described in detail on pages 3 and 10-11 in the *South Metro Mississippi River Total Suspended Solids Total Maximum Daily Load (draft, 2012)* which is attached to the application. The City of Inver Grove Heights is listed as a Regulated MS4 included in the TMDL area in Appendix B of the draft TMDL document.

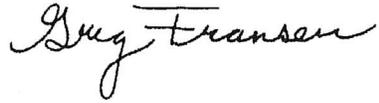
Key objectives of the project include:

- Constructing rainwater gardens and infiltration basins to decrease stormwater volume.
- Constructing stormwater ponds to trap sediment and decrease peak discharge rates.
- Stabilizing slopes to decrease erosion in ravines tributary to the Mississippi River.
- Repairing and upgrading stormwater drain systems tributary to the Mississippi River.
- Satisfying a portion of the 25-percent reduction from the 2002 baseline of TSS loading as required for MS4 permit holders in the South Metro Mississippi Draft TMDL.

The selected project items, their status, and their estimated costs and start date (where known) are listed in the attached Table 1. The locations of the project items are shown in Figures 3, 4, and 5.

Please contact me if you have any questions, or require any additional information.

Respectfully,

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

Greg Fransen

Barr Engineering Company

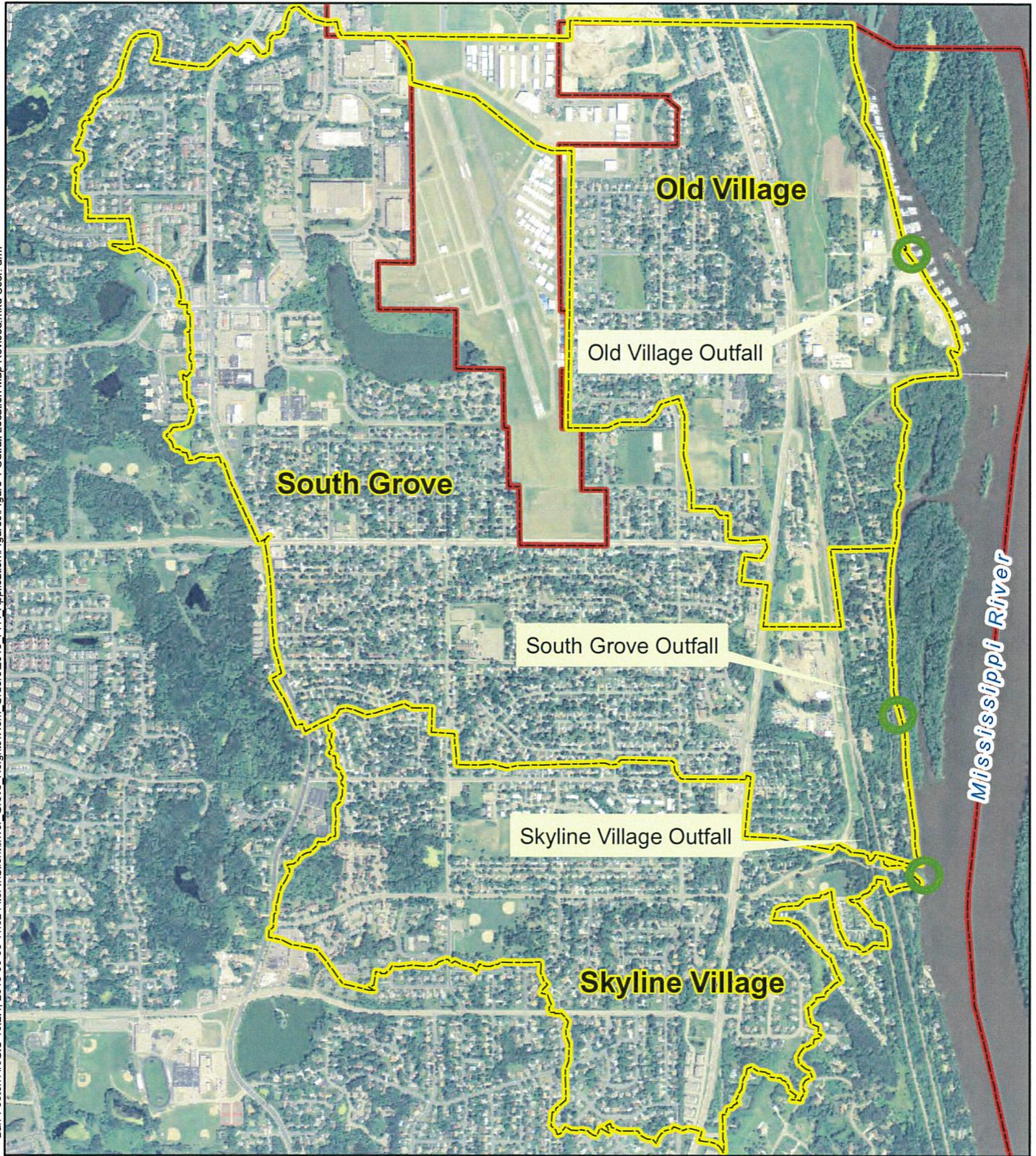
Enclosures

c: Tom Kaldunski, Inver Grove Heights City Engineer
Karen Chandler, P.E., Barr Engineering Company

Table 1. Project elements

Item	Description	Outfall	Status	Estimated Cost	Estimated Start Date
A	Repair approximately 500 ft of 66-inch diameter 64 th Street Trunk Storm Sewer	Old Village 64 th Street Outfall	Planning	\$250,000	TBD
B	Construct 64 th Street Treatment Basin	Old Village 64 th Street Outfall	Planning	\$500,000	TBD
C	Construct Corwin Court Rainwater Gardens	Old Village 64 th Street Outfall	Planning	\$50,000	July, 2016
D	Construct 65 th Street Treatment Basin	Old Village 64 th Street Outfall	Planning	\$400,000	TBD
E	Stabilize ravine and install control structure at Concord	South Grove 72 nd Street Outfall	Planning	\$100,000	TBD
F	Construct Dickman Industrial Park Treatment Basins	South Grove 72 nd Street Outfall	Concept Plan Available	\$500,000	TBD
G	Stabilize ravine and construct control structure at Dickman Trail	South Grove 72 nd Street Outfall	Planning	\$100,000	TBD
H	Construct River Road Stormwater Treatment Basin	South Grove 72 nd Street Outfall	Planning	\$250,000	TBD
I	Repair approximately 2,000 ft of 72-inch diameter 77 th Street Trunk Storm Sewer	Skyline Village 77 th Street Outfall	Planning	\$1,200,000	TBD
J	Construct 78 th and Concord Treatment Basin	Skyline Village 77 th Street Outfall	Preliminary Plan Available, Site Purchased, Soil Borings Complete	\$324,000	July, 2016
K	Construct Delano Circle Rainwater Gardens	Skyline Village 77 th Street Outfall	Planning	\$50,000	July, 2016

TBD = To Be Determined



Legend

-  Stormwater Discharge
-  Drainage Basins
-  City of Inver Grove Heights



1 inch = 1,500 feet



FIGURE 1

OUTFALL LOCATION MAP
2016 CWRP PPL Application
City of Inver Grove Heights
Dakota County, MN

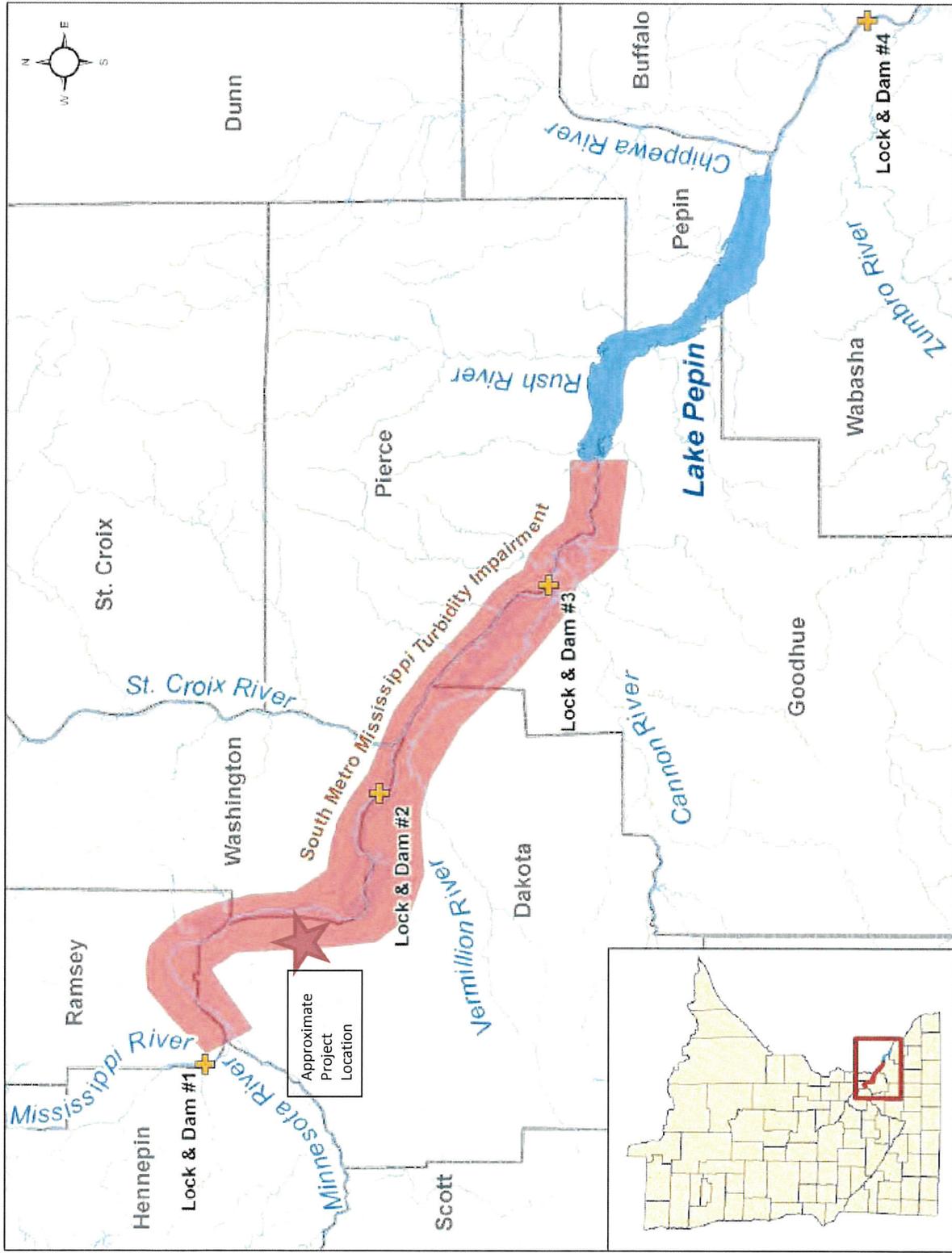
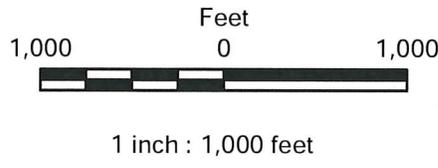


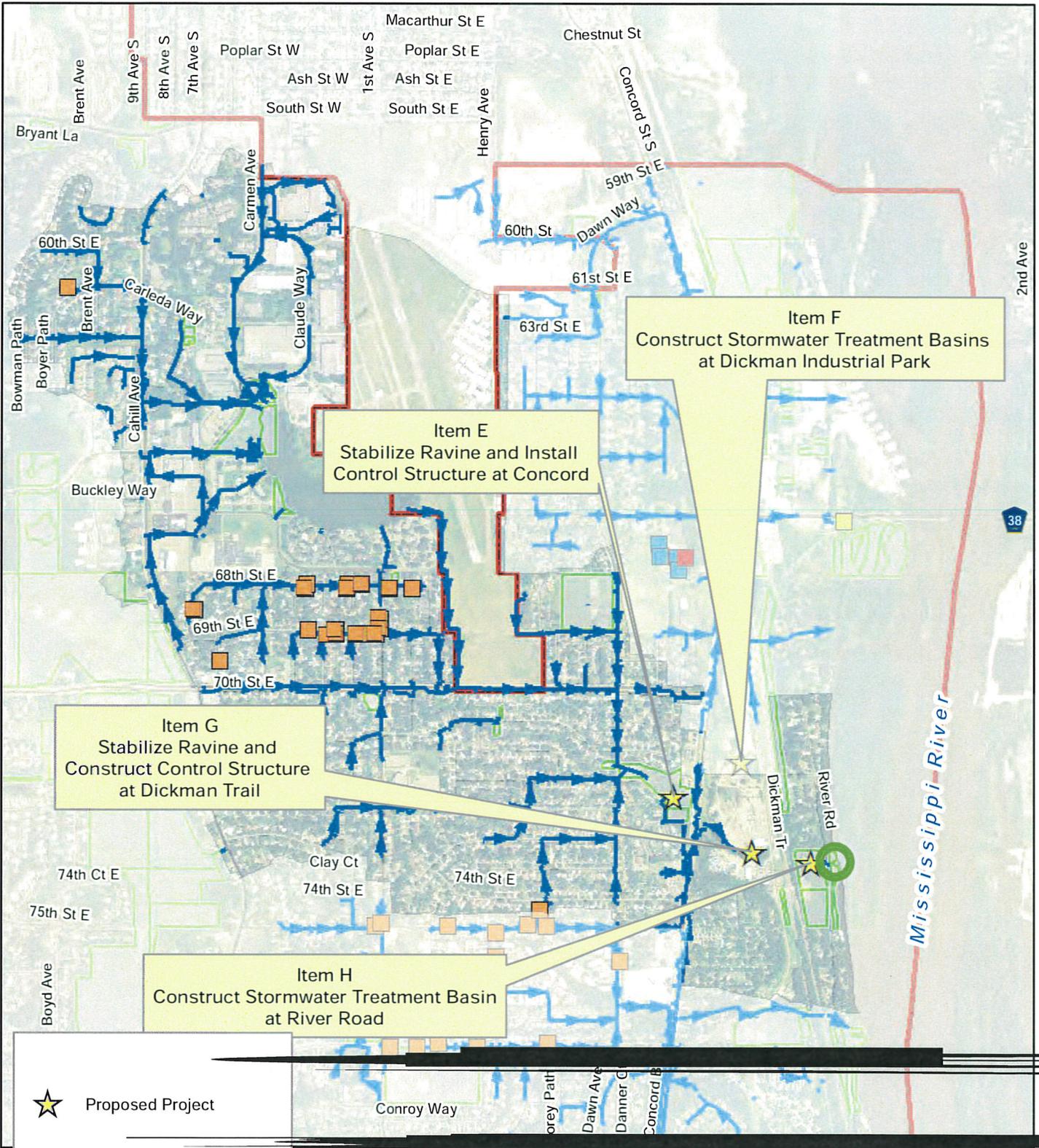
Figure 2 - Mississippi TMDL Location Map



FIGURE 3

PROPOSED PROJECTS FOR
 OLD VILLAGE WATERSHED
 2016 CRWF PPL Application
 City of Inver Grove Heights
 Dakota County, MN





-  Proposed Project
-  Basin
-  Dry Pond
-  Filtration
-  Infiltration/Recharge
-  Underground System
-  Existing Storm Sewer
-  City of Inver Grove Heights
-  City-owned Property

Feet

1,500 0 1,500

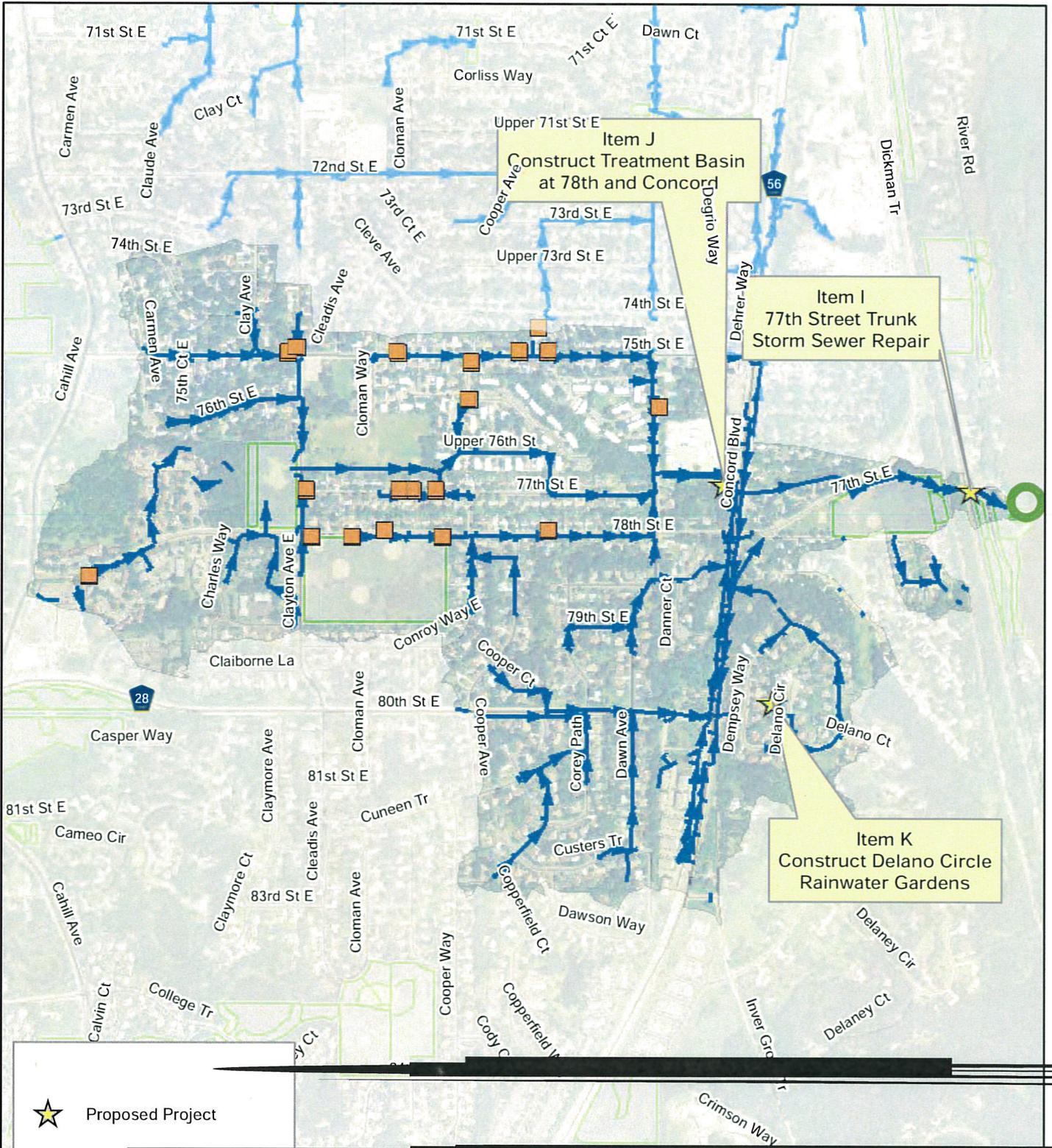


1 inch : 1,500 feet



FIGURE 4

PROPOSED PROJECTS FOR SOUTH GROVE WATERSHED
2016 CRWF PPL Application
City of Inver Grove Heights
Dakota County, MN



-  Proposed Project
-  Basin
-  Dry Pond
-  Filtration
-  Infiltration/Recharge
-  Underground System
-  Existing Storm Sewer
-  City of Inver Grove Heights
-  City-owned Property

Feet

1,000 0 1,000



1 inch : 1,000 feet



FIGURE 5

**PROPOSED PROJECTS FOR
 SKYLINE VILLAGE WATERSHED
 2016 CRWF PPL Application
 City of Inver Grove Heights
 Dakota County, MN**



PPL Stormwater Projects Scoring Worksheet

Project Priority List (PPL)

Minn. R. ch. 7077.0119

Doc Type: PPL Points Determination

Facility Information (please print)

Project name: City of Inver Grove Heights Stormwater Improvement Project
 Applicant name (if different): City of Inver Grove Heights
 Contact name: Thomas Kaldunski Title: City Engineer
 E-mail address: tkaldunski@invergroveheights.org Phone: 651-450-2572

MPCA Use Only

Project Number
Staff Engineer
Total Points
Date

Instructions

This worksheet is used to score all requests for Clean Water Revolving Fund financial assistance for stormwater improvement projects. Scoring is based on the environmental criteria contained in Minnesota Rule Chapter 7077. The result of scoring is a ranked list called the Project Priority List (PPL) from which projects will be selected for funding.

Applicants must complete their sections of the worksheet and submit it with their requests for placement on the PPL. As part of completing the worksheet, the applicant must provide sufficient documentation to support the award of points. Complete application information is located on the Minnesota Pollution Control Agency (MPCA) Web site at <http://www.pca.state.mn.us/tchyb21>.

Financial assistance is available for different types of projects. One or more of the three parts of this worksheet must be completed depending on the nature of the proposed project.

Complete this form if your proposal includes eligible stormwater treatment system projects. (See 7077.0115 subp. 4.C)

For more information: Contact Bill Dunn, Clean Water Revolving Fund Coordinator at 651-757-2324, Fax 651-297-8676, or bill.dunn@state.mn.us.

MPCA completes questions 160 - 170; Both applicant and MPCA complete 175 - 240 Points

[160] Discharges to impaired waters [7077.0119 subp. 1]

- A. Four points shall be assigned if both apply: Yes No
- The stormwater project service area currently discharges into an impaired water.
 - The project reduces the level of the pollutant for which the receiving water is impaired.
- B. For the purposes of this part, discharge into a subwatershed that flows into an impaired water is considered a discharge into that impaired water.

If Yes, enter 4 points 4

[165] Discharges to ORVW's or trout waters [7077.0119 subp. 1a]

Yes No

- A. Five points shall be assigned if both apply:
- The stormwater project service area currently discharges into on ORVW or a trout water.
 - The stormwater project provides treatment that improves the quality of stormwater discharges.
- B. For the purposes of this part, discharge into a subwatershed that flows into ORVW's or trout waters is considered a discharge into that water.

If Yes, enter 5 points

[170] Existing receiving water classification [7077.0119 subp. 2] Yes No

Does the project provide treatment that reduces the quantity or improves the quality of stormwater discharge to the following waters (*only the most strict classification can be used, 7 points maximum*).

170.1 Receiving water classification is 2A Yes No
If Yes to 165.1, enter 7 points

170.2 Receiving water classification is 1, 2Bd Yes No
If No to 165.1 and Yes to 165.2, enter 5 points

170.3 Receiving water classification is 2B, 2C, 2D Yes No
If No to 165.1 and 165.2 and Yes to 165.3, enter 3 points

170.4 Receiving water classification is 7 Yes No
If No to 165.1, 165.2, and 165.3 and Yes to 165.4, enter 1 point

[175] Project implements corrective measures [7077.0119 subp. 3]

Five points shall be assigned to a stormwater project if it implements actions that contribute to correction of a water quality problem identified in one or more of the following studies or an equivalent study: Yes No

- a) A clean water partnership project pursuant to chapter 7076.
- b) An impaired water (assessment).
- c) A United States Environmental Protection Agency -approved watershed restoration action strategy pursuant to section 319 of the federal Clean Water Act.

If Yes, enter 5 points

Type of Study: *Attach supporting documentation and identify relevant sections.*

[180] Points reduction for new/expanded diversion of stormwater into one or more of the following waters [7077.0119 subp. 5]

Does the proposed project involve a new or expanded diversion of stormwater to one or more of the following waters or to a subwatershed that flows into that water: Yes No

- a) Outstanding Resource Value Waters (Minn. R. 7050.0180)
- b) Impaired waters (Sec. 303(d) of the Clean Water Act)
- c) Classification 2A
- d) Wetland
- e) Lake (7077.0105 subpart 19a)

If Yes, subtract (- 5) points

[190] Project helps meet total maximum daily load for receiving water [7077.0119 subp. 6]

Eighteen points shall be assigned if the municipality proposing the project holds a NPDES permit for a municipal separate storm sewer system and is implementing a stormwater pollution prevention program according to Code of Federal Regulations, title 40, section 122.34, that addresses requirements resulting from a total maximum daily load waste load allocation. Yes No

If Yes, enter 18 points

[200] Impervious surface ratio [7077.0119 subp. 7]

200.1 Up to ten points shall be assigned to a stormwater project that addresses impervious surface through BMPs. The points are determined by the number resulting from multiplying 20 times the ratio of the project area's impervious surface area to the total project service area to be served by the proposed best management practices and rounding up numbers with fractions to the next whole number. A maximum of 10 points shall be awarded. Yes No

If Yes, enter 20 x (project impervious surface area / project total surface area) (*no more than 10 points*) =

20 x (670 / 1951)

Provide documentation that illustrates impervious surface (by land uses or other means) within the project service area.

[210] Volume Reduction [7077.0119 subp. 8]

Nine points shall be assigned if the proposed project will result in a stormwater volume reduction from an existing discharge. The proposed project must incorporate volume reduction as a major component of the treatment system, or volume reduction must comprise a majority of the cost of the overall proposal. Qualifying best management practices include (check all that apply):

Yes No

- A. Rain gardens
- B. Bioretention basins
- C. Enhanced swales designed to infiltrate
- D. Tree boxes, if designed to capture a certain volume
- E. Stormwater capture and reuse
- F. Porous pavement, if designed to infiltrate
- G. Green roof technology
- H. Other similar practices that will result in a stormwater volume reduction from an existing discharge

If applicable, provide the following cost information:

Estimated cost of volume reduction practice: \$ 350,000

Estimated cost of entire proposed project: \$ 3,700,000

Describe volume reduction practice:

Approximately twenty street-side rain gardens will reduce stormwater volume by approximately 3.5 acre-ft

If Yes, enter 9 points 9

[220] New treatment systems [7077.0119 subp. 9]

Additional points shall be assigned if the proposed project includes new best management practices that provide treatment to an existing discharge, where the discharge is presently untreated. The number of points shall be awarded based on whether the applicant holds a municipal separate storm sewer system (MS4) NPDES permit that already requires a load reduction based on a total maximum daily load (TMDL):

Yes No

- A. When an applicant holds an MS4 NPDES permit and is assigned a waste load allocation based on a TMDL, the applicant shall be awarded one point.
- B. All other eligible applicants shall be awarded 18 points.

If Yes, enter 1 or 18 points 18

[230] Multiple environmental benefits [7077.0119 subp. 10]

Six points shall be assigned if the proposed project will result in one or more of the multiple environmental benefits described in items A to F. Eligible projects must include a stormwater treatment system component or best management practice, and another type of environmental benefit that results from the project. Flood control is already a priority goal of stormwater management, so it does not constitute another type of environmental benefit. Qualifying multiple environmental benefits include (check all that apply):

Yes No

- A. Stormwater capture and reuse.
- B. Creation of wildlife habitat.
- C. Creation of a wildlife corridor or preservation of open or connected green space.
- D. Reduced use or need for water, energy, or consumption of other natural resources.
- E. Green roof technology that results in measurable reductions to stormwater volume.
- F. Other similar practices that provide multiple environmental benefits.

Describe proposed project:

If Yes, enter 6 points

[240] Structural improvements to existing stormwater ponds [7077.0119 subp. 11]

Ten points shall be assigned to a project for structural improvements to an existing stormwater pond that increase or improve stormwater treatment. No points shall be assigned for projects that address only maintenance and do not propose structural improvements.

Yes No

If Yes, enter 10 points 10

Total 56

Stormwater Project Information

Project name: City of Inver Grove Heights Stormwater Improvement Project

Discharge point	Latitude (decimal degrees)	Longitude (decimal degrees)	Existing discharge	Proposed discharge	Receiving water name
<i>(Example) 1</i>	45.097079	-93.469257	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<i>Todd Lake</i>
<i>(Example) 2</i>	45.094890	-93.469439	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>Unnamed Ditch</i>
Old Village Outfall	44.85699	-93.01439	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Mississippi River
South Grove Outfall	44.84279	-93.01506	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Mississippi River
Skyline Village Outfall	44.83773	-93.01393	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Mississippi River
			<input type="checkbox"/>	<input type="checkbox"/>	
			<input type="checkbox"/>	<input type="checkbox"/>	
			<input type="checkbox"/>	<input type="checkbox"/>	
			<input type="checkbox"/>	<input type="checkbox"/>	
			<input type="checkbox"/>	<input type="checkbox"/>	
			<input type="checkbox"/>	<input type="checkbox"/>	
			<input type="checkbox"/>	<input type="checkbox"/>	

Discharge point and receiving water name: The location of a surface water discharge is defined as the location where a discharge enters a surface water. If discharge is to a pipe or storm sewer the location is identified as the point where the discharge from the pipe or storm sewer enters a surface water. If the discharge is into an open ditch or ravine, the location is identified as the point where the discharge leaves the pipe or storm sewer and enters the open ditch or ravine.

Map: Attach a U.S. Geological Survey topographical map or aerial photo or similar map (see example on page 6) that identifies and labels the location of all existing and proposed discharges

Example of Topographical Map

CITY OF INVER GROVE HEIGHTS

REQUEST FOR COUNCIL ACTION

Consider Approval of a Purchase Agreement and Acceptance of Permanent Drainage and Utility Easement Agreements related to the Emergency Overflow of Pond H-2

Meeting Date: March 23, 2015
 Item Type: Consent
 Contact: Thomas J. Kaldunski, 651.450.2572
 Prepared by: Steve W. Dodge, Assistant City Engineer
 Reviewed by: Scott D. Thureen, Public Works Director

SWD

Fiscal/FTE Impact:

- None
- Amount included in current budget
- Budget amendment requested
- FTE included in current complement
- New FTE requested – N/A
- Other: Storm Water Fund

PURPOSE/ACTION REQUESTED

Consider Approval of a Purchase Agreement and Acceptance of Permanent Drainage & Utility Easement Agreements related to the Emergency Overflow of Pond H-2

SUMMARY

The City Council approved the Ullrich Addition preliminary plat and plans on October 27, 2014. As part of the grading and drainage review by staff, an emergency overflow route was identified for the landlocked regional storm water basin H-2.

The Developer of the Ullrich Addition has worked with the City and residents to acquire the necessary drainage and utility easements for the emergency overflow of Pond H-2. The property owners have agreed to supply the necessary easements for a cost of \$8650. The owners of the affected lots support providing the easements and have signed the Purchase Agreement and Permanent Drainage and Utility Easement Agreements prepared by the City Attorney. Copies of the documents are attached.

The Engineering Division recommends approving the Purchase Agreement in the amount of \$8650 and accepting the Permanent Drainage and Utility Easement Agreements for the emergency overflow of Pond H-2.

TJK/swd
 Attachments: Drainage Easements Exhibit
 Resolution
 Purchase Agreement
 Drainage and Utility Easement Agreements

**CITY OF INVER GROVE HEIGHTS
DAKOTA COUNTY, MINNESOTA**

**RESOLUTION APPROVING THE PURCHASE AGREEMENT AND ACCEPTING THE PERMANENT DRAINAGE
& UTILITY EASEMENT AGREEMENTS FOR THE EMERGENCY OVERFLOW OF POND H-2**

RESOLUTION NO. _____

WHEREAS, the City needs to obtain permanent drainage and utility easements for the emergency overflow route of Pond H-2 as identified by staff during the approval of the Ullrich Addition preliminary plat and plans; and

WHEREAS, the landowners are in support of providing the necessary easements; and

WHEREAS, the City and Developer of the Ullrich Addition have negotiated with the affected landowners for the consideration of said easements in the amount of \$8,650.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF INVER GROVE HEIGHTS, MN DOES HEREBY RESOLVE AS FOLLOWS:

1. The City Council approves the attached Purchase Agreement and Permanent Drainage and Utility Easement Agreements between the City of Inver Grove Heights and the owners of lots 18 and 19, block 4 of Nabersberg's Addition; and lots 12, 13, 14, and 15 of Nabersberg's Addition relating to emergency overflow routes for landlocked regional storm water basin H-2.
2. The Mayor and Deputy Clerk are authorized to execute the Purchase Agreement, in the amount of \$8650, and Permanent Drainage and Utility Easement Agreements between the City of Inver Grove Heights and owners of lots 18 and 19, block 4 of Nabersberg's Addition; and lots 12, 13, 14, and 15 of Nabersberg's Addition.
3. The easement purchase will be financed through the Storm Water Fund.

Adopted by the City Council of the City of Inver Grove Heights this 23th day of March 2015.

AYES:

NAYS:

George Tourville, Mayor

ATTEST:

Melissa Kennedy, Deputy Clerk

DRAINAGE EASEMENTS

LAKE AND LAND SURVEYING, INC.

1200 Centre Pointe Curve, Suite 275

Mendota Heights, Minnesota 55120

Phone: 651-776-6211

Survey Made For:

Mr. Jeff Leyde

14931 108th Street South

Hastings, MN, 55033



Legal Description:

Lots 12, 13, 14, and 15, Block 4, NABERSBERG'S ADDITION, according to the record plat thereof, DAKOTA County, Minnesota.

Proposed Drainage Easement

A permanent easement for utility and drainage purposes over, under and across, the west 10 feet of Lots 12, 13, 14, and 15, NABERSBERG'S ADDITION, according to the record plat thereof, DAKOTA County, Minnesota.

Legal Description:

Lots 18 and 19, Block 4, NABERSBERG'S ADDITION, according to the record plat thereof, DAKOTA County, Minnesota.

Proposed Drainage Easement

A permanent easement for utility and drainage purposes over, under and across, all of Lot 18 and the west 10 feet of Lot 19, Block 4, NABERSBERG'S ADDITION, according to the record plat thereof, DAKOTA County, Minnesota.

I certify that this survey, plan or report was prepared by me or under my direct supervision, and that I am a duly Registered Land Surveyor under the laws of the State of Minnesota.

December 19, 2014

Jonathan L. Faraci
Registered Land Surveyor & Registered Engineer
Minnesota Registration No. 16464

EASEMENT PURCHASE AGREEMENT

This Easement Purchase Agreement ("Agreement") is made this _____ day of _____, 2015, by and between **John C. McLain** and **Denise R. McLain**, husband and wife, and **William U. McLain**, a single person, and **Robert J. McLain** and **Catherine A. McLain**, husband and wife, and **Thomas J. McLain** and **Kim M. McLain**, husband and wife, and **Michael B. McLain**, a single person, and **Kathleen A. McLain-Gall** and **Leroy D. Gall**, wife and husband (hereinafter referred to as the "Sellers") and the **City of Inver Grove Heights**, a Minnesota municipal corporation (hereinafter referred to as "Buyer").

WHEREAS, The Sellers own the real property situated within Dakota County, Minnesota as described on the attached **Exhibit A-1** and Sellers, **Thomas J. McLain** and **Kim M. McLain**, husband and wife, own the real property situated in Dakota County, Minnesota, described in **Exhibit A-2** (hereinafter the property described in **Exhibits A-1** and **A-2** is collectively referred to as the "Property").

WHEREAS, Sellers desire to sell and grant permanent drainage and utility easements in the Property to the Buyer.

1. **Purchase and Sale.** On the Date of Closing, the Sellers, in consideration of the sum of **Eight Thousand Six Hundred and Fifty Dollars (\$8,650.00)** to them to be paid by the Buyer, the sufficiency of which is hereby acknowledged, do hereby agree to grant and convey unto the Buyer, its successors and assigns, the following:
 - a.) A **permanent easement for utility and drainage purposes and all such purposes ancillary, incident or related thereto** (hereinafter "**Easement #1**") in the form attached hereto as **Exhibit B**, over, across, through and upon that real property legally described and depicted in said **Exhibit B**.
 - b.) A **permanent easement for utility and drainage purposes and all such purposes ancillary, incident or related thereto** (hereinafter "**Easement #2**") in the form attached hereto as **Exhibit C**, over, across, through and upon that real property legally described and depicted in said **Exhibit C**.
2. **Purchase Price.** At Closing, Buyer will pay Sellers **Eight Thousand Six Hundred and Fifty Dollars (\$8,650.00)** ("**Purchase Price**") for the easements in the Property.
3. **Date and Location of Closing.** The Date of Closing shall be no later than March 13, 2015. The location of the Closing shall be at Inver Grove Heights City Hall.

4. **Payment of Purchase Price.** Subject to (i) full and timely performance by Sellers and (ii) the satisfaction of all contingencies herein contained, the Purchase Price of **Eight Thousand Six Hundred and Fifty Dollars (\$8,650.00)** shall be payable by Buyer to Sellers on the Closing Date in the form of a check from the Buyer. Buyer shall deliver one check to Sellers. Sellers shall be responsible to divide the purchase price among themselves in accordance with their interests in the Property or as they otherwise deem appropriate. The Buyer will list Thomas J. McLain as 1099 payee for the required IRS disclosure.
5. **Easements.** Sellers shall deliver the easement rights purchased by Buyer hereunder by way of **Easement # 1** and **Easement # 2** on the Date of Closing.
6. **Warranty of Title.** The Sellers, for themselves and their successors and assigns, do hereby warrant to and covenant with the Buyer, its successors and assigns, that they are well seized in fee of the Property and that they have good right to grant and convey Easement #1 and Easement # 2 to the Buyer.
7. **Environmental Warranties.** Sellers warrant and represent to Buyer that to Sellers' knowledge, no toxic or hazardous substances (including without limitation, asbestos, urea form formaldehyde, the group of organic compounds known as polychlorinated biphenyl's, and any hazardous substances, pollutants or contaminants as defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("CERCLA"), 42 U.S.C. Section 9601-9657, as amended or as defined by Minn. Stat. § 115B.02, as amended) have been generated, treated, stored, released or disposed of, or otherwise deposited in or located on the Property, including without limitation, the surface and subsurface waters of the Property, nor has Sellers undertaken any activity on the Property which caused (i) the Property to become a hazardous waste treatment, storage or disposal facility within the meaning of, or otherwise bring the Property within the ambit of, the Resource Conservation and Recovery Act of 1976 ("RCRA"), 42 U.S.C. Section 9601 et. seq., the Minnesota Environmental Response and Liability Act ("MERLA"), or any similar state law or local ordinance or any other Environmental Law, (ii) a release or threatened release of hazardous waste from the Property within the meaning of, or otherwise bring the Property within the ambit of CERCLA, MERLA, or any similar state law or local ordinance or any other Environmental Law, or (iii) the discharge of pollutants or effluents into any water source or system, or the discharge into the air of any emissions, which would require a permit under the Federal Water Pollution Control Act, 33 U.S.C. Section 1351 et seq., or the Clean Air Act, 42 U.S.C. Section 7401 et seq., MERLA, or any similar state law or local ordinance or any other environmental law.

Sellers warrant and represent to Buyer that to Sellers' knowledge there are no substances or conditions in or on the Property which may support a claim or cause of action under RCRA, CERCLA, MERLA or any other federal, state or local environmental statutes, regulations, ordinances or other environmental regulatory requirements and that there are no

underground deposits which contain hazardous wastes or petroleum. Sellers also warrant that there are no underground storage tanks of any kind located on the Property.

Sellers warrant and represent to Buyer that to Sellers' knowledge, no portion of the Property is now used as a garbage or refuse dump site, landfill, waste disposal facility, waste transfer station or any other type of facility for the storage, processing, treatment or temporary or permanent disposal of waste materials of any kind, and Sellers have not used, generated, stored, released or disposed of any hazardous substances, wastes, or other materials identified as hazardous or toxic in any federal, state, local or other statute, ordinance, rule, regulation or governmental requirement on the Property.

Sellers warrant and represent to Buyer that to Seller's knowledge, no portion of the Property contains Construction Debris (building materials, packaging, and rubble resulting from construction, remodeling, repair, and demolition of buildings and roads or as defined by Minn. Stat. § 115A.03), Demolition Debris (solid waste resulting from the demolition of buildings, roads, and other man-made structures including concrete, brick, bituminous concrete, untreated wood, masonry, glass, trees, rock, and plastic building parts), Industrial Solid Waste (all solid waste generated from an industrial or manufacturing process and solid waste generated from non-manufacturing activities such as service and commercial establishments or as defined by Minn. Stat. § 115A.03), Mixed Municipal Solid Waste (garbage, refuse, and other solid waste from residential, commercial, industrial, and community activities that the generator of the waste aggregates for collection or as defined by Minn. Stat. § 115A.03), or Solid Waste (garbage, refuse, sludge from a water supply treatment plant or air contaminant treatment facility, and other discarded waste materials and sludges, including but not limited to sewer sludge, in solid, semi-solid, liquid, or contained gaseous form, resulting from industrial, commercial, mining, and agricultural, operations, and from community activities, but does not include animal waste used as fertilizer or as defined by Minn. Stat. § 115A.03).

Sellers warrants and represents to Buyer that to Sellers' knowledge, the soils and grounds of the Property are free from any release of petroleum and there has been no release of petroleum on the Property.

8. **Acknowledgment of Fair Market Value.** Buyer and Sellers agree that the Purchase Price listed in this Agreement represents the fair market value of the easement rights to be sold hereunder which has been determined by a method of valuation acceptable to Buyer and Sellers.
9. **Survival of Warranties.** The representations, indemnifications, warranties, and covenants of Buyer and Sellers contained in this Agreement shall survive the conveyance of the Property and shall not be merged with the delivery of **Easement # 1** and **Easement # 2** to Buyer.

10. **Entire Agreement.** This Agreement embodies the entire agreement between the parties with relation to the transaction provided for herein, and there have been and are no covenants, agreements, representations, warranties, or restrictions between the parties with regard thereto other than those set forth herein.
11. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of Minnesota.
12. **Time of Essence.** Time is of the essence in the closing of this transaction.
13. **Counterparts.** This Agreement may be executed in any number of counterparts; each of which shall be an original, but such counterparts together shall constitute one and the same instrument.
14. **Closing Costs.**
 - 14.1 **Recording Costs.** Buyer will pay the cost of recording the easements (**Easement # 1 and Easement # 2**).
15. **Closing Documents.**
 - 15.1. **Sellers Documents At Closing.** At Closing, Sellers shall execute and deliver to Buyer the following with such documents to be effective as of the Closing Date:
 - a.) Sellers shall execute and deliver **Easement # 1** to Buyer, conveying the easement rights to Buyer, free and clear of all encumbrances.
 - b.) Sellers, **Thomas J. McLain** and **Kim M. McLain**, shall execute and deliver **Easement # 2** to Buyer, conveying the easement rights to Buyer, free and clear of all encumbrances.
 - 15.2. **Buyer Documents At Closing.** At Closing, Buyer shall execute and deliver to Sellers the following documents:
 - a.) Wire transfer or certified check in the sum of **Eight Thousand Six Hundred and Fifty Dollars (\$8,650.00)** for the Property.

This Agreement may be executed in any number of counterparts, each of which shall be deemed an original but all of which shall constitute one and the same instrument.

IN TESTIMONY WHEREOF, the Sellers and the Buyer caused this Agreement to be executed as of the day and year first above written.

CITY OF INVER GROVE HEIGHTS

George Tourville, Mayor

ATTEST:

Melissa Kennedy, Deputy City Clerk

This instrument was drafted by:

Timothy J. Kuntz
LeVander, Gillen & Miller, P.A.
633 South Concord Street, Suite 400
South St. Paul, Minnesota 55075
(651)451-1831

After recording, please return to:

Timothy J. Kuntz
LeVander, Gillen & Miller
633 South Concord Street, Suite 400
South St. Paul, Minnesota 55075
(651)451-1831

[Signature page of William U. McLain]

SELLER

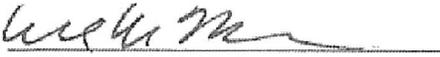

William U. McLain

EXHIBIT A-1
LEGAL DESCRIPTION PROPERTY SUBJECT TO EASEMENT # 1

Real Property located in the City of Inver Grove Heights, Dakota County, Minnesota, described as follows:

Lots 12, 13, 14 and 15, Block 4, NABERSBERG'S ADDITION, according to the recorded plat thereof, Dakota County, Minnesota.

EXHIBIT A-2
LEGAL DESCRIPTION PROPERTY SUBJECT TO EASEMENT # 2

Real Property located in the City of Inver Grove Heights, Dakota County, Minnesota, described as follows:

Lots 18 and 19, Block 4, NABERSBERG'S ADDITION,
according to the recorded plat thereof, Dakota County, Minnesota.

EASEMENT AGREEMENTS

(some signature pages intentionally omitted)

EXHIBIT B
EASEMENT # 1

PERMANENT UTILITY AND DRAINAGE EASEMENT
DAKOTA COUNTY, MINNESOTA

THIS PERMANENT UTILITY AND DRAINAGE EASEMENT (Easement) is made, granted and conveyed this 12th day of January, 2015, by and among John C. McLain and Denise R. McLain, husband and wife, and William U. McLain, a single person, and Robert J. McLain and Catherine A. McLain, husband and wife, and Thomas J. McLain and Kim M. McLain, husband and wife, and Michael B. McLain, a single person, and Kathleen A. McLain-Gall and Leroy D. Gall, wife and husband, (hereinafter individually and collectively referred to as "Landowner") and the City of Inver Grove Heights, a municipal corporation organized under the laws of the State of Minnesota (hereinafter referred to as the "City").

The Landowner owns the real property situated within Dakota County, Minnesota as described on the attached **Exhibit A (hereinafter "Landowner's Property")**.

The Landowner in consideration of the sum of One Dollar and other good and valuable consideration to them in hand paid by the City, the receipt and sufficiency of which is hereby acknowledged, does hereby grant and convey unto the City, its successors and assigns, the following:

A permanent easement for utility and drainage purposes and all such purposes ancillary, incident or related thereto (hereinafter "**Permanent Easement**") under, over, across, through and upon that real property legally described and depicted on **Exhibit B** (hereinafter the "**Permanent Easement Area**") attached hereto and incorporated herein by reference.

The Permanent Easement rights granted herein are forever and shall include, but not be limited to, the construction, maintenance, repair and replacement of any sanitary sewer, water mains, storm water facilities, drainage facilities and any utilities, underground pipes, culverts, conduits, other utilities and mains, and all facilities and improvements ancillary, incident or related thereto, under, over, across, through and upon the Permanent Easement Area.

The Permanent Easement rights further include, but are not limited to, the right of ingress and egress over the Permanent Easement Area to access the Permanent Easement for the purposes of construction, maintenance, repair and replacement of any sanitary sewer, water mains, storm water facilities, drainage facilities any utilities, underground pipes, conduits, culverts, other utilities, mains and all facilities and improvements ancillary, incident or related thereto.

EXEMPT FROM STATE DEED TAX

The rights of the City also include the right of the City, its contractors, agents and servants:

- a.) to enter upon the Permanent Easement Area at all reasonable times for the purposes of construction, reconstruction, inspection, repair, replacement, grading, sloping, and restoration relating to the purposes of this Easement; and
- b.) to maintain the Permanent Easement Area, any City improvements and any underground pipes, conduits, or mains, together with the right to excavate and refill ditches or trenches for the location of such pipes, conduits or mains; and
- c.) to remove from the Permanent Easement Area trees, brush, herbage, aggregate, undergrowth and other obstructions interfering with the location, construction and maintenance of the pipes, conduits, or mains and to deposit earthen material in and upon the Permanent Easement Area; and
- d.) to remove or otherwise dispose of all earth or other material excavated from the Permanent Easement Area as the City may deem appropriate.

The City shall not be responsible for any costs, expenses, damages, demands, obligations, penalties, attorneys' fees and losses resulting from any claims, actions, suits, or proceedings based upon a release or threat of release of any hazardous substances, petroleum, pollutants, and contaminants which may have existed on, or which relate to, the Permanent Easement Area or the Landowner's Property prior to the date hereof.

Nothing contained herein shall be deemed a waiver by the City of any governmental immunity defenses, statutory or otherwise. Further, any and all claims brought by Landowner, themselves or their successors or assigns, shall be subject to any governmental immunity defenses of the City and the maximum liability limits provided by Minnesota Statute, Chapter 466.

The Landowner, for themselves and their successors and assigns, do hereby warrant to and covenant with the City, its successors and assigns, that they are well seized in fee of the Landowner's Property described on Exhibit A and the Permanent Easement Area described and depicted on Exhibit B and that they have good right to grant and convey the Permanent Easement herein to the City.

This Easement may be executed in any number of counterparts, each of which shall be deemed an original but all of which shall constitute one and the same instrument.

IN TESTIMONY WHEREOF, the Landowner and the City have caused this Easement to be executed as of the day and year first above written.

CITY OF INVER GROVE HEIGHTS

George Tourville, Mayor

ATTEST:

Melissa Kennedy, Deputy City Clerk

STATE OF MINNESOTA)
) ss.
COUNTY OF DAKOTA)

On this ____ day of February, 2015, before me a Notary Public within and for said County, personally appeared George Tourville and Melissa Kennedy, to me personally known, who being each by me duly sworn, each did say that they are respectively the Mayor and Deputy City Clerk of the City of Inver Grove Heights, the municipality named in the foregoing instrument, and that the seal affixed to said instrument was signed and sealed on behalf of said municipality by authority of its City Council and said Mayor and Deputy City Clerk acknowledged said instrument to be the free act and deed of said municipality.

Notary Public

This instrument was drafted by:
Timothy J. Kuntz
LeVander, Gillen & Miller, P.A.
633 South Concord Street, Suite 400
South St. Paul, Minnesota 55075
(651)451-1831

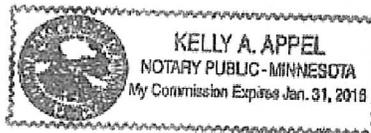
After recording, please return to:
Timothy J. Kuntz
LeVander, Gillen & Miller
633 South Concord Street, Suite 400
South St. Paul, Minnesota 55075
(651)451-1831

[Signature page of John C. McLain and Denise R. McLain]

LANDOWNER

John C. McLain
John C. McLain

Denise R. McLain
Denise R. McLain



STATE OF MINNESOTA)
)
) SS.
COUNTY OF DAKOTA)
 Washington

On this 10th day of February, 2015, before me a Notary Public within and for said County, personally appeared John C. McLain and Denise R. McLain, husband and wife, to me personally known to be the persons described in and who executed the foregoing instrument and they acknowledged that they executed the same as their free act and deed.

Kelly A. Appel
Notary Public

EXHIBIT A
LEGAL DESCRIPTION OF LANDOWNER'S PROPERTY

Real Property located in the City of Inver Grove Heights, Dakota County, Minnesota, described as follows:

Lots 12, 13, 14 and 15, Block 4, NABERSBERG'S ADDITION, according to the recorded plat thereof, Dakota County, Minnesota.

EXHIBIT B
LEGAL DESCRIPTION AND DEPICTION OF PERMANENT EASEMENT AREA

A permanent easement for utility and drainage purposes over, under and across the west 10 feet of Lots 12, 13, 14 and 15, NABERSBERG'S ADDITION, according to the recorded plat thereof, Dakota County, Minnesota.

DRAINAGE EASEMENTS

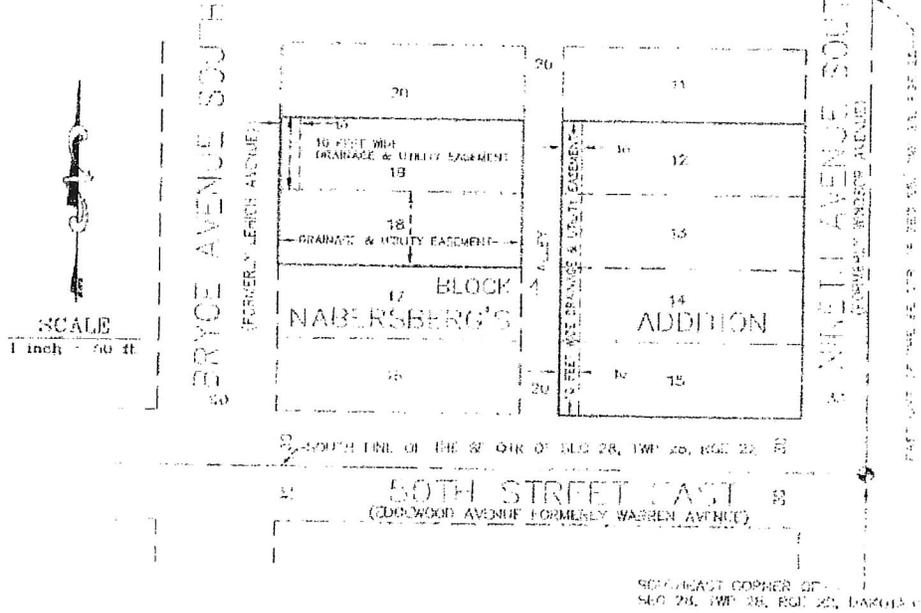
LAKE AND LAND SURVEYING, INC.

1200 Centre Pointe Curve, Suite 375

Mendota Heights, Minnesota 55120

Phone: 651 776 6211

Survey Made For:
Mr. Neil Loyce
3435 106th Street South
Bassett, MN, 55053



Legal Description:

Lots 12, 13, 14, and 15, Block 4, NABERSBERG'S ADDITION, according to the record plat thereof, DAKOTA County, Minnesota.

Proposed Drainage Easement:

A permanent easement for utility and drainage purposes over, under and across, the west 10 feet of Lots 12, 13, 14, and 15, NABERSBERG'S ADDITION, according to the record plat thereof, DAKOTA County, Minnesota.

Legal Description:

Lots 13 and 15, Block 4, NABERSBERG'S ADDITION, according to the record plat thereof, DAKOTA County, Minnesota.

Proposed Drainage Easement:

A permanent easement for utility and drainage purposes over, under and across, all of Lot 15 and the west 10 feet of Lot 13, Block 4, NABERSBERG'S ADDITION, according to the record plat thereof, DAKOTA County, Minnesota.

I certify that this survey, plan or report was prepared by me or under my direct supervision, and that I am a duly Registered Land Surveyor under the laws of the State of Minnesota.

[Signature] December 10, 2014

Shirley L. Frazee
Registered Land Surveyor & Registered Geographer
Minnesota Registration No. 16454

EXHIBIT C
EASEMENT # 2

PERMANENT UTILITY AND DRAINAGE EASEMENT
DAKOTA COUNTY, MINNESOTA

THIS PERMANENT UTILITY AND DRAINAGE EASEMENT (Easement) is made, granted and conveyed this 12th day of January, 2015, between Thomas J. McLain and Kim M. McLain, husband and wife (hereinafter individually and collectively referred to as “Landowner”) and the City of Inver Grove Heights, a municipal corporation organized under the laws of the State of Minnesota (hereinafter referred to as the “City”).

The Landowner owns the real property situated within Dakota County, Minnesota as described on the attached **Exhibit A (hereinafter “Landowner’s Property”)**.

The Landowner in consideration of the sum of One Dollar and other good and valuable consideration to them in hand paid by the City, the receipt and sufficiency of which is hereby acknowledged, does hereby grant and convey unto the City, its successors and assigns, the following:

A **permanent easement for utility and drainage purposes and all such purposes ancillary, incident or related thereto** (hereinafter “**Permanent Easement**”) under, over, across, through and upon that real property legally described and depicted on **Exhibit B** (hereinafter the “**Permanent Easement Area**”) attached hereto and incorporated herein by reference.

The Permanent Easement rights granted herein are forever and shall include, but not be limited to, the construction, maintenance, repair and replacement of any sanitary sewer, water mains, storm water facilities, drainage facilities and any utilities, underground pipes, culverts, conduits, other utilities and mains, and all facilities and improvements ancillary, incident or related thereto, under, over, across, through and upon the Permanent Easement Area.

The Permanent Easement rights further include, but are not limited to, the right of ingress and egress over the Permanent Easement Area to access the Permanent Easement for the purposes of construction, maintenance, repair and replacement of any sanitary sewer, water mains, storm water facilities, drainage facilities any utilities, underground pipes, conduits, culverts, other utilities, mains and all facilities and improvements ancillary, incident or related thereto.

EXEMPT FROM STATE DEED TAX

The rights of the City also include the right of the City, its contractors, agents and servants:

- a.) to enter upon the Permanent Easement Area at all reasonable times for the purposes of construction, reconstruction, inspection, repair, replacement, grading, sloping, and restoration relating to the purposes of this Easement; and
- b.) to maintain the Permanent Easement Area, any City improvements and any underground pipes, conduits, or mains, together with the right to excavate and refill ditches or trenches for the location of such pipes, conduits or mains; and
- c.) to remove from the Permanent Easement Area trees, brush, herbage, aggregate, undergrowth and other obstructions interfering with the location, construction and maintenance of the pipes, conduits, or mains and to deposit earthen material in and upon the Permanent Easement Area; and
- d.) to remove or otherwise dispose of all earth or other material excavated from the Permanent Easement Area as the City may deem appropriate.

The City shall not be responsible for any costs, expenses, damages, demands, obligations, penalties, attorneys' fees and losses resulting from any claims, actions, suits, or proceedings based upon a release or threat of release of any hazardous substances, petroleum, pollutants, and contaminants which may have existed on, or which relate to, the Permanent Easement Area or the Landowner's Property prior to the date hereof.

Nothing contained herein shall be deemed a waiver by the City of any governmental immunity defenses, statutory or otherwise. Further, any and all claims brought by Landowner, themselves or their successors or assigns, shall be subject to any governmental immunity defenses of the City and the maximum liability limits provided by Minnesota Statute, Chapter 466.

The Landowner, for themselves and their successors and assigns, do hereby warrant to and covenant with the City, its successors and assigns, that they are well seized in fee of the Landowner's Property described on Exhibit A and the Permanent Easement Area described and depicted on Exhibit B and that they have good right to grant and convey the Permanent Easement herein to the City.

This Easement may be executed in any number of counterparts, each of which shall be deemed an original but all of which shall constitute one and the same instrument.

IN TESTIMONY WHEREOF, the Landowner and the City have caused this Easement to be executed as of the day and year first above written.

CITY OF INVER GROVE HEIGHTS

George Tourville, Mayor

ATTEST:

Melissa Kennedy, Deputy City Clerk

STATE OF MINNESOTA)
) ss.
COUNTY OF DAKOTA)

On this ____ day of February, 2015, before me a Notary Public within and for said County, personally appeared George Tourville and Melissa Kennedy, to me personally known, who being each by me duly sworn, each did say that they are respectively the Mayor and Deputy City Clerk of the City of Inver Grove Heights, the municipality named in the foregoing instrument, and that the seal affixed to said instrument was signed and sealed on behalf of said municipality by authority of its City Council and said Mayor and Deputy City Clerk acknowledged said instrument to be the free act and deed of said municipality.

Notary Public

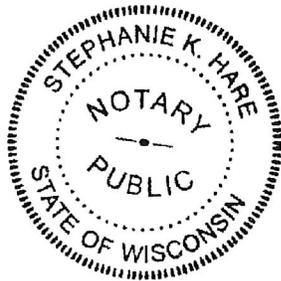
LANDOWNER

T J McLain
Thomas J. McLain

K M McLain
Kim M. McLain

STATE OF MINNESOTA)
) ss.
COUNTY OF DAKOTA)

On this 14 day of February, 2015, before me a Notary Public within and for said County, personally appeared Thomas J. McLain and Kim M. McLain, husband and wife, to me personally known to be the persons described in and who executed the foregoing instrument and they acknowledged that they executed the same as their free act and deed.



Stephanie K. Hare
Notary Public

28 October 2018

This instrument was drafted by:
Timothy J. Kuntz
LeVander, Gillen & Miller, P.A.
633 South Concord Street, Suite 400
South St. Paul, Minnesota 55075
(651)451-1831

After recording, please return to:
Timothy J. Kuntz
LeVander, Gillen & Miller
633 South Concord Street, Suite 400
South St. Paul, Minnesota 55075
(651)451-1831

EXHIBIT A
LEGAL DESCRIPTION OF LANDOWNER'S PROPERTY

Real Property located in the City of Inver Grove Heights, Dakota County, Minnesota, described as follows:

Lots 18 and 19, Block 4, NABERSBERG'S ADDITION, according to the recorded plat thereof, Dakota County, Minnesota.

EXHIBIT B
LEGAL DESCRIPTION AND DEPICTION OF PERMANENT EASEMENT AREA

A permanent easement for utility and drainage purposes over, under and across all of Lot 18 and the west 10 feet of Lot 19, NABERSBERG'S ADDITION, according to the recorded plat thereof, Dakota County, Minnesota.

DRAINAGE EASEMENTS

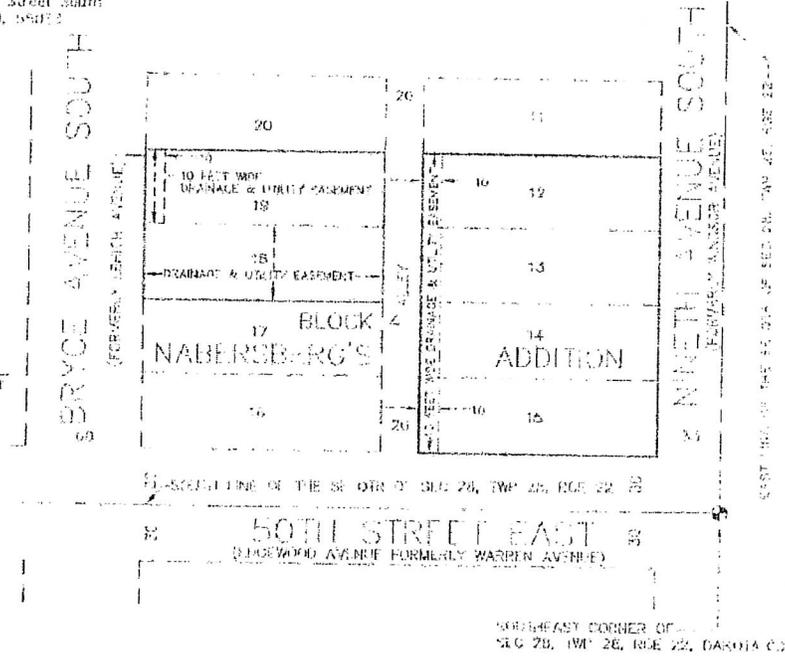
LAKE AND LAND SURVEYING, INC.

1200 Centre Pointe Curve, Suite 275

Mendota Heights, Minnesota 55120

Phone: 651 776 6211

Survey Made For:
Mr. Bill Lege
1431 104th Street South
Hastings, MN, 55033



Legal Description:

Lots 12, 14, 14, and 15, Block 4, NABERSBERG'S ADDITION, according to the record plat thereof, DAKOTA County, Minnesota.

Proposed Drainage Easement

A permanent easement for utility and drainage purposes over, under and across, the west 10 feet of Lots 12, 14, 14, and 15, NABERSBERG'S ADDITION, according to the record plat thereof, DAKOTA County, Minnesota.

Legal Description:

Lots 10 and 19, Block 4, NABERSBERG'S ADDITION, according to the record plat thereof, DAKOTA County, Minnesota.

Proposed Drainage Easement

A permanent easement for utility and drainage purposes over, under and across, all of Lot 10 and the west 10 feet of Lot 19, Block 4, NABERSBERG'S ADDITION, according to the record plat thereof, DAKOTA County, Minnesota.

I certify that this survey, plan or report was prepared by me or under my direct supervision, and that I am a duly Registered Land Surveyor under the laws of the State of Minnesota.

[Signature]
December 16, 2014
Erin H. Lege
Registered Land Surveyor & Registered Engineer
Minnesota Registration No. 16464

CITY OF INVER GROVE HEIGHTS

REQUEST FOR COUNCIL ACTION

Consider Approval of Therapeutic Massage Business License & Individual Massage Therapist License

Meeting Date: March 23,, 2015
 Item Type: Consent
 Contact: 651-450-2513
 Prepared by: Melissa Kennedy
 Reviewed by: N/A

Fiscal/FTE Impact:

- None
- Amount included in current budget
- Budget amendment requested
- FTE included in current complement
- New FTE requested – N/A
- Other

PURPOSE/ACTION REQUESTED: Consider approval of an application by Dr. Ross Crain for a therapeutic massage business license at 2940 65th St. E. and an application by Brenda Chapeau for an individual massage therapist license to contract for service at the same premises.

SUMMARY: An application has been submitted by Dr. Crain for a therapeutic massage business license. The applicant currently owns Inver Grove Chiropractic and would like to offer clients therapeutic massage services. Ms. Chapeau has submitted an application to become a licensed massage therapist to contract for services at the chiropractic clinic. The applicants submitted the appropriate fees, insurance documentation, and other information as required by City Code. Ms. Chapeau has completed the required number of hours of therapeutic massage training and is a member in good standing of a recognized professional therapeutic massage organization. A background investigation on both applicants revealed no basis for the denial of the license requests.

CITY OF INVER GROVE HEIGHTS

REQUEST FOR COUNCIL ACTION

Consider Contractor for Inver Wood Golf Course Maintenance Facility

Meeting Date: March 23, 2015
 Item Type: Consent Agenda
 Contact: Eric Carlson 651.450.2587
 Prepared by: Eric Carlson
 Reviewed by: Kristi Smith
 Joel Metz

Fiscal/FTE Impact:
 None
 Amount included in current budget
 Budget amendment requested
 FTE included in current complement
 New FTE requested – N/A
 Other

PURPOSE/ACTION REQUESTED

Consider approval All Elements Inc. for the replacement of the Inver Wood Golf Course Maintenance Facility roof in an amount not to exceed \$24,000 to be funded from the 2015 Inver Wood Golf Course Budget.

SUMMARY

The Inver Wood Golf Course Maintenance Facility roof is original making it in excess of 20 years old. The roof has a number of leaks and needs to be replaced. We have secured quotes for the replacement as follows:

Walker Roofing	\$21,900 + tax
Action Roofing	\$21,176 + tax
All Elements	\$19,400 + tax

We are recommending All Elements in an amount not to exceed \$19,400 + tax.

CITY OF INVER GROVE HEIGHTS

REQUEST FOR COUNCIL ACTION

Consider Approval of Directed Engineering Study for Energy Efficiency Projects at City Facilities

Meeting Date: March 23, 2015
 Item Type: Consent Agenda
 Contact: Eric Carlson – 651.450.2587
 Prepared by: Eric Carlson
 Reviewed by: Joe Lynch
 Kristi Smith
 Scott Thureen

Fiscal/FTE Impact:

<input type="checkbox"/>	None
<input type="checkbox"/>	Amount included in current budget
<input type="checkbox"/>	Budget amendment requested
<input type="checkbox"/>	FTE included in current complement
<input type="checkbox"/>	New FTE requested – N/A
<input checked="" type="checkbox"/>	Other

PURPOSE/ACTION REQUESTED

The Council is asked to approve hiring Apex Arena Solutions to perform a Directed Engineering Study for a fee not to exceed \$9,830. The cost of the study will be split between the VMCC/Grove, City Facilities, and Water. The City’s actual obligation to pay for study is described in detail below.

SUMMARY

The City hired Apex to perform a Recommissioning Study of the Veterans Memorial Community Center in October 2014 in an amount of \$15,000. The cost of the study was paid for by a rebate provided by Xcel Energy in the amount of \$11,250 and the 2015 VMCC/Grove Operating Budget in the amount of \$3,750.

The recommendations found in the recommissioning study include projects that have engineering and installation investment by the City of approximately \$350,000 - \$425,000. The projects would save enough energy to pay for the investment in approximately 6-years. Generally speaking, we have an opportunity to replace the building controls allowing the HVAC and refrigeration systems to be more closely monitored and managed to minimize run times and maximize efficiencies.

In addition to the recommissioning study, Apex was asked to determine if introducing “solar” at the VMCC/Grove was something that we should consider. At a very high level of study, Apex reviewed our energy usage and determined that installing a 1,200,000 watt solar farm on the roof of the VMCC/Grove may be a good energy reduction project that may have a financial benefit to the City over a 20-year period of approximately \$3,000,000 after the system is paid for.

Under the Directed Engineering Study the Council is being asked to approve, Apex would look at the VMCC/Grove, City Hall, Public Works, and the Water Treatment Plant to see if solar project(s) make sense.

At the completion of the study the City would have the detail project(s), cost(s), and financial analysis to determine which project(s) we would want to implement. The Directed Engineering Study will be performed in accordance with MN Statute 471.345, subdivision 13 which relates to guaranteed energy efficiency projects.

Regarding payment to Apex for the Directed Energy Study:

- Apex may find that with further investigation that solar doesn't make sense and there would be no charge to the City of Inver Grove Heights for the study
- Apex may find that solar does make sense and if we agree the cost of the study would be made a part of the entire project
- Apex may find that solar does make sense but for some reason we don't want to proceed, we would owe them for the cost of the work they will be doing

CITY OF INVER GROVE HEIGHTS

REQUEST FOR COUNCIL ACTION

Consider Approval of Rich Valley Dugout Covers

Meeting Date: March 23, 2015
 Item Type: Consent Agenda
 Contact: Tracy Petersen – 651.450.2588
 Prepared by: Tracy Petersen; Mark Borgwardt
 Reviewed by: Eric Carlson – Parks & Recreation

Fiscal/FTE Impact:

- None
- Amount included in current budget
- Budget amendment requested
- FTE included in current complement
- New FTE requested – N/A
- Other

PURPOSE/ACTION REQUESTED

To approve construction of 18 dugout covers at Rich Valley Athletic Complex, for a sum not to exceed \$100,000, with funding from the following sources:

Park Acquisition & Development Fund (Fund 402)	\$30,000 (include matching for MN Twins Grant)
<i>Park Acquisition & Development Fund (Fund 402)</i>	<i>\$10,000 (only if Twins Grant isn't received)</i>
Minnesota Twins Community Fund Grant	\$10,000 (pending)
IGH Baseball Association	\$50,000 (over 5-years)
IGH Softball Federation	\$10,000 (over 5-years)
Total	\$100,000

SUMMARY

The Rich Valley Athletic Complex has been in operation since 1997. It is the City's main athletic facility for organized baseball, softball and soccer. The site hosts many tournaments and is recognized as being one of the Twin Cities finest athletic complexes. Dugout covers will provide safety on fields from foul balls as well as protection from the elements for all users, coaches and umpires. Providing this amenity has been a high priority for staff and the youth athletic associations. As a high-use site, the addition of dugout covers is needed to continue to provide a safe and quality athletic experience. Specifications and drawings for dugouts were prepared and two (2) quotes for constructing all 18 dugouts were secured as follows:

Just- Rite Fence	\$5,350/each	\$96,300
Dakota Unlimited	\$5,450/each	\$98,100

The Parks and Recreation Commission unanimously approved the project at their March 11 meeting.

Staff recommends hiring Just-Rite Fence to construct 18 dugouts at a cost not to exceed \$100,000 with funding from the sources listed above.

CITY OF INVER GROVE HEIGHTS

REQUEST FOR COUNCIL ACTION

Approve 2015 Tree Replacement Plan

Meeting Date: March 23, 2015
 Item Type: Consent Agenda
 Contact: Mark Borgwardt-651-450-2581
 Prepared by: Mark Borgwardt, Brian Swoboda
 Reviewed by: Eric Carlson

Fiscal/FTE Impact:
 None
 Amount included in current budget
 Budget amendment requested
 FTE included in current complement
 New FTE requested – N/A
 Other

PURPOSE/ACTION REQUESTED

Consider approval of the proposed 2015 Tree Replacement Plan. The PRAC unanimously approved proposed 2015 Tree Replacement Plan at March 11, 2015 meeting.

SUMMARY

The City Council approved the Tree Preservation Mitigation Fund and Tree Replacement Plan Policy in early 2003. (See attached). The purpose of the policy is to provide criteria for the expenditure of funds in the City of Inver Grove Heights Tree protection and Preservation Fund. The policy provides for expenditures of up to 50% of the fund in any given year. The current balance in the Tree Preservation Mitigation Fund (Fund 443) is approximately \$18,000 (50% = \$9,000).

The following is the recommended 2015 expenditures:

Proposed 2015 Tree Preservation Fund

<u>Project Description</u>	<u>Quantity</u>	<u>Cost</u>
Spade trees from Salem Hills tree nursery	20 trees	\$2,500
Plant container trees in various parks	20 trees	\$1,500
Re-stock tree nursery with bare root trees	50 trees	\$1,500
Hardwood mulch	200 yards	<u>\$3,000</u>
		TOTAL \$8,500

POLICY

TREE PRESERVATION MITIGATION FUND

TREE REPLACEMENT PLAN

PURPOSE AND INTENT OF POLICY

The purpose of this policy is to provide criteria for the expenditure of funds in the City of Inver Grove Heights Tree Protection and Preservation Fund. The intent is the enhancement of the city's forest resource.

POLICY

Funds may be used as follows:

1. Reforestation Program

The Reforestation Program includes the purchase and planting of trees on public land including, but not limited to city parks, city golf course, city nursery, storm sewer retention ponds, open space and limited road right-of-way such as Cahill Ave. between Upper 55th St. and 80th St. with community-wide significance. Costs may include tree purchase, planting, and a maintenance period (i.e. irrigation, tree staking, fertilization, pruning, etc.) until the tree(s) becomes established.

2. Special Needs

In the event of a natural disaster or other identifiable special need, funds may be contributed to other city sponsored reforestation programs.

CONTINUANCE OF POLICY

This policy shall apply only to funds received specifically from Tree Protection and Preservation Mitigation Fund (Code 515.90 Subd 28) from applications to the City. At no time may the fund deplete by more than 50%, or to less than \$10,000 in any given year, without the express consent of the City Council.

RESPONSIBILITY

The Director of Parks and Recreation and the City Administrator shall have primary responsibility for the implementation and coordination of this policy per Code 515.90 Subd 28. An annual tree replacement plan, prepared by Parks Division, will be submitted for Park and Recreation Advisory Commission review and City Council approval.

Approved by the Inver Grove Heights City Council 2/10/03

CITY OF INVER GROVE HEIGHTS

REQUEST FOR COUNCIL ACTION

Meeting Date: March 23, 2015
Item Type: Consent
Contact:
Prepared by: Joe Lynch
Reviewed by:

Fiscal/FTE Impact:	
<input type="checkbox"/>	None
<input checked="" type="checkbox"/>	Amount included in current budget
<input type="checkbox"/>	Budget amendment requested
<input type="checkbox"/>	FTE included in current complement
<input type="checkbox"/>	New FTE requested – N/A
<input type="checkbox"/>	Other

PURPOSE/ACTION REQUESTED

Approve the job description for an Administration Intern and authorize the City Administrator to post the opening with area and regional Graduate Studies Programs.

SUMMARY

Council approved establishment of a budget for an Administrative Intern for 2015 and directed me to return with a job description outlining the work the position would do, the pay and length of service. I have enclosed a copy of the description for your information and review. I would like to get this posted and out to area Graduate Studies programs to seek applicants to assist in 2015 and beyond.



**CITY OF INVER GROVE HEIGHTS
invites applications for the position of:**

City Government Intern

SALARY:
\$15.00 Hourly

OPENING DATE: 03/10/15

CLOSING DATE: Continuous

POSITION DESCRIPTION:

This is an Internship position designed to afford a graduate student or recent graduate in Public Administration, Public Policy, or a related field, an opportunity to gain working knowledge about the dynamics of local government. The Intern will report directly to the City Administrator and will spend designated time working within each of the City's departments, learning about operations and completing work assignments and special projects. The scheduled hours per week are flexible depending on student availability.

Applicants for this position should include (via attachment) a cover letter indicating their current student/graduate status and detailing their interest in this internship. Resumes may also be included via separate attachment.

This posting will remain open until filled.

ESSENTIAL JOB FUNCTIONS:

Assist the City Administrator: perform research and analysis, assist with policy development, special projects, and the general operations and administration of City government as directed. Act as staff liaison/representative at various City events (e.g., I.G.H. Days, Holiday on Main Street, and the 50th Anniversary Event).

Act as an intergovernmental representative on behalf of the City; attend meetings of local cooperative programs/services including but not limited to the League of MN Cities (LMC), Association of Metropolitan Municipalities (AMM), Municipal Legislative Commission (MLC), Dakota Communications Center (DCC), Northern Dakota County Television (NDCTV), and the Mayor/Managers group.

Spend dedicated time working within each of the City's departments, including Administration, Finance, Community Development, Police, Fire, Public Works, and Parks and Recreation. Gain knowledge of operations, participate in events, conduct planning and implementation of programs and services; assist with budget preparation, monitoring, and reporting; perform projects as assigned and determined by each Department Head.

Perform Social Media and Website functions as assigned. Assist with updating, monitoring and entering information on the City's Facebook page and Twitter Account. Assist with updating and entering information on the City's website.

Assist with the coordination of the Solid Waste/Recycling program. Attend meetings, prepare plans, and

assist with implementation. Perform activities as directed; assist with communications and education to achieve program goals developed in cooperation with Dakota County.

QUALIFICATIONS:

*Minimum required: Graduate student or recent graduate of a Master's level program in Public Administration, Public Policy, or a related field.

Considerable knowledge and ability in research and report-writing methods.

Ability to express ideas effectively, both orally and in writing.

Ability to carry out moderately complex assignments with limited supervision.

Ability to maintain effective working relations with other employees, community partners, and the public.

Ability to utilize Microsoft Office applications proficiently.

Valid unrestricted Minnesota Drivers license.

Clean background check.

SUPPLEMENTAL INFORMATION:

Length of internship is flexible depending on the needs of the student and as determined by the City (not to exceed 6 semesters). Work hours may range from 20-40 per week depending on available projects and student/graduate status. This is a non-benefited position with no paid holidays or time off.

APPLICATIONS MAY BE FILED ONLINE AT:
<http://www.invergroveheights.org>

Position #CGI1
CITY GOVERNMENT INTERN
JS

8150 Barbara Avenue
Inver Grove Heights, MN 55077
651.450.2510

ajannetto@invergroveheights.org

City Government Intern Supplemental Questionnaire

* 1. What is the length of time you are able to hold an Internship?

* 2. What is your general availability and how many hours do you anticipate working per week?

* Required Question

CITY OF INVER GROVE HEIGHTS

REQUEST FOR COUNCIL ACTION

SCHEDULE PUBLIC HEARING

Meeting Date: March 23, 2015
 Item Type: Consent
 Contact: 651.450.2513
 Prepared by: Melissa Kennedy
 Reviewed by: N/A

Fiscal/FTE Impact:

- | | |
|-------------------------------------|------------------------------------|
| <input checked="" type="checkbox"/> | None |
| <input type="checkbox"/> | Amount included in current budget |
| <input type="checkbox"/> | Budget amendment requested |
| <input type="checkbox"/> | FTE included in current complement |
| <input type="checkbox"/> | New FTE requested – N/A |
| <input type="checkbox"/> | Other |

PURPOSE/ACTION REQUESTED:

Schedule public hearing on April 13, 2015 at 7:00 p.m. to consider the application of El Azteca Inver Grove Heights, LLC dba El Azteca Mexican Restaurant for an On-Sale/Sunday Intoxicating Liquor License for premises located at 5816 Blaine Ave.

SUMMARY:

Ms. Teresa Macias submitted an application for an On-Sale/Sunday Intoxicating Liquor License for the premises located at 5816 Blaine Ave. The Police Department is conducting the requisite background investigation on the applicant and the findings will be presented at the public hearing.

CITY OF INVER GROVE HEIGHTS

REQUEST FOR COUNCIL ACTION

SCHEDULE SPECIAL MEETINGS

Meeting Date: March 23, 2015
Item Type: Consent
Contact: 651.450.2513
Prepared by: Melissa Kennedy
Reviewed by: N/A

Fiscal/FTE Impact:

- | | |
|-------------------------------------|------------------------------------|
| <input checked="" type="checkbox"/> | None |
| <input type="checkbox"/> | Amount included in current budget |
| <input type="checkbox"/> | Budget amendment requested |
| <input type="checkbox"/> | FTE included in current complement |
| <input type="checkbox"/> | New FTE requested – N/A |
| <input type="checkbox"/> | Other |

PURPOSE/ACTION REQUESTED:

Schedule special City Council meetings on March 27, 2015 at 3:00 pm in the City Council Chambers and on March 28, 2015 at 9:00 am in the City Council Chambers

SUMMARY:

Council is asked to schedule special meetings on Friday, March 27th at 3:00 pm and Saturday, March 28th at 9:00 am for the purposes of strategic planning.

Staff will post notice of the special meetings as required.

CITY OF INVER GROVE HEIGHTS

REQUEST FOR COUNCIL ACTION

Meeting Date: March 23, 2015
 Item Type: Consent
 Contact: Lt. Sean Folmar 45-2465
 Police Department
 Prepared by: Lt. Sean Folmar
 Reviewed by: Chief Larry Stanger

Fiscal/FTE Impact:	
<input type="checkbox"/>	None
<input checked="" type="checkbox"/>	Amount included in current budget
<input type="checkbox"/>	Budget amendment requested
<input type="checkbox"/>	FTE included in current complement
<input type="checkbox"/>	New FTE requested – N/A
<input type="checkbox"/>	Other

PURPOSE/ACTION REQUESTED:

Consider Joint Powers Agreement between Dakota Law Enforcement Agencies for the continued service of the Dakota County Mutual Aid Assistance Group (MAAG) team.

SUMMARY:

The current Joint Powers Agreement (JPA) for the MAAG team is set to expire. The JPA you are considering for the MAAG team has been reviewed by the respective Member City Attorney’s, the League of MN Cities Attorney and the County Attorney on behalf of the Sheriff’s Department. The changes to the previous agreement are as follows:
 The purpose of this memorandum is to summarize the proposed changes to the current 2010 MAAG Joint Powers Agreement.

1. The City of Northfield no longer participates. (3)
2. The Board membership recordkeeping duty is assigned to the governing board chair (rather than the Sheriff). (4.1)
3. Authority of the governing board to appoint and remove the Team Commander and Assistant Team Commander is clarified. (5.3, 5.4)
4. The governing board secretary/treasurer is authorized to pay invoices in accordance with the adopted budget (7.4), rather than require approval of two of the three officers. (6.1)
5. New language clarifies that governing board agreements with parties for the provision of service to be in writing. (6.2)
6. An errant reference to forfeiture proceeds (6.10) is removed, as MAAG does not have authority to engage in civil asset forfeiture.
7. New language is included regarding complaints about the conduct of MAAG Team Members. Complaints will be forwarded to the employing party. (6.11)

8. The governing board's fiscal agent agreement must be in writing. (7.3)
8. Duplicative language regarding Team Leaders and members has been removed. (9.)
9. New language imposes administrative duties on the Team Commander. (9.1, 9.2, 9.3)
10. The time period when MAAG will provide services at no charge is reduced from 48 to 24 hours. (9.5.3)
11. Direction and control language was revised to eliminate ambiguity. (9.5.2)
12. General liability is transferred from the parties to the MAAG (9.5.6) and is fully insured by the MAAG governing board through a policy with the League of Minnesota Cities Insurance Trust (LMCIT). (6.5). This approach is recommended by LMCIT staff and is consistent with the insurance coverage purchased by the governing board.
13. Aid to nonparties will be limited to 24 hours. (9.6.1)
14. Nonparties will be billed by MAAG, though there is no mechanism for requiring nonparties to pay. (9.6.2)
15. The current open-ended term is replaced with a ten-year term. (10.)
16. The number of entities that may join the Agreement without a formal amendment of the Joint Powers Agreement is expanded. (12.4)

There is no budgetary impact of this agreement; the 2015 budget includes the current dues of \$8,800.00. This amount is paid annually by each member agency and is used to maintain and purchase equipment.

It is the recommendation of the Inver Grove Heights Police Department that the City Council adopt the resolution authorizing the execution of the JPA.

**CITY OF INVER GROVE HEIGHTS
DAKOTA COUNTY, MINNESOTA**

RESOLUTION NO. _____

RESOLUTION TO ACCEPT the 2014 Joint Powers Agreement for the continued participation in the Dakota County Multi-Agency Assistance Group (MAAG).

WHEREAS, the parties to this Agreement are units of government responsible for critical incident response in their respective jurisdictions and

WHEREAS, this Agreement is made pursuant to the authority conferred upon the parties by Minn. Stat §§ 471.59 and

WHEREAS, this Agreement amends and supersedes the DAKOTA COUNTY MUTUAL AID ASSISTANCE GROUP, 2010 JOINT POWERS AGREEMENT, and shall become effective only upon the approval and execution hereof by duly authorized officers of all of the parties and

WHEREAS, the parties to this Agreement shall consist of the following units of government:

**City of Apple Valley
City of Farmington
City of Hastings
City of Inver Grove Heights
City of Lakeville**

**City of Mendota Heights
City of Rosemount
City of South St. Paul
City of West St. Paul
County of Dakota**

and

NOW, THEREFORE, in consideration of this JPA it is the Inver Grove Heights Police Department recommendation that this resolution be adopted.

Adopted by the City Council of the City of Inver Grove Heights on this ____ day of _____, 2015

Ayes:
Nays:

George Tourville, Mayor

Attest:

Melissa Kennedy, Deputy Clerk

DAKOTA COUNTY MULTI-AGENCY ASSISTANCE GROUP

2015 JOINT POWERS AGREEMENT

The parties to this Agreement are units of government responsible for critical incident response in their respective jurisdictions. This Agreement is made pursuant to the authority conferred upon the parties by Minn. Stat § 471.59. This Agreement amends and supersedes the DAKOTA COUNTY MUTUAL AID ASSISTANCE GROUP, 2010 JOINT POWERS AGREEMENT, and shall become effective only upon the approval and execution hereof by duly authorized officers of all of the parties.

NOW, THEREFORE, the undersigned governmental units, in the joint and mutual exercise of their powers, agree as follows:

1. **Name.** The parties hereby establish the *Dakota County Multi-Agency Assistance Group (MAAG)*.
2. **General Purpose.** The purpose of this Joint Powers Agreement is to establish an organization to coordinate efforts to develop and provide joint response to critical incidents or high risk entries where there is a risk of criminal violence, occurring within and outside of the parties' jurisdictions.
3. **Parties.** The parties to this Agreement shall consist of the following units of government:

City of Apple Valley	City of Mendota Heights
City of Farmington	City of Rosemount
City of Hastings	City of South St. Paul
City of Inver Grove Heights	City of West St. Paul
City of Lakeville	County of Dakota

4. **Governance.**

4.1. **Governing Board.** The governing board of the MAAG shall consist of the following:

one member and one alternate member appointed by the chief law enforcement officer of each party to this Agreement.

Appointees shall be full-time supervisory peace officers of the appointing party.

Resolutions or other documentation of the appointments shall be filed with the chair of the governing board.

Members of the governing board shall not be deemed to be employees of the MAAG and shall not be compensated by the governing board.

- 4.2. **Terms.** Appointees shall serve at the pleasure of the appointing party and may be removed only by the appointing party.
- 4.3. **Officers.** During the first quarter of each year the governing board shall elect from its members a chair, vice chair and secretary/treasurer. The chair shall preside at all meetings of the governing board and shall perform other duties as determined by the governing board, including the authority to sign contracts authorized by the governing board. The vice chair shall preside during the absence of the chair. The secretary/treasurer shall assist the chair in overseeing the governing board's budget and finances.
- 4.4. **Meetings.** The governing board shall have regular quarterly meetings. Special meetings may be held on reasonable notice by the chair or vice chair. The presence of a simple majority of the members shall constitute a quorum. All meetings of the board shall be subject to the Open Meeting Law.
- 4.5. **Voting.** Each party to this agreement shall have one vote at any meeting of the governing board. Proxy votes are not permitted. The governing board shall function by a majority vote of board members or alternate members present, provided that a quorum is present.

5. **Duties of the Governing Board.**

- 5.1. The governing board will formulate a program to carry out its purpose.
- 5.2. The governing board will coordinate information between the parties and the MAAG.
- 5.3. The governing board has the exclusive authority to and shall appoint and supervise the Team Commander and Assistant Team Commanders of the MAAG, including appointment to fill vacancies in these positions. Appointments require the concurrence of the chief law enforcement officer of the Team Commander's or Assistant Team Commander's employer.
- 5.4. The governing board may relieve the Team Commander or an Assistant Team Commander of their duties at any time upon simple majority vote of the governing board.
- 5.5. The governing board shall review annually the policies and procedures of the MAAG Team.

6. **Powers of the Governing Board.**

- 6.1. The governing board may enter into any contract necessary or proper for the exercise of its powers or the fulfillment to its duties and enforce such contracts to the extent

available in equity or at law, except that the governing board shall not enter into any contract the term of which exceeds one year.

- 6.2. The governing board may enter in written contracts with any party to provide budgeting and accounting and administrative services necessary or convenient for the governing board. Such services may include but not be limited to: management of all funds, payment for contracted services and other purchases, relevant bookkeeping and record keeping, records management, training records, and purchase of equipment.
- 6.3. The governing board may disburse funds in a manner which is consistent with this Agreement and with the method provided by law for the disbursement of funds by the party under contract to provide budgeting and accounting services.
- 6.4. The governing board may apply for and accept gifts, grants or loans of money or other property (excluding real property) or assistance from the United States government, the State of Minnesota, or any person, association, or agency for any of its purposes; enter into any agreement in connection therewith; and hold, use and dispose of such money or other property and assistance in accordance with the terms of the gift, grant or loan relating thereto.
- 6.5. The governing board must obtain and maintain liability insurance in amounts not less than the statutory liability limits established under Minn. Stat. Ch. 466 and may obtain other insurance it deems necessary to insure the parties, the governing board, its members and employees of the parties for actions arising out of this Agreement, including, but not limited to extended reporting period coverage upon termination. With respect to employees of parties who have responded to a request for assistance pursuant to paragraph 9.5.1, they will be deemed to be taking actions arising out of this Agreement from the time they receive a request for assistance pursuant to this Agreement and commence traveling to the location where assistance is to be provided until the Team Commander or Assistant Team Commander has made the decision pursuant to paragraph 9.5.1 to recall the team.
- 6.6. All powers granted herein shall be exercised by the governing board in a fiscally responsible manner and in accordance with the requirements of law. The purchasing and contracting requirements of the party providing budgeting and accounting shall apply to the governing board.
- 6.7. The governing board may cooperate with other federal, state and local law enforcement agencies to accomplish the purpose for which it is organized.
- 6.8. The MAAG does not have the authority to seize property for purposes of Minn. Stat. §§ 609.531-.5318.
- 6.9. The governing board may retain legal counsel to advise the board and provide civil legal services.

- 6.10. All cash monies derived from MAAG operations shall remain the property of MAAG and shall be used in furtherance of MAAG efforts.
- 6.11. The governing board is not responsible for investigating the conduct of the Team Commander, an Assistant Team Commander or any team member assigned to the MAAG. The governing board will forward any complaints about any of the conduct of any such individual to the individual's employing agency.

7. **Budget and Finance.**

- 7.1. **Budget.** By April 30 of each year the governing board shall prepare and adopt a budget for the following calendar year and may amend the same from time to time.
- 7.2. **Expenses.** The parties intend to fund the MAAG through annual contribution paid by each party. The governing board shall establish the contribution by April 30 of the year prior to the year when the contribution is payable. The parties agree to pay the contribution as determined by the governing board on or before January 31 of the year following the determination, provided that the city council or county board has included funds for this purpose in its adopted budget. If a party elects to withdraw from this Agreement, there will be no reimbursement of any part of the contribution made for the year of withdrawal.
- 7.3. **Accountability.** If the governing board pursuant to paragraph 6.2 elects to contract with a party to provide budgeting and accounting services, the governing board shall enter into a written fiscal agent agreement with such party. The fiscal agent shall forward reports on MAAG receipts and disbursements to the members on a monthly basis. Fiscal agent responsibilities include but are not limited to management of all funds, including party contributions and grant funds, payment for contracted services, and bookkeeping and recordkeeping. All funds shall be accounted for according to generally accepted accounting principles.
- 7.4. **Invoices.** The secretary/treasurer may authorize payment of invoices which are consistent with the adopted budget and shall report to the governing board all such invoices at its next regular meeting.

8. **MAAG Team members.**

- 8.1. The Team Commander and Assistant Team Commanders and team members shall be licensed peace officers. The chief law enforcement officer of each party shall assign licensed peace officers to serve as MAAG team members, subject to approval of the Team Commander. Appointment as a Team Commander, Assistant Team Commander or team member pursuant to this Agreement shall not obligate any party to pay its employees so appointed any premium pay.

- 8.2. Team Commander, Assistant Team Commanders and team members assigned to the MAAG at all times will remain employees of the members' respective jurisdictions and will not be employees of the governing board.

9. **Operations.**

- 9.1. **Team Structure.** The Team Commander, with governing board approval, will organize a leadership structure for MAAG that ensures efficient operation and deployment of resources.
- 9.2. **Budget.** The Team Commander will prepare and present to the governing board annually a requested operating and capital improvement budget for the following year.
- 9.3. **Communication.** The Team Commander will act as a liaison between the MAAG and the governing board, providing quarterly updates on team status, deployment, and budget.
- 9.4. **Training.** The Team Commander shall be responsible for arranging monthly and annual training events for team members, consistent with direction from the governing board. The Team Commander shall also be responsible for maintaining records of the training received by team leaders and members as well as records of all other activities undertaken by the Team Commander, Assistant Team Commanders, team leaders and team members pursuant to this Agreement.
- 9.5. **Deployment.**
 - 9.5.1. **Requests for Assistance.** Whenever a party, in its sole discretion, determines that conditions within its jurisdiction cannot be adequately addressed by that jurisdiction's personnel and resources because of a critical incident or need for high risk entry, the party may request, in accordance with policies and procedures of the governing board, that the MAAG deploy a MAAG team to assist the party's jurisdiction. Upon a request for assistance, a MAAG team may be dispatched to the requesting party, in accordance with policies and procedures of the governing board. A party may decline to make its personnel available in response to any such request. Failure to provide assistance in response to a request made pursuant to this Agreement will not result in any liability to a party or MAAG. The Team Commander or Assistant Team Commander shall notify the governing board members representing the employing agencies' team members who are deployed anytime that assistance is provided pursuant to this Agreement. The Team Commander will report to the governing board quarterly regarding any assistance provided to a party pursuant to this Agreement. The Team Commander or an Assistant Team Commander may at any time and in his/her sole judgment recall the team. The decision to recall a team provided pursuant to this Agreement will not result in liability to the MAAG, any party, or to the Team Commander or Assistant Team Commander who recalled the team.

- 9.5.2. **Direction and Control.** A party may at any time recall its personnel or equipment if it is considered to be in the best interests of the party to do so. MAAG team members will be under the tactical control of the Team Commander or other person in command of the scene, until a party withdraws its personnel or equipment.
- 9.5.3. **Compensation.** When the MAAG provides services to a requesting party, the personnel of the MAAG shall be compensated by their respective employers just as if they were performing the duties within and for the jurisdiction of their employer. No charges will be levied by the MAAG or by the parties for specialized response operations provided to a requesting party pursuant to this Agreement unless that assistance continues for a period exceeding 24 continuous hours. If assistance provided pursuant to this agreement continues for more than 24 continuous hours, and the assistance is not provided in connection with a police call for services, any party whose officers provided assistance for MAAG shall submit itemized bills for the actual cost of any assistance provided, including salaries, overtime, materials and supplies, to the MAAG and the MAAG shall submit the invoices to the requesting party. The requesting party shall reimburse the MAAG for that amount, and the MAAG shall forward the reimbursement to the responding party.
- 9.5.4. **Workers' Compensation.** Each party to this agreement shall be responsible for injuries to or death of its own employees in connection with services provided pursuant to this Agreement. Each party shall maintain workers' compensation coverage or self-insurance coverage, covering its own personnel while they are providing assistance as a member of the MAAG. Each party to this agreement waives the right to sue any other party for any workers' compensation benefits paid to its own employee or their dependents, even if the injuries were caused wholly or partially by the negligence of any other party or its officers, employees or agents.
- 9.5.5. **Damage to Equipment.** Each party shall be responsible for damage to or loss of its own equipment occurring during deployment of the MAAG. Each party waives the right to sue any other party for any damages to or loss of its equipment, even if the damages or losses were caused wholly or partially by the negligence of any other party or its officers, employees or agents.
- 9.5.6. **Liability and Indemnification.** The MAAG is a separate and distinct public entity to which the parties have transferred all responsibility and control for actions taken pursuant to this Agreement.

The MAAG shall defend and indemnify the parties and their officers, employees, volunteers and agents from and against all claims, damages, losses, and expenses, including reasonable attorney fees, arising from the MAAG activities

or operations, including deployments of a MAAG team, decisions of the governing board, and MAAG training activities.

To the full extent permitted by law, this Agreement is intended to be and shall be construed as a “cooperative activity” and it is the intent of the parties that they shall be deemed a “single governmental unit” for the purposes of liability, all as set forth in Minnesota Statutes, Section 471.59, subd. 1a(a); provided further that for purposes of that statute, each party to this Agreement expressly declines responsibility for the acts or omissions of the other parties.

Nothing in this Agreement shall constitute a waiver of the statutory limits on liability set forth in Minnesota Statutes, Chapter 466 or a waiver of any available immunities or defenses. Under no circumstances shall a party be required to pay on behalf of itself and any other parties any amounts in excess of the limits of liability established in Minnesota Statutes Ch. 466 applicable to any third party claim. The statutory limits of liability for some or all of the parties may not be added together or stacked to increase the maximum amount of liability for any third party claim.

Any excess or uninsured liability shall be borne equally by all the parties, but this does not include the liability of any individual officer, employee, or agent which arises from his or her own malfeasance, willful neglect of duty, or bad faith.

Nothing herein shall be construed to provide insurance coverage or indemnification to an officer, employee or volunteer of any member for any act or omission for which the officer, employee or volunteer is guilty of malfeasance in office, willful neglect of duty, or bad faith.

9.6. **Aid to Non-Parties.**

9.6.1. Upon a request for assistance from a governmental unit that is not a party to this Agreement, a MAAG team may be dispatched to such governmental unit, in accordance with policies and procedures of the governing board, for a period of time not to exceed 24 hours, provided that the police chief or Dakota County Sheriff, as appropriate, has consented to such deployment of his or her employees. Failure to provide assistance in response to any such request shall not result in any liability to a party or MAAG. The Team Commander or Assistant Team Commander shall notify the chair of the governing board any time such assistance is provided. The Team Commander or Assistant Team Commander may at any time and in his/her sole judgment recall the team. The decision to recall a team hereunder shall not result in any MAAG liability.

9.6.2. Any party whose officers provided assistance pursuant to this paragraph shall submit itemized bills for the actual cost of any assistance provided, including salaries, overtime, materials and supplies to the MAAG and the MAAG shall

submit the invoices to the requesting entity. The MAAG shall forward any payments it receives in connection with such invoices to the invoicing party.

10. **Term.** The term of this agreement shall be effective only when all of the parties have signed this Agreement. The chair of the governing board shall notify the parties in writing of the effective date of this Agreement. This Agreement shall continue in effect until terminated in accordance with paragraph 11.2 or December 31, 2024, whichever first occurs.
11. **Withdrawal and Termination.**
 - 11.1. **Withdrawal.** Any party may withdraw from this Agreement upon 90 days' written notice to the other parties. Withdrawal by any party shall not terminate this Agreement with respect to any parties who have not withdrawn. Withdrawal shall not discharge any liability incurred by any party prior to withdrawal. Such liability shall continue until discharged by law or agreement. A withdrawing party shall have no claim to any property or assets owned or held by MAAG.
 - 11.2. **Termination.** This Agreement shall terminate upon the occurrence of any one of the following events: (a) when necessitated by operation of law or as a result of a decision by a court of competent jurisdiction; or (b) when a majority of remaining parties agrees to terminate the agreement upon a date certain.
 - 11.3. **Effect of Termination.** Termination shall not discharge any liability incurred by the MAAG or by the parties during the term of this agreement. Upon termination and after payment of all outstanding obligations, property or surplus money held by the MAAG shall then be distributed to the parties in proportion to their contributions.
12. **Miscellaneous.**
 - 12.1. **Amendments.** This agreement may be amended only in writing and upon the consent of each of the parties' governing body.
 - 12.2. **Records, accounts and reports.** The books and records of the MAAG shall be subject to the provisions of Minn. Stat. Ch. 13.
 - 12.3. **Counterparts.** This agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument. Counterparts shall be filed with the chair of the governing board.
 - 12.4. **Additional Parties.** Any other municipality within Dakota County or any municipality or County adjacent to Dakota County may become a party to this Agreement upon approval of the governing board, adoption of a resolution by the entity's governing body, execution of this Agreement, and filing of the same with the chair of the governing board.

IN WITNESS WHEREOF, the parties have executed this Agreement on the dates indicated below.

COUNTY OF DAKOTA

Approved as to form:

Assistant County Attorney/ Date

By: _____

Name: **Tim Leslie** _____

Title: **Dakota County Sheriff** _____

Date of Signature: _____

O:\CIVIL\CONTRACT\2014\KS14-395 2015 JPA For MAAG (Minus Tracking) 2-24-15.Docx

CITY OF INVER GROVE HEIGHTS

By: _____

Name: _____

Title: _____

Date of Signature: _____

Attest:

By: _____

Name: _____

Title: **City Clerk** _____

Date: _____

CITY OF INVER GROVE HEIGHTS

REQUEST FOR COUNCIL ACTION

Meeting Date: March 23, 2015
Item Type: Consent
Contact:
Prepared by: Joe Lynch
Reviewed by:

Fiscal/FTE Impact:	
<input type="checkbox"/>	None
<input checked="" type="checkbox"/>	Amount included in current budget
<input type="checkbox"/>	Budget amendment requested
<input type="checkbox"/>	FTE included in current complement
<input type="checkbox"/>	New FTE requested – N/A
<input type="checkbox"/>	Other

PURPOSE/ACTION REQUESTED

Approve the proposal for appraisal of property and authorize the City Administrator to sign the agreement for services with BRKW for property appraisal of 9250 Courthouse Boulevard.

SUMMARY

Council authorized the City Administrator to meet with the property owners at 9250 Court House Boulevard for the purpose of determining their interest in selling all or a portion of their property to the City for a future Fire Station.

I met with the property owners and they indicated that they are interested in discovering the value of their property and proceeding further with the City in pursuit of the purchase of all or a portion of their property.

I sent out a Request for Proposal to two (2) Appraisal firms that we have worked with on various other property acquisitions. I indicated that the City may purchase the entire parcel or a portion of the entire parcel, depending upon the interest of the property owner, desire on the part of the City to own all or a portion of the lot and the final costs.

The firms, BRKW and IRR, have returned their proposals and I recommend we proceed with the proposal offered by BRKW to have the entire lot appraised at the cost of \$4,400. I have enclosed a copy of the proposal for your review and information.

As you can see, the appraisal is estimated to take about 5 weeks to complete. We are continuing to pursue assembly of the Request for Proposal for Final Design Services and would like to have further knowledge of and/or be ready to make a decision about acquisition of the property in order to know that the Final Design layout would be done based upon this property.

Recommendation:

Accept proposal from BRKW and proceed with appraisal services for the entire parcel located at 9250 Courthouse Boulevard at the cost of \$4,400.



Delivered by email to: jlynch@invergroveheights.org

March 9, 2015

City of Inver Grove Heights
ATTN: Mr. Joe Lynch
City Administrator
8150 Barbara Avenue
Inver Grove Heights, MN 55077

RE: Request for Proposal - Appraisal Services
Single Family Residence on 11.68 Acre Site
9250 Courthouse Blvd. E.
Inver Grove Heights, MN 55077
Fee Owner: Muriel & William Carlson

Dear Mr. Lynch:

I am writing as a follow-up to your e-mail dated 3/3/15 to present a proposal for providing appraisal services regarding the above referenced property. This is an 11.68 acre site improved with a single family residence built in 1986 plus a detached storage building and other site improvements. The property is zoned B-3, General Business, and is guided Regional Commercial.

The purpose of the appraisal will be to estimate the market value of the property for use by the City in potential acquisition decisions and negotiations with the owner. The city is interested in acquiring the property, or a portion thereof, for construction of a new fire station to serve the south part of the community. The acquisitions of all of, or only a portion of, the property are two distinctly different valuation scenarios. I will provide a fee quote for both of these scenarios for your consideration.

A review of public record data and aerial photos of this property results in my preliminary opinion that this property likely has a highest and best use to be divided for two separate uses. The pond near the center of the parcel is a natural buffer area for splitting the parcel for two different uses. The house and improvements appear to have significant value and could be retained on the northwest part of the site away from the higher traffic freeway intersection. The southeastern portion of the site is vacant land that could be split from the home site and developed for a commercial use, which seems appropriate based on the zoning and the proximity to the freeway interchange.

I propose that we do a generally summary format appraisal report using the Comparable Sales Approach and Cost Approach to estimate the market value of the property, but no Income Approach due mainly to the design and style of the improvements, which are intended primarily for owner occupancy rather than rental purposes. The report will contain documentation and analysis of the market data considered, so that the reader can easily follow the logic used in arriving at the market value estimate.

As stated, I am providing a fee quote for the two different valuation scenarios for the report. For my firm to perform an appraisal of an approximately 5 acre portion of the subject property at the northwest corner of Concord Blvd. and Courthouse Blvd E., the fee would be **\$3,200**. For this scenario, the owner would retain their ownership of the house and improvements on approximately 6.68 acres of the property. If you determine that you need to have the entire property appraised, the fee would be **\$4,400**. The report will be completed within **5 weeks** of your authorization to perform the appraisal. To be officially engaged for this appraisal assignment, please sign and return one copy of this letter to my attention.

Thank you for the opportunity to provide for your consideration this appraisal fee proposal. BRKW Appraisals, Inc. is a full service real estate appraisal company founded in 1991 and located in the Midway area of St. Paul. We offer expertise in the appraisal of real estate including commercial, industrial, multi-family residential, single family residential, vacant land, and special purpose properties. BRKW Appraisals has eight appraisers, three of whom have the MAI designation of the Appraisal Institute. All of our appraisers are licensed by the State of Minnesota as Certified General Real Property Appraisers, the highest licensing level, with experience ranging from 12 years to over 40 years.

Please contact me at your convenience if you should require any additional information.

Sincerely,

BRKW APPRAISALS, INC.



Marc E. Knoche, MAI

I, (we) accept the terms and conditions of this appraisal proposal from BRKW Appraisals to perform an appraisal of the Carlson property at 9250 Courthouse Blvd. E., Inver Grove Heights, MN 55077 that is discussed herein.

(Signature)

(Date)

CITY OF INVER GROVE HEIGHTS

REQUEST FOR COUNCIL ACTION

PERSONNEL ACTIONS

Meeting Date: March 23, 2015
Item Type: Consent
Contact: Joe Lynch, City Administrator
Prepared by: Amy Jannetto, H.R. Coordinator
Reviewed by: n/a

Fiscal/FTE Impact:

- | | |
|-------------------------------------|------------------------------------|
| <input checked="" type="checkbox"/> | None |
| <input type="checkbox"/> | Amount included in current budget |
| <input type="checkbox"/> | Budget amendment requested |
| <input type="checkbox"/> | FTE included in current complement |
| <input type="checkbox"/> | New FTE requested – N/A |
| <input type="checkbox"/> | Other |

PURPOSE/ACTION REQUESTED Staff requests that the Council approve the personnel actions listed below:

Please confirm the seasonal/temporary employment of: Fitness – Cindy Mejaia, Colleen Thomas, Shelley Rauschnot, Kurtis Clintsman, Parks – Zachary Gill, Aquatics – Ashley Groebner, Golf – Dennis Hogan, Matt Willig.

Please confirm the seasonal/temporary termination of employment of: Recreation - Kaila Truesdell, Fitness – Monica Xiong.

Please confirm the separation of employment: Melissa Kennedy, Deputy City Clerk.

Please confirm the employment of: Aaron Cabanaw, Golf Course Technician.

CITY OF INVER GROVE HEIGHTS

REQUEST FOR COUNCIL ACTION

Argenta Trail North Study Area Alignment Selection

Meeting Date: March 23, 2015
 Item Type: Regular
 Contact: Scott D. Thureen, 651-450-2571
 Prepared by: Scott D. Thureen, Public Works Director
 Reviewed by: 

Fiscal/FTE Impact:	
<input checked="" type="checkbox"/>	None
<input type="checkbox"/>	Amount included in current budget
<input type="checkbox"/>	Budget amendment requested
<input type="checkbox"/>	FTE included in current complement
<input type="checkbox"/>	New FTE requested – N/A
<input type="checkbox"/>	

PURPOSE/ACTION REQUESTED

Approve a resolution adopting an alignment for the right-of-way corridor for future Argenta Trail in the North Study Area.

SUMMARY

As noted in the March 9, 2015 update to the City Council, staff has been working with the developer of Blackstone Ridge, County staff, and our water resources consultant for the NWA to see if we could reach agreement on a plan that would make alignment alternative 3A viable for all parties. The discussions have focused on four items: (1) mitigation of the loss of most of regional stormwater basin F-011a, (2) the cost participation plan for the City and the County, (3) a cursory review of the concept plat that was submitted by the developer, and (4) the level of financial commitment required by the City to address the developer's needs.

As of the preparation of this item on March 19, 2015, we do not have answers to all the issues being considered. I hope to have a recommendation regarding alignment alternative 3A in time to prepare an updated item for the Council's consideration on Monday, March 23rd. The status of this review is as follows:

- (1) City staff and Emmons and Olivier Resources have reviewed the regional basin mitigation plan that was included in the developer's concept plat. With the limited field data that is available, it appears as though the plan would need to be modified to account for the loss of the mitigation area assumed in the exception neighborhood. The remaining mitigation areas shown on the concept plat may need to be enlarged, or augmented on an adjacent property. This question would be answered as the final design was prepared. For purposes of estimating costs for the land area needed, the area assumed in the concept plat was increased by ten percent.
- (2) Staff from the City and the County have reached agreement of a cost share plan for the various segments of right-of-way or easement that would need to be acquired on the developer's parcel. The cost share plan would need to be approved by the County Board.
- (3) The concept plat will be reviewed by the County Plat Commission on March 23, 2015. I hope to have that group's comments for Monday night.
- (4) Staff continues to prepare information concerning the potential financial obligations of the City associated with alignment alternative 3A and the concept plat. That information will be available for Monday night.

If staff feels that alignment alternative 3A is viable, a resolution approving that alignment will be provided on Monday night.

SDT/kf

CITY OF INVER GROVE HEIGHTS

REQUEST FOR COUNCIL ACTION

Consider Application for Chicken License – 7775 Boyd Avenue.

Meeting Date: March 23, 2015
 Item Type: Regular
 Contact: 651-450-2491
 Prepared by: Nicole Cook
 Reviewed by: N/A

Fiscal/FTE Impact:

<input checked="" type="checkbox"/>	None
<input type="checkbox"/>	Amount included in current budget
<input type="checkbox"/>	Budget amendment requested
<input type="checkbox"/>	FTE included in current complement
<input type="checkbox"/>	New FTE requested – N/A
<input type="checkbox"/>	Other

PURPOSE/ACTION REQUESTED: Consider application for chicken license for property located at 7775 Boyd Avenue

SUMMARY: A license renewal application was submitted by Richard and Dody Sebaszkiewicz for a chicken license to keep a total of four (4) chickens on their property. The applicant provided the required information and license fee. On February 9th, as per City Code requirements, notice was sent to neighbors directly abutting and contiguous to the subject property. One (1) written objection was received within the ten (10) day response period. The complainant called to issue a complaint and was told that it needed to be in writing for the Council's consideration. The objection is attached for your review.

The complaint states the chickens are loud in the spring, summer, and fall months, but quiet down in the winter. It also states that in the warmer months, the chickens are sometimes left to roam free in the yard, outside of their pen. Because these issues don't take place in the winter months, they can't be validated this time of year. The complainant was asked to call the police when these things occur so a report can be made.

There was a complaint raised by a neighbor with the original application. Council reviewed that request on July 22, 2013. The original application is attached for your review.

Council is asked to review the application and determine if the license should be approved.

7785 BOYD AV. I.G.H

APPLICANT: RICHARD SOBASZKIEWICZ

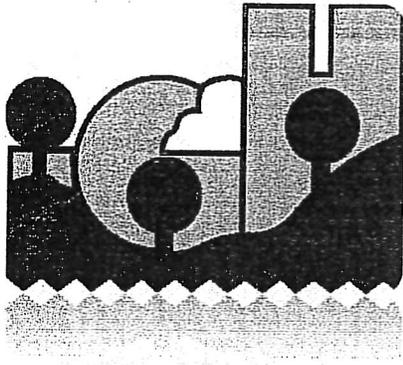
MONDAY MARCH 2, 2015

TO: NICOLE COOK, CODE COMPLIANCE SPECIALIST

I RECEIVED NOTICE FROM I.G.H. THAT MY NEIGHBOR WAS APPLYING FOR RENEWAL OF HIS CHICKEN LICENSE. I HAVE TWO OBJECTIONS.

1. THE CHICKENS CACKLE AND CROW EVERYTIME I WALK OUT OF MY HOUSE OR GO OUT ON DECK. THIS HAPPENS SPRING, SUMMER, AND FALL NOT DURING WINTER MONTHS. IT IS ANNOYING.
2. THE CHICKENS ARE LET OUT OF THEIR CAGE TO ROAM FREE IN THE BACK YARD, OCCASIONALLY CROSSING INTO MY YARD. IF THESE TWO THINGS COULD BE REMEDIED, IT WOULD BE NO PROBLEM.

Mary Baars



**City of Inver Grove Heights
CHICKEN LICENSE APPLICATION**

License Period: 3/1/13 – 2/28/15

Cost = \$25

Section 1: Site/Applicant/Property Owner Information

1. Site Address: 7775 Boyd Ave. IGH, MN 55076

2. Applicant Name: Richard + Dody Sobaszkiwicz

Applicant Address: 7775 Boyd Ave Inver Grove Heights, MN 55076
Zip Code

3. Daytime Phone: (651) 592-2010 Evening Phone: (651) 552-5616

4. Applicant E-mail: dodysobas@gmail.com

5. Property Owner Name: Same

Address: _____
Street City State Zip Code

Property Owner Signature: _____
(if different from applicant)

The above referenced property's Homeowner's Association rules, if any, do not prohibit the keeping of chickens on the property (please initial):

_____ Yes _____ No RL X Not Applicable

Section 2: Coop/Run Information

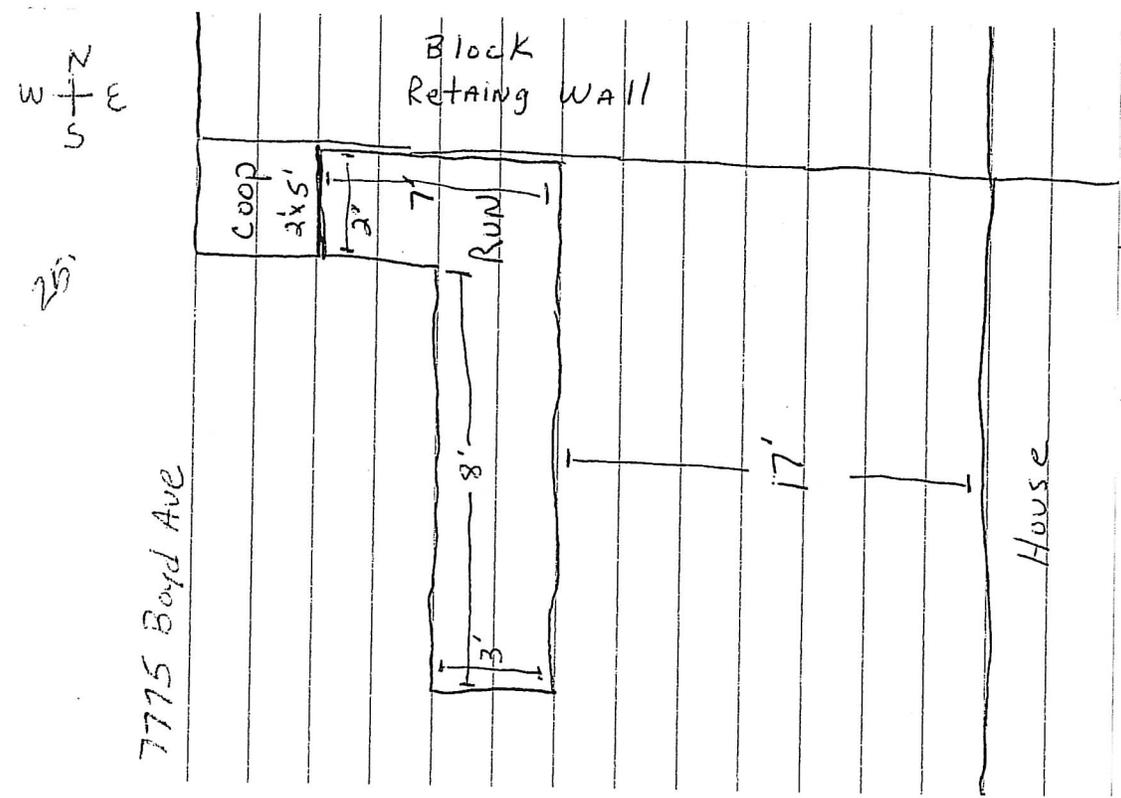
1. Please provide the total number of chickens to be kept: 4
2. Please provide the dimensions of the coop: 2' x 5'
3. Please provide the dimensions of the run: 38 sq ft, x 3' High. L shaped
4. Describe the exterior materials to be used for the coop and run. Attach a drawing or picture of the coop.

Coop: Wood, shingled Roof

Run: Wood Frame, metal wire fence.

5. Will a fence be added in addition to the coop and run? Yes _____ No X
 If yes, please provide a description of the fence including location, size, and materials.

6. Please attach a site plan of the property for depicting the location of the chicken coop and run



Notice and Applicant Signature

I declare that the information I have provided on this application is truthful, and I understand that falsification of answers on this application will result in denial of the application. I authorize the City of Inver Grove Heights to investigate and make whatever inquiries are necessary to verify the information provided.

X


Applicant Signature

Date: 6-29-13

For Office Use Only:

Application Received: 7/1/13 By: MLK Fee Paid: ✓ # 5114

Property Owner Notification Sent: 7/5/13

Deputy Clerk Review:

Review Date: 7/16/13 Property Owner Notification Sent: 7/5/13

Comments: Take to CC on 7/22; (1) objection received from abutting property owner

Approve: _____

Deny: _____

Code Compliance Specialist Review:

Review Date: 7/15/13 Staff: N. Cook

Comments: All shelter/encl. req. met; coop/run appeared clean/sanitary; no noise during inspection

City Council Review (if required)

Council Action Date: 7/22/13

Comments/Additional Conditions:

Approve: _____

Deny: _____

Dakota County, MN



<p>1 206450001060 7785 BOYD AVE E GARY L BAARS</p>	<p>4 204350001110 2745 78TH ST E JOHN W & SUSAN D SOBASKI</p>	
<p>2 206450002050 7800 BOYD AVE E JAMES G & SHARON A MUELLER</p>	<p>5 206450001040 7755 BOYD AVE E KEITH & KYRSTIN SCHWARTZ</p>	
<p>3 206450002040 7760 BOYD AVE E JEFFREY A & AMY L TOLLEFSON</p>	<p>6 206450001050 7775 BOYD AVE E RICHARD & DORTHEA SOBASZKIEWICZ</p>	

Disclaimer: Map and parcel data are believed to be accurate, but accuracy is not guaranteed. This is not a legal document and should not be substituted for a title search, appraisal, survey, or for zoning verification. Dakota County assumes no legal responsibility for the information contained in this data.

Map Scale
1 inch = 68 feet
 7/5/2013

CITY OF INVER GROVE HEIGHTS

REQUEST FOR COUNCIL ACTION

Consider Application for Chicken License – 7775 Boyd Avenue

Meeting Date: July 22, 2013
Item Type: Consent
Contact: 651-450-2513
Prepared by: Melissa Kennedy
Reviewed by: N/A

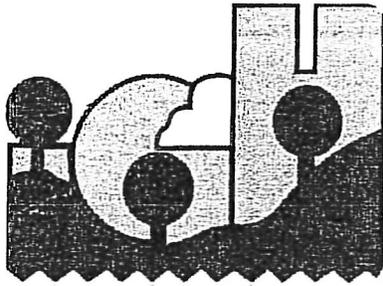
Fiscal/FTE Impact:	
<input checked="" type="checkbox"/>	None
<input type="checkbox"/>	Amount included in current budget
<input type="checkbox"/>	Budget amendment requested
<input type="checkbox"/>	FTE included in current complement
<input type="checkbox"/>	New FTE requested – N/A
<input type="checkbox"/>	Other

PURPOSE/ACTION REQUESTED: Consider application for chicken license for property located at 7775 Boyd Avenue.

SUMMARY: An application was submitted by Richard and Dody Sobaszekiewicz for a chicken license to keep a total of four (4) chickens on their property. The applicants provided the required information and license fee. On July 5th, as per City Code requirements, notice was sent to neighbors directly abutting and contiguous to the subject property. One (1) written objection was received within the ten (10) day response period. The objection is attached for your review.

Because an objection was received, the Code Compliance Specialist visited the subject property on July 15th to verify the information provided by the applicant. An inspection was conducted to ensure the shelter and enclosure requirements set forth in City Code Title 5, Chapter 4, Section 2 had been met. In this particular instance it was determined that the applicants were keeping chickens on their property prior to making application for a license. As such the coop and run were already in place and the chickens were on the property during the site visit. Photos of the subject property are attached for your review. The Code Compliance Specialist reported that the coop met all setback requirements and was being kept in a central location in the applicant's backyard. She noted the coop appeared to be clean and sanitary and, at the time of inspection, the chickens were not making any noise.

Council is asked to review the application and determine if the license should be approved.



**City of Inver Grove Heights
CHICKEN LICENSE APPLICATION**

License Period: 3/1/13 - 2/28/15

Cost = \$25

Section 1: Site/Applicant/Property Owner Information

1. Site Address: 7775 Boyd Ave. T6H, MN 55076
2. Applicant Name: Richard + Dody Sobaszewicz
Applicant Address: 7775 Boyd Ave Inver Grove Heights, MN 55076
Zip Code
3. Daytime Phone: (651) 592-2010 Evening Phone: (651) 552-5616
4. Applicant E-mail: dodysobas@gmail.com
5. Property Owner Name: Same

Address: _____
Street City State Zip Code

Property Owner Signature: _____
(if different from applicant)

The above referenced property's Homeowner's Association rules, if any, do not prohibit the keeping of chickens on the property (please initial):

_____ Yes _____ No RL X Not Applicable

Section 2: Coop/Run Information

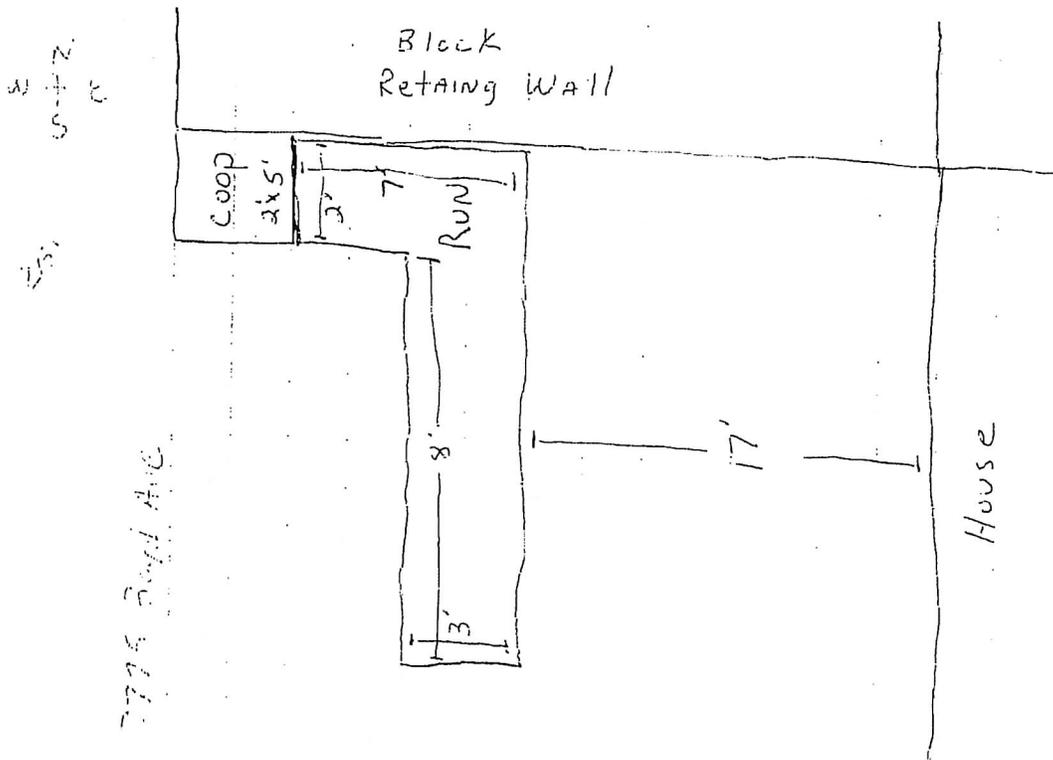
1. Please provide the total number of chickens to be kept: 4
2. Please provide the dimensions of the coop: 2' x 5'
3. Please provide the dimensions of the run: 38 sq ft, x 3' High. L shaped
4. Describe the exterior materials to be used for the coop and run. Attach a drawing or picture of the coop.

Coop: Wood, Shingled Roof

Run: Wood Frame, metal wire fence.

5. Will a fence be added in addition to the coop and run? Yes No
If yes, please provide a description of the fence including location, size, and materials.

6. Please attach a site plan of the property for depicting the location of the chicken coop and run



Notice and Applicant Signature

I declare that the information I have provided on this application is truthful, and I understand that falsification of answers on this application will result in denial of the application. I authorize the City of Inver Grove Heights to investigate and make whatever inquiries are necessary to verify the information provided.

X  Date: 6-29-13
Applicant Signature

For Office Use Only:

Application Received: 7/1/13 By: MMK Fee Paid: ✓ #5114

Property Owner Notification Sent: 7/5/13

Deputy Clerk Review:

Review Date: 7/16/13 Property Owner Notification Sent: 7/5/13

Comments: Take to CC on 7/22; (1) objection received from abutting property owner

Approve: _____

Deny: _____

Code Compliance Specialist Review:

Review Date: 7/15/13 Staff: N. Cook

Comments: All shelter/encl. req. met; coop/run appeared clean/sanitary; no noise during inspection

City Council Review (if required)

Council Action Date: 7/22/13

Comments/Additional Conditions:

Approve: _____

Deny: _____

Melissa Kennedy

From: susan.baars@usbank.com
Sent: Monday, July 08, 2013 9:43 AM
To: Melissa Kennedy
Subject: 7775 Boyd Ave E RE: Sobaszekiewicz

We live right next door to this property. 7785 Boyd Avenue.
They have had these chickens for almost a year now. It is very annoying to go out on our deck and hear the chickens clucking the whole time we are out there. Every time we step out on our deck they begin their noise. Very disruptive.

Susan Baars
Personal Trust Associate
The Private Client Group
U.S. Bank N.A.
EP MN L9PT
200 South Sixth Street
Minneapolis, MN 55402

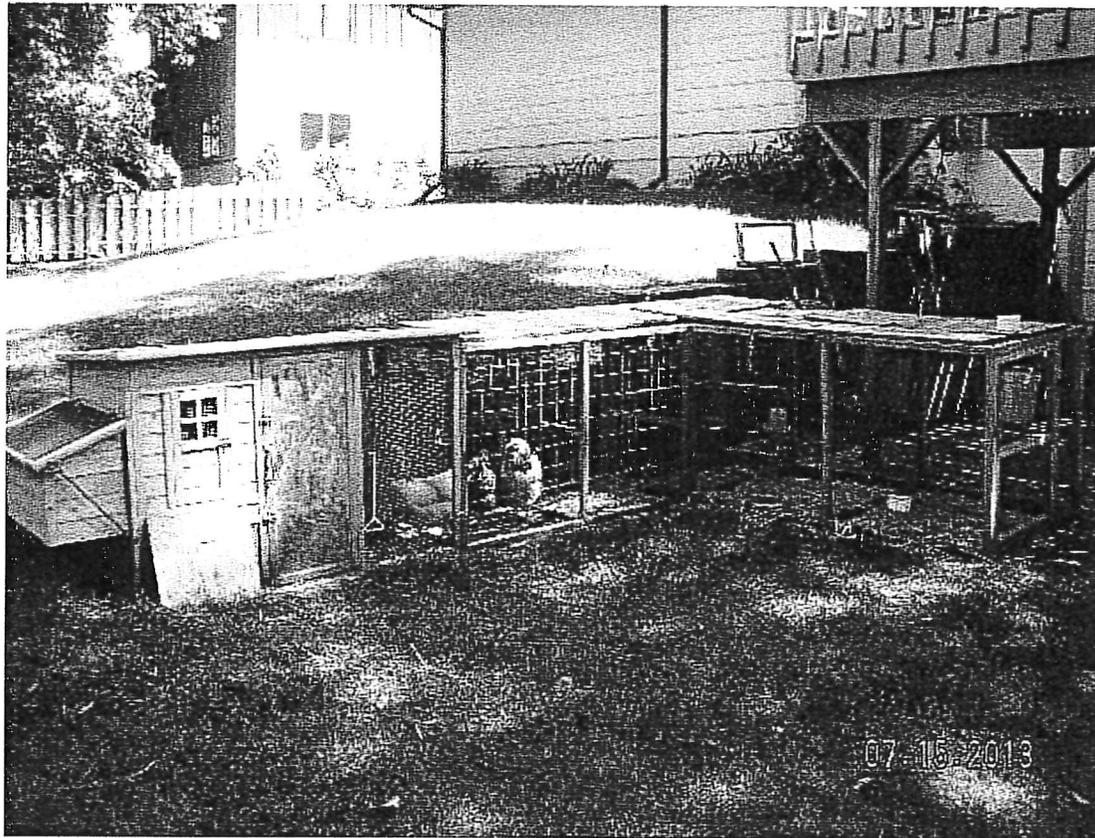
 susan.baars@usbank.com |  866-950-8590 toll-free |  866-631-8204 fax

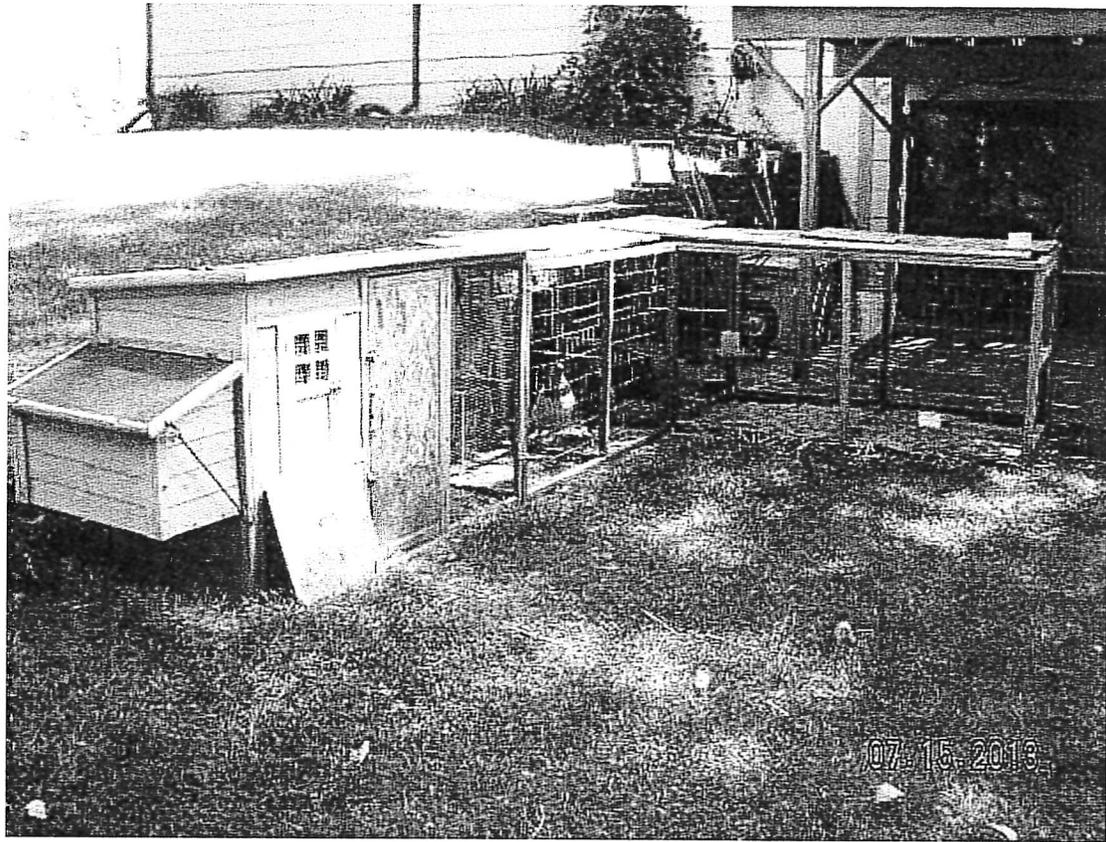
Electronic mail sent through the internet is not secure. U.S. Bank National Association cannot guarantee that information sent electronically is confidential, accurate, timely, complete, or free from error. Funds transfer and other services sent by electronic mail will be processed as requested by a customer. The bank is not responsible for U.S. Bank National Association. Do not disclose this message without written consent of the author. If you have received this message in error, please notify the sender of U.S. Bank and its affiliates.

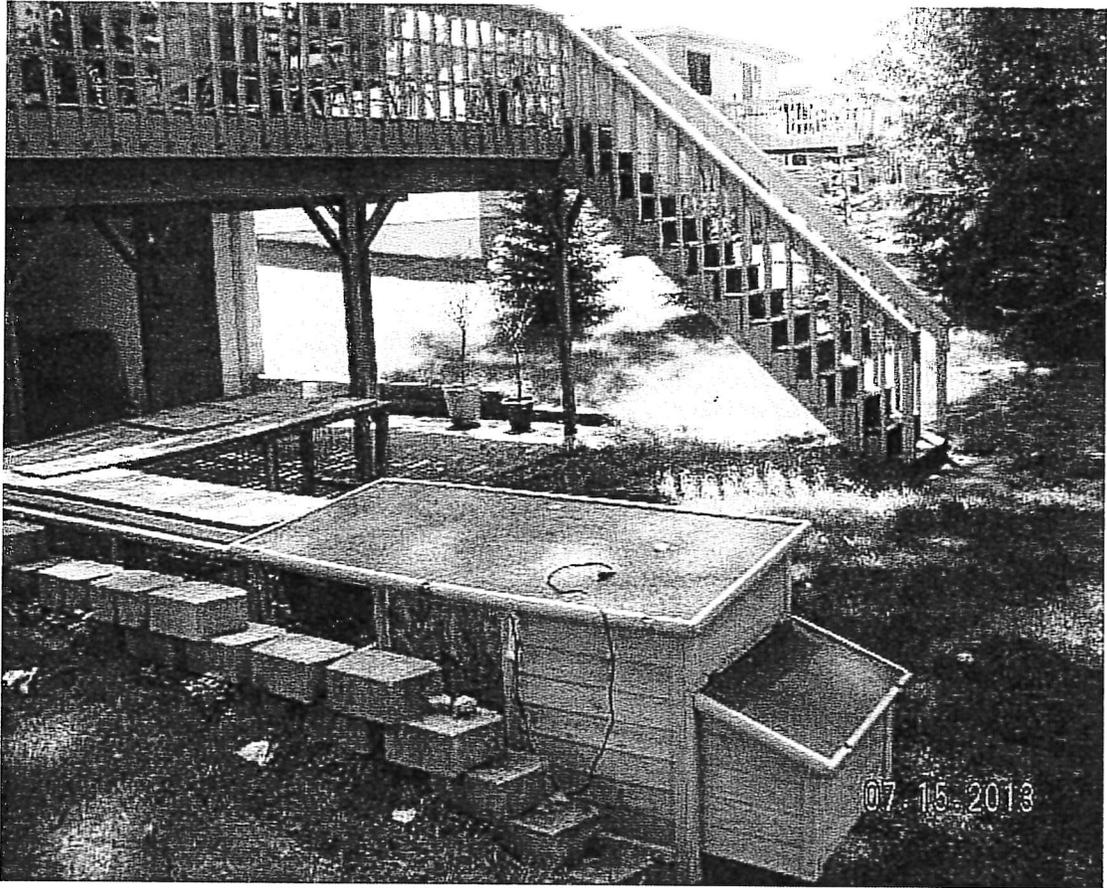
U.S. Bank National Association, member FDIC. Equal Housing Lender.

U.S. BANCORP made the following annotations

Electronic Privacy Notice. This e-mail, and any attachments, contains information that is, or may be, covered by electronic communications privacy laws, and is also confidential and proprietary in nature. If you are not the intended recipient, please be advised that you are legally prohibited from retaining, using, copying, distributing, or otherwise disclosing this information in any manner. Instead, please reply to the sender that you have received this communication in error, and then immediately delete it. Thank you in advance for your cooperation.







CITY OF INVER GROVE HEIGHTS

REQUEST FOR COUNCIL ACTION

Ordinance Regarding Abatement of Public Nuisances

Meeting Date: March 23, 2015
 Item Type: Regular Agenda
 Contact: Thomas J. Link: 651-450-2546
 Prepared by: Tom Link, Director of Comm. Dev.
 Reviewed by: NA



Fiscal/FTE Impact:

- None
- Amount included in current budget
- Budget amendment requested
- FTE included in current complement
- New FTE requested – N/A
- Other (Revenue)

PURPOSE/ACTION REQUESTED

The City Council is to consider the second reading of an ordinance that would allow the City to remove public nuisances, such as junk and junk vehicles, from properties.

BACKGROUND

Attached are a memo and a draft ordinance from City Attorney Tim Kuntz.

Per Council direction, the City put the ordinance on the website and placed an article in the most recent City *'Insights'* newsletter, as attached. The website and newsletter article informed residents that the City Council would be considering the ordinance and encouraged them to contact City Hall with comments. The City received four phone calls and one email. The four phone calls did not relate to the ordinance but rather to specific code compliance issues, such as recreational vehicle parking, barking dogs, and junk in yards. The email also does not pertain to the ordinance but to code enforcement in general. The citizen expresses concern for 'cherry picking' enforcement. The City does not enforce its ordinances in this manner but merely responds to complaints.

RECOMMENDATION

Staff recommends approval of the second reading of the ordinance allowing abatement of public nuisances.

- Enc: Memo from City Attorney Tim Kuntz
 Ordinance
'Insights' Article
 Email regarding Abatement of Public Nuisances

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MEMO

TO: Inver Grove Heights Mayor and Council
FROM: Timothy J. Kuntz, City Attorney
DATE: March 19, 2015
RE: Second Reading of Ordinance Amendment Related to Public Nuisances on Property – March 23, 2015 Council Meeting

Section 1. Background. At the February 9, 2015 Council meeting, the Council considered the first reading of an Ordinance Amending Title 5, Chapter 9 of the City Code related to Public Nuisances on Property.

Since the first reading there has been one minor modification to the proposed ordinance. Language has been inserted to the effect that each day of non-compliance is a separate violation. This change is found in Section 5-9-7(C) of the attached ordinance. This change is consistent with other parts of the City Code which make each day a separate violation.

Other than the change referenced above, no other revisions have been made to the proposed ordinance since the first reading.

The Chamber of Commerce has informed Tom Link that the Chamber has no comment on the ordinance and does not feel a need to review it.

Tom Link is sending the Council a separate memo on comments made by the public.

Section 2. Council Action. Attached to this memo is an Ordinance Amending Title 5, Chapter 9 of the City Code related to Public Nuisances on Property. The Council is asked to consider the second reading of the attached ordinance at the March 23, 2015 City Council meeting.

Attachment

CITY OF INVER GROVE HEIGHTS
DAKOTA COUNTY, MINNESOTA

ORDINANCE NO. _____

AN ORDINANCE AMENDING INVER GROVE HEIGHTS CITY CODE,
TITLE 5, CHAPTER 9 RELATED TO ~~PROPERTY NUISANCES~~ PUBLIC NUISANCES
ON PROPERTY

THE CITY COUNCIL OF THE CITY OF INVER GROVE HEIGHTS ORDAINS AS FOLLOWS:

Section One. Amendment. Title 5, Chapter 9, of the Inver Grove Heights City Code is hereby amended as follows:

5-9-1: PURPOSE:

The purpose of this chapter is to ensure and promote the public health, safety and welfare insofar as they are affected by the continued maintenance of property. (Ord. 1168, 11-13-2007)

5-9-2: DEFINITIONS:

For purposes of this chapter, the terms defined below have the following meanings:

ABATE OR ABATEMENT: The removal, stoppage, extermination, eradication, cleaning, cutting, mowing, grading, repairing, draining, securing, barricading, fencing, demolishing or destroying that which causes or constitutes a ~~property-public~~ nuisance on property.

BUILDING: Any structure, temporary or permanent, used or intended for supporting or sheltering any use or occupancy. A building includes a shed.

~~COMPLIANCE DEADLINE: Seven (7) business days after the abatement notice is served or posted or such other later date by which the hazardous property nuisance must be removed, as specified in the abatement notice.~~

COMPOST REGULATIONS: See the provisions of section 8-6-6 of this code.

ENFORCEMENT OFFICER: Any employee or agent enumerated in section 1-4-4 of this code, or any person charged by the council with the responsibility of code enforcement.

FENCING REGULATIONS: See the provisions of section 10-15-12 of this code.

GARAGE SALE: Shall mean and include all sales entitled "garage sale", "lawn sale", "boutique sale", or any similar casual sale of tangible personal property which is advertised by any means whereby the public at large is or can be made aware of the sale.

~~HAZARDOUS PROPERTY NUISANCE: A. Any property nuisance or substance, matter, or thing that:~~

- ~~—1. Creates an unsafe or unhealthy condition or that threatens the public health or safety; and~~
- ~~—2. Is found upon or is being discharged or is flowing from the property; and~~
- ~~—3. Is outside of a building.~~

~~B. A hazardous property nuisance is also deemed a public nuisance, as defined by Minnesota statutes section 609.74.~~

INOPERABLE CONDITION: Means that the vehicle has no substantial potential use consistent with its usual function, and includes a vehicle that (1) has a missing or defective part that is necessary for the normal operation of the vehicle, (2) is stored on blocks, jacks, or other supports, or (3) is not properly licensed for operation within the State of Minnesota.

JUNK: Any worn out, dilapidated, or discarded material, equipment, household furnishings, old machinery, appliances, products, refuse, or apparatus that are no longer used for the purposes for which ~~it wasthey were~~ manufactured, intended, designed or made, including, but not limited to, household appliances or building materials, cans, glass, furniture, mattresses, box springs, crates, cardboard, tires or any other debris. This definition does not include materials that are used as: a) lawn ornaments; b) landscape decorations; or c) other decorations and paraphernalia placed within a garden.

~~JUNK VEHICLE: Any motor vehicle which, for a period of thirty (30) continuous days or more, is not in operable condition, is partially dismantled, is used for sale of parts or as a source of repair or replacement parts for other vehicles, is kept for scrapping, dismantling, or salvage of any kind, or is not properly licensed for operation within the state of Minnesota. Motor vehicle has the meaning given in Minnesota statutes section 168.011, subdivision 4.that is in an inoperable condition, that is partially dismantled, that is used for sale of parts or as a source of repair or replacement parts for other vehicles, or that is kept for scrapping, dismantling, or salvage of any kind, unless the vehicle is kept in an enclosed garage or storage building. A junk vehicle is also an abandoned vehicle. Motor vehicle has the meaning given in Minnesota statutes section 169.011.~~

MIXED MUNICIPAL SOLID WASTE DISPOSAL REGULATIONS: See the provisions of section 8-6-5 of this code.

OWNER: Any person shown to be the property owner according to the land records of the Dakota County recorder's office.

PROPERTY: Any real property, premises, lot, parcel or location.

PROPERTY-PUBLIC NUISANCES ON PROPERTY: A. Means and includes any of the following: The following are declared to be public nuisances on property affecting public peace, safety, and general welfare:

1. ~~1.~~ Violations of this chapter.
2. Interfering with, obstructing or rendering dangerous for passage a public highway or right-of-way.
3. Piling, storing or keeping of old machinery, junk, junk vehicles, furniture, household furnishings, or appliances or component parts of them or other debris on property outside of a building.
4. Any substance, matter, or thing that creates an unsafe or unhealthy condition on property outside of a building or that threatens the public health or safety on property outside of a building.
5. Any substance, matter, or thing that creates an unsafe or unhealthy condition and is found upon or is being discharged or is flowing from property and is outside of a building or that threatens the public health or safety and is found upon or is being discharged or is flowing from property and is outside of a building.
- 6.2. Violations of the fencing regulations (section 10-15-12 of this code).
- 7.3. Violations of the mixed municipal solid waste disposal regulations (section 8-6-5 of this code).
- 8.4. Violations of the compost regulations (section 8-6-6 of this code).
- 9.5. Violations of the sidewalk regulations (section 7-1-2 of this code).
- 10.6. Digging, excavating, or doing any act that alters or affects the drainage of property or alters or affects flows of the public storm sewer and drainage ditch system, except in accordance with the regulations of the city.
- 11.7. Noises, odors, vibrations or emissions of smoke, fumes, gas, soot, cinders, ash or otherwise that exceed the standards of the Minnesota pollution control agency.
- 12.8. Permitting, suffering, maintaining, or failing to remove any unsanitary, unsafe, dangerous or unhealthy condition outside of a building or shed on the property resulting from a failure to properly dispose of garbage, sewage, waste, debris or any other unwholesome or offensive substance, liquid, or thing upon property, or dropping, discharging, depositing or otherwise delivering the same upon the property of another or public property.

139. Any fence, dock, deck, tree, pole, excavation, hole, pit, or uncovered foundation, which, by reason of the condition, creates a public health or safety hazard.

140. An outdoor burner/boiler installed from and after December 1, 2010.

151. Any outdoor burner/boiler existing as of December 1, 2010, that is used or operated from and after October 1, 2011.

~~B. A property nuisance is also deemed a public nuisance, as defined by Minnesota statutes section 609.74.~~

6. Depositing of, permitting, or failing to remove garage, trash, rubbish, bottles, cans, and other refuse on any property, including large quantities of organic debris and materials that accumulated by other than natural means, except neatly maintained compost piles.

7. A violation of city code title 9, chapter 5, section 13 prohibiting illicit connections and discharges into the city's sewer system.

87. A public nuisance on property is also deemed a public nuisance and is defined by Minnesota statutes section 609.74.

RESPONSIBLE PARTY: Any one or more of the following:

- A. Owner of property;
- B. Agent of the owner of property;
- C. Contract for deed holder relating to the property;
- D. Mortgagee or vendee in possession of property;
- E. Lessee of property; or
- F. Other person, firm, corporation or entity exercising apparent control over property.

SIDEWALK REGULATIONS: See the provisions of section 7-1-2 of this code.

STORAGE CONTAINER: A portable container used for the storage of nontoxic items and designed to contain at least seven hundred sixty eight (768) cubic feet. (Ord. 1168, 11-13-2007; amd. Ord. 1202, 11-23-2009; Ord. 1220, 11-8-2010, eff. 12-1-2010)

5-9-3: ~~PROPERTY-PUBLIC~~ NUISANCES ON PROPERTY PROHIBITED:

- A. Creation Of ~~Property Nuisance~~Public Nuisance on Property: No person shall, directly or indirectly or by omission, create a ~~property nuisance or a hazardous property nuisance~~public nuisance on property.

B. Maintenance Of ~~Property Nuisance~~Public Nuisance on Property: No owner of the property or responsible party in apparent control of the property shall allow a ~~property nuisance or a hazardous property~~public nuisance on property to remain upon the property. No owner or responsible party shall fail to comply with any abatement notice issued pursuant to section 5-9-6 of this chapter. (Ord. 1168, 11-13-2007)

5-9-4: RESTRICTIONS ON EXTERIOR PROPERTY AREAS:

A. Junk: Responsible parties shall not keep junk on the property outside of a building and must not allow junk to be stored, located or placed on the property outside of a building. Responsible parties must remove junk that is located outside of a building on the property and must either completely remove the junk from the property or place the junk in a building. (Ord. 1168, 11-13-2007)

B. Junk Vehicles: Responsible parties shall not keep a junk vehicle on the property outside of a building and must not allow a junk vehicle to be stored, located or placed on the property outside of a building. This subsection does not apply to a location approved by the city as a conditional use for auto auction sales with open storage. (Ord. 1185, 10-27-2008)

C. Firewood And Woodpiles:

1. No responsible party shall allow firewood to be stored in excess of six feet (6') in height outside of a building on the property.
2. In the R residential districts, on parcels less than one acre in size, responsible parties must comply with the following regulations for woodpiles outside of a building:
 - a. Woodpiles are prohibited in front of a residence.
 - b. Woodpiles shall be outside of a minimum side and rear yard setback of five feet (5').
 - c. Woodpiles shall be stored either four inches (4") above the ground or on an impervious surface.
 - d. The size of the woodpile must not exceed five (5) cords. A cord is no more than eight feet (8') long, four feet (4') high and four feet (4') wide. (Ord. 1168, 11-13-2007)

D. Weeds And Grass:

1. No responsible party shall allow any weeds, primary, secondary or otherwise, whether noxious, as defined by law or not, to grow upon the property to a height greater than eight inches (8") within any of the R residential districts on parcels less than one acre in size outside of the traveled portion of any street or alley. Upon determining that a violation of this subsection D1 exists, the enforcement officer shall send a written notice by certified mail to the owners of the property and to the responsible parties in apparent control of the property. The notice shall state that the responsible parties in apparent control of the property and the owners must correct the violation within seven (7) days after the date of the notice and that failure to do so may result in

the city correcting the violation, charging the cost of correction to the owners and specially assessing the cost thereof against the property pursuant to Minnesota statutes section 429.101 if the owners do not pay. If the owners or responsible parties in apparent control of the property have not corrected the violation, the city may correct the violation and may charge the cost of correction to the owners. The owners are liable for the costs and must pay the costs within thirty (30) days after the invoice. If the owners do not pay for the costs, the city may specially assess the property pursuant to Minnesota statutes section 429.101. (Ord. 1168, 11-13-2007; amd. Ord. 1192, 7-27-2009)

2. Within the R residential districts, on parcels less than one acre in size, responsible parties have the obligation to establish turf grass lawns or other approved landscaping within one year of the date a building permit is issued for the property. Within the R residential districts, on parcels less than one acre in size, responsible parties must maintain turf grass lawns so that such turf grass lawns are no higher than eight inches (8"). The following areas are exempt from the requirements of this subsection D2:
 - a. Wetlands, drainage ponds, water quality (NURP) ponds, lakes, streambeds, and a fifty foot (50') buffer area around such areas. (Ord. 1168, 11-13-2007)
 - b. Pastures and parks, park facilities, and recreation areas as defined by subsection 7-5-1B of this code. (Ord. 1240, 8-22-2011)
 - c. Railroad rights of way.
 - d. A agricultural and E-1 and E-2 estate zoning districts.
 - e. Areas with slopes steeper than a four to one (4:1) slope ratio.
 - f. Undisturbed, natural areas that have not been maintained in the past.
 - g. The natural areas and open space areas as defined in the northwest area overlay zoning district regulations, title 10, chapter 13, article J of this code.

E. Storage Containers: In R residential districts, on parcels less than one acre in size, responsible parties must comply with the following regulations for storage containers:

1. Storage containers shall not exceed sixteen feet (16') in length.
2. Storage containers shall not remain on the property for more than ninety (90) days per calendar year.
3. No more than two (2) storage containers shall be on the property at one time.

F. Roll-Off Boxes And Dumpsters: In R residential districts, on parcels less than one acre in size, responsible parties must comply with the following regulations for roll-off boxes and dumpsters:

1. Roll-off boxes and dumpsters shall not be located on streets or within the right of way.
2. Roll-off boxes and dumpsters shall not be more than thirty (30) cubic yards.
3. Material placed in the roll-off box or dumpster shall not extend more than three feet (3') above the top of the roll-off box or dumpster.
4. Roll-off boxes and dumpsters shall not remain on the property more than three (3) months during a twelve (12) month period; provided, however, the director of community development may grant the responsible party an extension of an additional three (3) months if the magnitude of construction occurring on the property requires the use of a roll-off box or dumpster for such additional time.

G. Open Storage In Residential Districts:

1. In R residential districts, on parcels less than one acre in size, responsible parties must comply with the following regulations relating to open storage:
 - a. Open storage is prohibited in the front of a residence.
 - b. Open storage shall be allowed elsewhere on the property when enclosed by a solid screening fence at least six feet (6') in height.
 - c. All fencing must be as prescribed by section 10-15-12 of this code.
 - d. Open storage shall not include junk, junk vehicles or garbage.
2. Exceptions to the regulations in this subsection are automobiles, noncommercial trucks of not more than one ton capacity, and personal recreational equipment, such as camper trailers, boats, campers, recreational vehicles, all-terrain vehicles (ATVs), snowmobiles, and utility trailers in operable condition. (Ord. 1168, 11-13-2007)

H. Garage Sales: The regulation of garage sales is intended to prevent their frequency from becoming a nuisance. Garage sales are allowed in all residential zoning districts with the following restrictions:

1. There shall not be more than four (4) sales events in each calendar year per dwelling unit. This number does not include the participation in any city sanctioned garage sale event.
2. Sale events are limited to any consecutive seventy two (72) hour period.
3. Garage sale signs must comply with the sign ordinance. No directional signs or advertising signs with respect to garage sales shall be attached to utility poles, trees, or signposts. All directional signs or advertising signs shall be freestanding. Each such sign shall be promptly removed after garage sales by the person conducting the sales.

4. Garage sale signs may be erected on private properties other than the property where the sale is conducted provided permission from the private property owner is obtained.
5. Personal property offered for sale at garage sales shall be that of the owners/occupants of the property at which the garage sale is conducted. Personal property of members of several families may be offered for sale at a garage sale at property owned or occupied by one of the participant families.
6. No consignment personal property may be offered for sale at garage sales.
7. Garage sales shall be conducted so as not to obstruct or interfere with pedestrian or vehicular traffic.
8. Notwithstanding title 1, chapter 4 of this code, a violation of this subsection shall be a petty misdemeanor. (Ord. 1202, 11-23-2009)

5-9-5: INSPECTION AUTHORITY:

The enforcement officer is authorized to enter upon any property for the purpose of enforcing and assuring compliance with the provisions of this chapter. If access to the property is denied by the owners or responsible parties, the enforcement officer shall then obtain an administrative search warrant in order to proceed with an inspection of the property for purposes of determining compliance with the provisions of this chapter. (Ord. 1168, 11-13-2007)

5-9-6: ENFORCEMENT AND ABATEMENT OF ~~HAZARDOUS PROPERTY~~PUBLIC NUISANCES ON PROPERTY:

A. Abatement Process:

1. Notice: Whenever, following an inspection, the enforcement officer determines that a public nuisance on property exists or is being maintained on property, the enforcement officer must give written notification to the property owner and occupant or other responsible party of that fact and order that the public nuisance on property be terminated and abated. Notice must be served in person or by certified mail. Failure of the party to receive the certified mail does not invalidate the service of the notice. Notice to the owner will be satisfied by notice to the person listed as the taxpayer on the county's tax records. If the property is not occupied, the owner is unknown, or no other responsible party can reasonably be identified, notice may be served by posting it on the property for a period of at least seventy two (72) hours The notice must state:

- a. The property location of the public nuisance on property;
- b. The nature of the public nuisance on property, with reference to the appropriate code provision;

- c. The steps to be taken to abate the public nuisance on property and a reasonable amount of time within which the public nuisance on property is to be abated, which shall not be less than seven (7) business days after the date of the notice;
 - d. That if the owner, occupant, or other responsible party does not comply with the notice within the time specified, the city may provide for abating the public nuisance on property;
 - e. That the owner, occupant, or other responsible party has the right to appeal the designation as a public nuisance on property by submitting a request in writing to the city clerk before the date by which abatement must be completed or within seven (7) calendar days after service of the notice, whichever comes first; and
 - f. That the city may assess its costs for abatement of the public nuisance on property against the property in accordance with this section.
2. Authority to Abate: If no timely appeal is submitted and the public nuisance on property is not abated within the deadline given, the enforcement officer may proceed to abate the public nuisance on property. If the owners or responsible parties deny access to the property for abatement of the public nuisance on property, the enforcement officer shall then obtain an administrative search warrant or other judicial order to proceed with enforcement of this chapter. If any material derived from the abatement is salvageable, the city may sell the salvaged material at private or public sale with the proceeds from the sale being used to offset the cost of abatement. Any proceeds in excess of the cost of abatement will be paid over to the owners.
3. Appeal: If a timely appeal is submitted, the matter must be scheduled for a hearing before the city council. A notice of the hearing must state the date, time, and location of the city council hearing, must be served in the same manner as the abatement notice, and must be given at least ten (10) days before the hearing. After holding the hearing, the city council may issue an order requiring abatement of the public nuisance on property. Any enforcement action and any abatement action will be suspended until seven (7) business days after the council's written decision has been sent by first class mail and either personally served upon or sent by certified mail to the appellant, the owners and the responsible parties in apparent control of the property.
4. Cost of Abatement: If the city performs the work pursuant to this section, the city will maintain a record showing the cost of the work attributable to abatement of the public nuisance on property, including administrative costs. Abatement costs shall include, but are not limited to, the cost of the abatement, the cost of investigation, such as title searches, inspections and testing, the cost of notification, filing costs, attorney fees and administrative costs, including an overhead charge of up to twenty five percent (25%) for administrative costs. As soon as the abatement work has been completed and the cost determined, the city clerk shall prepare and send by first class mail an invoice to the owner and/or responsible party setting forth the amount of expenses and charges for such

work, which amount is due and payable to the city within thirty (30) days after the date of invoice. The owner of property on which a public nuisance on property has been abated by the city, or a person who has caused a public nuisance on property not owned by that person, is personally liable to the city for the cost of the abatement, including all interest, attorney fees, administrative costs and other charges.. Unpaid charges constitute a lien against the property where the abatement occurred on and after the date they were incurred.

5. Special Assessments Under Minnesota statutes section 429.101: If the public nuisance on property is of any of the following types:

- a public health or safety hazard on property excluding any structure included under the provisions of Minnesota statutes section 463.15 to 463.26;
- weeds or tall grass violations under section 5-9-4 (D);
- any other situations or abatements listed under Minnesota statutes section 429.101 for which special assessments may be levied;

then, in such instances, if the property owner does not abate the public nuisance on property and if the city does abate the public nuisance on property, then the city, following Minnesota statutes section 429.101, may specially assess all the costs of abatement identified in section 5-9-6 (A)(4) against the property.

6. Special Assessments under Minnesota statutes section 429.031 and 429.061: If the following circumstances exist:

- the property owner has not abated the public nuisance on property;
- the city intends to abate the public nuisance on property and to specially assess the property for the cost of abatement;
- the abatement is not of a type that falls within the scope of section 5-9-6 (A)(5);

then in such instance, the city, prior to commencement of the abatement, shall follow Minnesota statutes section 429.021, subd. 1(8) and 429.031 to authorize the abatement and after the abatement, the city shall follow Minnesota statutes section 429.061 to levy the special assessment for the abatement.

7. Emergency procedure; summary enforcement: In cases of emergency, where delay in abatement required to complete the procedure and notice requirements as set forth in subpart (A) of this section will permit a continuing public nuisance on property to unreasonably endanger public health, safety, or welfare, the city council may order summary enforcement and abate the public nuisance on property. To proceed with summary enforcement, the enforcement officer or other designated official shall first determine that a public nuisance on property exists or is being maintained and that delay in abatement will unreasonably endanger public health, safety, or welfare. The officer or designated official shall then notify in writing the occupant or owner of the property of the nature of the public nuisance on property, whether public health, safety, or welfare will be unreasonably endangered by delay in abatement required to complete the

procedure set forth in subpart (A) of this section and may order that the public nuisance on property be immediately terminated or abated. If the public nuisance on property is not immediately terminated or abated, the city council may then order summary enforcement and abate the public nuisance on property.

A. Notice To Abate:

- ~~1. Following an inspection, if the enforcement officer declares the existence of a hazardous property nuisance, then the enforcement officer shall serve an abatement notice on the owners and any responsible parties in apparent control of the property by first class mail and also by either certified mail or by personal service. The abatement notice shall contain the following information:~~
 - ~~a. Description of the property upon which the hazardous property nuisance is situated;~~
 - ~~b. The nature of the hazardous property nuisance to be removed;~~
 - ~~c. A correction order and compliance deadline requiring that the hazardous property nuisance be abated and removed by a specific date, which shall not be less than seven (7) business days;~~
 - ~~d. State that in the event the owners or responsible parties in apparent control of the property do not comply with the abatement notice and remove the hazardous property nuisance by the compliance deadline, the necessary work may be performed by the city, and the owners will be sent an invoice detailing the work performed, the costs associated with the work and that the owners shall be responsible for paying the invoice;~~
 - ~~e. State that if the owners do not pay the invoice, the costs will be assessed against the property;~~
 - ~~f. State that the owners and responsible parties in apparent control of the property have a right to appeal the abatement notice pursuant to subsection F of this section. The abatement notice shall also include a form by which the owners and responsible parties may appeal the abatement notice.~~
- ~~2. If the owners of the property or the responsible parties in apparent control of the property cannot be identified or located, the abatement notice shall be posted on the property for a period of seven (7) business days, after which period the city may perform any necessary work or abatement. Service of the abatement notice by first class mail and by certified mail and service of the abatement notice by posting may be done simultaneously.~~

B. Disclosure Of Responsible Party: Upon the request of the enforcement officer, an owner or responsible party shall disclose the name of any other known owner or responsible party. This shall include the person for whom he or she is acting, from whom he or she is leasing the property, to whom he or she is leasing the property, or with whom he or she has any conveyancing contract.

~~C. Abatement Process: If a hazardous property nuisance has not been removed by the compliance deadline, and no appeal has been received, the city has the authority to enter upon the property and abate the hazardous property nuisance. If the owners or responsible parties deny access, the enforcement officer shall then obtain an administrative search warrant to proceed with enforcement of this chapter. If any material derived from the abatement is salvageable, the city may sell the salvaged material at private or public sale with the proceeds from the sale being used to offset the cost of abatement. Any proceeds in excess of the cost of abatement will be paid over to the owners.~~

~~D. Invoice: If the city performs the work pursuant to subsection C of this section, the city will maintain a record showing the cost of the work attributable to each property, including administrative costs. Abatement costs shall include, but are not limited to, the cost of the abatement, the cost of investigation, such as title searches, inspections and testing, the cost of notification, filing costs, attorney fees and administrative costs, including an overhead charge of up to twenty five percent (25%) for administrative costs. The city will prepare and send by first class mail an invoice to the owners setting forth the amount of expenses and charges for such work, which will be due within thirty (30) days of the date on the invoice and payable at the office of the city finance director. The owners of the property at the time the abatement notice is served or posted are personally liable for and must pay the amount of the abatement costs including all interest, attorney fees, administrative costs and other charges.~~

~~E. Special Assessment: If the invoice is not paid within thirty (30) days and no other satisfactory arrangements for payment have been made with the city by the owners, the city may then assess the charges against the property as a special assessment pursuant to Minnesota statutes section 429.101. The city may certify the special assessment to the county auditor for collection, together with real estate taxes payable in the following year.~~

~~F. Appeals:~~

~~1. Within seven (7) business days after the abatement notice is served under subsection A of this section, an owner or responsible party in apparent control of the property may appeal the abatement notice by filing a written appeal with the enforcement officer or city clerk requesting a hearing before the city council and setting forth a brief statement of the issues. Upon receipt of the appeal, the city clerk will set a time and place for the hearing, and the city clerk will give the appellant written notice thereof by first class mail. Such notice to the appellant shall be mailed at least ten (10) days in advance of the hearing. Further, at least ten (10) days before the hearing, the clerk shall also send notice of the hearing by first class mail to the owners of the property, the responsible parties in apparent control of the property, and the landowners within three hundred fifty feet (350') of the property (as shown by the county tax records). The hearing must occur no later than thirty (30) days after the date on which the appeal was filed, unless the appellant agrees to a later date.~~

~~2. The hearing shall be public. The hearing shall be held at a special council meeting and shall not be televised. At the hearing, the appellant will be given an opportunity to be heard and show why the abatement notice should be modified or withdrawn. The city council may grant relief as it deems reasonable if the requirements have been incorrectly interpreted, or the~~

~~provisions of this chapter do not fully apply, or the requirements of this chapter are adequately satisfied by other means, and there is no detriment to the public health and safety, and there is no impairment to the intent of this chapter. The decision of the council shall be in writing and shall be sent by first class mail and either personally served upon or sent by certified mail to the appellant, the owners and the responsible parties in apparent control of the property.~~

~~3. Any enforcement action and any abatement action will be suspended until seven (7) business days after the council's written decision has been sent by first class mail and either personally served upon or sent by certified mail to the appellant, the owners and the responsible parties in apparent control of the property. (Ord. 1168, 11-13-2007)~~

5-9-7: PENALTIES:

A. Any person who violates any provision of this chapter or fails to comply with a lawful written abatement notice issued pursuant to subsection 5-9-6A of this chapter shall be guilty of a misdemeanor, provided, however that a violation of section 5-9-4 (H) shall be a petty misdemeanor.

B. For violations of this chapter that are declared to be ~~hazardous property~~public nuisances on property, the condition may be abated by the city following the procedures ~~service of an abatement notice~~ pursuant to subsection 5-9-6A of this chapter, and in addition, the owners and responsible parties in apparent control of the property may be issued a misdemeanor citation, provided, however that a violation of section 5-9-4 (H) shall be a petty misdemeanor.

~~C. Each violation and every day a violation of this chapter shall occur or continue shall constitute a separate and distinct offense and violation. For violations of this chapter that are declared to be hazardous property nuisances, a misdemeanor citation shall not be issued unless the owners and responsible parties in apparent control of the property have failed to abate the violation in the manner required by the abatement notice issued under subsection 5-9-6A of this chapter.~~

~~C. For violations of this chapter that are property nuisances but are not hazardous property nuisances, the owners and responsible parties in apparent control of the property may be issued a misdemeanor citation without the abatement notice required in subsection 5-9-6A of this chapter. (Ord. 1168, 11-13-2007)~~

Section Five. Effective Date. This Ordinance shall be in full force and effect beginning on _____, 2015.

Passed in regular session of the City Council on the ___ day of _____, 2015.

CITY OF INVER GROVE HEIGHTS

By: _____
George Tourville, Mayor

ATTEST:

By: _____
Melissa Kennedy, Deputy City Clerk

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City of Inver Grove Heights

Insights

Important Information for Residents

Deadline For Applications Is May 4

City Invites You To Become an Advisory Commission Volunteer

Inver Grove Heights has many volunteers currently serving on a variety of Citizen Advisory Commissions and Committees.

Appointed by the City Council, these volunteers review policies and proposals in order to make recommendations to the Council, providing an essential connection between our residents and local government.

Residents are invited to become part of the decision-making process by volunteering their time, talent, and expertise on one of the City's Advisory Commissions including:

- Planning Commission

- Parks and Recreation Advisory Commission
- Environmental Commission
- Airport Relations Commission
- Housing Committee

The City Council encourages residents to consider being a part of a City advisory commission or committee. Additional information on each of the groups and application forms are available on the City website at www.invergroveheights.org. Applications must be submitted by May 4.

Please contact the Deputy Clerk with questions at 651-450-2513 or via email at mkennedy@invergroveheights.org.

Business Town Hall Meeting

**Wednesday, April 8
11:30 a.m. to 1 p.m.
Veteran's Memorial
Community Center
Youth Room 3**

This is the annual meeting to inform our local businesses what the City of Inver Grove Heights has been doing on their behalf, as well as the City budget and tax impact.

This year the City is partnering with the Chamber of Commerce to discuss efforts to revitalize the Arbore Pointe Retail area, as well as other efforts under way to increase and/or expand our retail businesses.

Please RSVP to City Clerk Melissa Kennedy, mkennedy@invergroveheights.org or 651-450-2513, by April 1 (that is no joke!) so the City can order the right amount of food and plan for those attending.

City Council Is Considering an Ordinance for the Abatement of Public Nuisances

The City Council is considering an ordinance that would allow the City to abate public nuisances, such as junk, junk vehicles, tall grass and weeds. Abatement means removal of the public nuisance from a property.

The ordinance is in response to complaints from residential neighborhoods that the City's normal code enforcement procedures are sometimes unsatisfactory and take too long to address junky yards.

The ordinance would also provide an

expedited process to abate a public nuisance in the case of an emergency.

The City Council is scheduled to consider the ordinance on March 23 and April 13 at 7 p.m. in the City Council Chambers.

If you would like more information on this topic please, contact Tom Link at tlink@invergroveheights.org or 651-450-2546.

The ordinance is posted on the City website at www.invergroveheights.org.

Tom Link

From: Daniel Fall [fallguy1000@hotmail.com]
Sent: Thursday, March 12, 2015 3:31 PM
To: Tom Link
Subject: Abatement of Public Nuisance

Greetings Tom,

I wanted to comment on the ordinance. Too often such an ordinance cherry picks Bob over Sally. Bob has a junk car hidden in the backyard and Sally's junker can be seen in the winter when the leaves fall. Neither are correct to hold junkers, but Sally gets the hammer and Bob gets away with it. My concern is for even enforcement and it'd be best if written into the law. If someone on a given street falls under the law; the entire street, for example, needs the treatment. Too often, ordinances such as these can result in harassment. As a Democrat, I'm the last guy to be anti-government, but this law needs fair enforcement to avoid unfair treatment. Please forward my comment to councilmembers.

Thanks.

Dan Fall
11960 Albavar Path
Inver Grove Heights, Mn 55077

**LEVANDER,
GILLEN &
MILLER, P.A.**

ATTORNEYS AT LAW

TIMOTHY J. KUNTZ
DANIEL J. BEESON
*KENNETH J. ROHLF
◊STEPHEN H. FOCHLER
◊JAY P. KARLOVICH
ANGELA M. LUTZ AMANN
*KORINE L. LAND
◻DONALD L. HOEFT
DARCY M. ERICKSON
DAVID S. KENDALL
BRIDGET McCAULEY NASON
HAROLD LEVANDER
1910-1992
ARTHUR GILLEN
1919-2005
*ALSO ADMITTED IN WISCONSIN
◊ALSO ADMITTED IN NORTH DAKOTA
◻ALSO ADMITTED IN MASSACHUSETTS
◻ALSO ADMITTED IN OKLAHOMA

MEMO

TO: Mayor and Council Members
FROM: Timothy J. Kuntz and Kenneth J. Rohlf, City Attorneys
DATE: March 18, 2015
RE: Northwest Area Utility Improvements: 2015-10

Section 1. Background: The City of Inver Grove Heights (the “City”) has authorized the design of plans and specifications for the initial phase of a municipal water distribution system and a municipal sanitary sewer collection system to ultimately serve the City’s Northwest Area. Construction plans have been prepared for City of Inver Grove Heights Project No. 2015-10 (the “Project”) which provides for the installation of trunk water mains and trunk sanitary sewer from Alverno Avenue’s north termini, westerly toward and under Argenta Trail and onto proposed street right-of-way within a portion of the proposed Blackstone Vista development.

The acquisition of permanent and temporary easements from James E. Peltier is necessary for construction of the Project. In addition, in order to construct the Project across the Peltier property, the City had to negotiate the right to cross a pipeline easement owned by Magellan Pipeline Company, L.P., (“Magellan”) and located on the Peltier property. The Magellan pipeline easement existed prior to the easements the City is acquiring from Mr. James Peltier and as a result is superior to the easement rights Mr. Peltier can grant to the City. Consequently, the City had to obtain further permission from Magellan to cross its pipeline easement. The City was able to negotiate an Encroachment Agreement with Magellan which authorizes the City to cross the Magellan pipeline.

Recommendation:

The City's Property Acquisition Team¹ recommends acceptance of the proposed Encroachment Agreement on the conditions set forth herein. Provided said Encroachment Agreement is received in substantially the same form as attached to the Council Resolution and provided that any modifications to the Encroachment Agreement attached to the Council Resolution are approved by the City Engineer and the City Attorney after a determination that any modifications do not materially restrict the City's rights or materially add to the City's obligations, the City's Property Acquisition Team recommends that the City Council approve and authorize the Mayor and Deputy City Clerk to sign the Encroachment Agreement negotiated between the City and Magellan upon the City's receipt of the following documents:

1. Easement Purchase Agreement executed by James E. Peltier; and
2. Permanent Drainage and Utility Easement and Temporary Construction Easement executed by James E. Peltier; and
3. Consent to the Grant of Easement by James E. Peltier to the City executed by Magellan Pipeline Company, L.P.

¹ The City's Property Acquisition Team is comprised of City Staff, the Office of the City Attorney and Evergreen Land Services.

**CITY OF INVER GROVE HEIGHTS
DAKOTA COUNTY, MINNESOTA**

RESOLUTION NO. 15-_____

**A RESOLUTION APPROVING THE ENCROACHMENT AGREEMENT
BETWEEN THE CITY OF INVER GROVE HEIGHTS AND
MAGELLAN PIPELINE COMPANY, L.P., RELATING TO CITY PROJECT 2015-10**

WHEREAS, the City of Inver Grove Heights (the “City”) has authorized the design of plans and specifications for the initial phase of a municipal water distribution system and a municipal sanitary sewer collection system to ultimately serve the City’s Northwest Area.

WHEREAS, construction plans have been prepared for City of Inver Grove Heights Project No. 2015-10 (the “Project”) which provides for the installation of trunk water mains and trunk sanitary sewer from Alverno Avenue’s north termini, westerly toward and under Argenta Trail and onto proposed street right-of-way within a portion of the proposed Blackstone Vista development.

WHEREAS, the acquisition of permanent and temporary easements from James E. Peltier is necessary for construction of the Project.

WHEREAS, in addition to the acquisition of easement rights from Mr. Peltier, in order to construct the Project across the Peltier property, the City had to negotiate the right to cross a pipeline easement owned by Magellan Pipeline Company, L.P., (“Magellan”) and located on the Peltier property. The Magellan pipeline easement existed prior to the easements the City is acquiring from Mr. James E. Peltier and as a result is superior to the easement rights Mr. Peltier can grant to the City. Consequently, the City had to obtain further permission from Magellan to cross its pipeline easement.

WHEREAS, the City was able to negotiate an Encroachment Agreement with Magellan, attached hereto and incorporated herein by reference, which authorizes the City to cross the Magellan pipeline.

NOW, THEREFORE, BE IT RESOLVED BY THE INVER GROVE HEIGHTS CITY COUNCIL:

1. Provided said Encroachment Agreement is received in substantially the same form as attached to this Council Resolution and provided that any modifications to the Encroachment Agreement attached to this Council Resolution are approved by the City Engineer and the City Attorney after a determination that any modifications do not materially restrict the City’s rights or materially add to the City’s obligations and provided that the City receives (i) an Easement Purchase Agreement executed by

James E. Peltier and (ii) a Permanent Drainage and Utility Easement and Temporary Construction Easement executed by James E. Peltier and (iii) a Consent to the Grant of Easement by James E. Peltier to the City executed by Magellan Pipeline Company, L.P., then the Mayor and Deputy City Clerk are authorized to execute the Encroachment Agreement.

Passed this 23th day of March, 2015.

George Tourville, Mayor

Attest:

Melissa Kennedy, Deputy City Clerk

(Drafted by & when filed return to: Magellan Pipeline Company, L.P., P. O. Box 22186, OTC-9 (S. Guthrie), Tulsa, Oklahoma 74121-2186, 918/574-7350.)

ENCROACHMENT AGREEMENT

This Encroachment Agreement ("**Agreement**") is made and entered into by and between Magellan Pipeline Company, L.P., a Delaware limited partnership, whose address is P.O. Box 22186, Tulsa, Oklahoma, 74121-2186, (hereinafter called "**Magellan**"), and City of Inver Grove Heights, a municipal corporation, whose mailing address is 8150 Barbara Avenue, Inver Grove Heights, Minnesota 55077, Attn: Tom Kaldunski, its, successors, assigns and grantees (hereinafter called "**City**").

WITNESSETH:

WHEREAS, **City** represents and warrants that **City** owns the easement right to construct a trunk sanitary sewer line and trunk water main on all the certain land (hereinafter "**Subject Land**"), described on attached **Exhibit "A"** and made a part hereof and **City** owns a temporary construction easement as also set forth on the attached Exhibit "A" and made a part hereof; and

WHEREAS, **Magellan** is the owner of certain pipelines, pipeline facilities and appurtenances (hereinafter referred to as the "**Magellan Facilities**") and easement rights therefor, (hereinafter referred to as the "**Easement**", whether or not rights were granted in one or more documents or acquired by operation of law). For purposes of this **Agreement** only, "**Magellan's Easement Tract**" shall be considered to be any area within Fifty (50) feet of any **Magellan Facilities**, unless a different right of way tract width is specifically described in the **Easement**, in which case such specified width shall define **Magellan's Easement Tract**. The land referenced in the **Easement** includes a portion of the East Half of the Northwest Quarter (E ½ NW ¼) and the North Half of the Southwest Quarter of the Northeast Quarter (N ½ SW ¼ NE ¼) and the Southwest Quarter of the Southwest Quarter of the Northeast Quarter (SW ¼ SW ¼ NE ¼) of Section 7, Township 27 North, Range 22 West, Dakota County, Minnesota, pursuant to those certain instruments recorded in the records of said county and state and described as follows:

- 1) Right of Way Agreement dated March 19, 1931, from Frank Sachs, a widower, in favor of Great Lakes Pipe Line Company (Magellan's predecessor in interest), its successors and assigns, and filed for record in Book 41 at Pages 326-327 of the Miscellaneous Records in the Office of Register of Deeds, Dakota County, Minnesota; and
- 2) Partial Release of Right of Way dated February 7, 1966, between Great Lakes Pipe Line Company and Esther Sachs, a single woman, and filed of record in Book 78, Page 150 of Miscellaneous Records in the Office of Register of Deeds, Dakota County, Minnesota

WHEREAS, for the purposes of this Agreement an "Encroachment" is defined as any use of the land within Magellan's Easement Tract by someone other than Magellan which could interfere with Magellan's Easement rights or could create safety concerns related to Magellan's Facilities as more fully described in Magellan's *General Encroachment Requirements* as set forth in attached Exhibit "B" and incorporated herein by reference. **Magellan does not permit or authorize any Encroachments unless specifically approved in a written agreement identifying all "Approved Encroachments";** and

WHEREAS, City desires to obtain Magellan's consent for one or more **Encroachments on Magellan's Easement Tract;**

NOW, THEREFORE, in consideration of the covenants and agreements herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, **Magellan**, subject to the following terms and provisions, hereby consents to the **Encroachments** listed below as "**Approved Encroachments**" described and limited pursuant to the following specified plan drawings, which were furnished by City to **Magellan** ("**Plan Drawings**") and attached hereto as **Exhibit "C"**:

- 1) Drawing Titled NWA TRUNK UTILITIES – ARGENTA DISTRICT – FIGURE 1 – Initial Required Trunk Utilities (2015-10) – dated January 2015 (annotated by Magellan);
- 2) Drawing Sheet No. 6.1 – Inver Grove Heights, Minnesota – 2015-10 Trunk Utilities/ 2015-11 Lift Station – Sanitary Sewer & Watermain Plan & Profile 0+00 – 15+00, by Bolton and Menk, Inc., dated 2/26/15 (annotated by Magellan);

TERMS AND PROVISIONS

1. **Approved Encroachments.** The **Approved Encroachments**, as further identified, described and limited in the **Plan Drawings** as set forth in **Exhibit "C"** are limited to the following:

- (a) One 16-inch diameter water main line, inserted within a 30-inch diameter steel casing pipe, crossing Magellan's Easement Tract, as shown on Exhibit "C".

- (b) One 12-inch diameter sanitary sewer trunk line, inserted within a 30-inch diameter steel casing pipe, crossing Magellan's Easement Tract as shown on Exhibit "C".
 - (c) Grading as shown on Exhibit "C".
 - (d) Temporary construction access road crossing Magellan's Easement Tract, subject to the requirements in this Agreement.
2. **No Other Encroachments.** Except for the **Approved Encroachments** as allowed by this Agreement, City shall not create, erect, place or construct any other **Encroachment** on, above or below the surface of the ground on **Magellan's Easement Tract**, or change the grade or elevation of the ground surface within **Magellan's Easement Tract** or at any time plant or allow any trees thereon or cause or permit any of these to be done by others, without the express prior written permission of **Magellan**.
 3. **Magellan On-Site Representative.** Exclusive of Saturday, Sunday, and legal holidays, **City** shall notify **Magellan** a minimum of 48 hours in advance of any **Encroachment** activities on **Magellan's Easement Tract** so that **Magellan** may arrange to have a representative present. At **Magellan's** option and at **City's** sole cost and expense, **Magellan's** representative may be on site during all **Encroachment** activities over or within ten feet (10') of the **Magellan Facilities** to confirm that no damage occurs to the **Magellan Facilities**. The presence of **Magellan's** representative or any verbal instructions given by such representative shall not relieve **City** of any liability under the **Easement** or this **Agreement**, and will not change the terms of the **Easement** or this **Agreement**, which may only be changed by written agreement by authorized representatives of **City** and **Magellan**. If pipeline, coating, cathodic protection and/or any other repair of **Magellan Facilities** is required by **Magellan** or if the safety of the **Magellan Facilities** is jeopardized, in **Magellan's** sole judgment, **City** shall stop all construction activities on **Magellan's Easement Tract** until said repairs are completed or until any unsafe construction practices are resolved to the satisfaction of **Magellan's** on-site representative. Written notification of such construction activity shall be made to **MAGELLAN PIPELINE COMPANY, Damage Prevention and Maintenance Operator, Howard White, 2728 Patton Rd., St. Paul, MN 55113, Office:(651) 635-4279, Cell: (612) 759-9452, Fax: (651) 633-5464**, or such other representative of **Magellan**, which **Magellan** may from time to time designate.
 4. **Protection of Magellan Facilities.** **City** shall protect the **Magellan Facilities** if excavating and backfilling become necessary within **Magellan's Easement Tract**. If excavating within 2 feet of any **Magellan** pipeline or when otherwise deemed necessary by **Magellan's** on-site representative, **City** shall perform any necessary digging or excavation operations by hand digging. **City** shall reimburse **Magellan** for all costs of having a representative of **Magellan** on-site during construction activities related to the **Approved Encroachments**.

5. **Breach.** If either **City** or **Magellan** breaches this **Agreement** and the non-breaching party commences litigation to enforce any provisions of this **Agreement**, the reasonable cost of attorneys' fees and expenses will be payable to the non-breaching party by the breaching party upon demand, for all claims upon which the non-breaching party prevails.

6. **Insurance.** **City** shall procure or cause its contractors and subcontractors to procure and maintain in force throughout the entire term of this **Agreement** insurance coverage described below with insurance companies acceptable to **Magellan** for work performed related to the construction of the **Approved Encroachments**. All costs and deductible amounts will be the responsibility and obligation of the **City** or its contractors and subcontractors. Prior to commencing any activities related to the construction of the **Approved Encroachments**, the **City** must deliver to **Magellan** certificate(s) of insurance, naming **Magellan Midstream Partners, L.P. and its Affiliates** as an additional insured. The limits set forth below are minimum limits and will not be construed to limit the **City's** liability:
 - (a) Workers' Compensation insurance complying with the laws of the State or States having jurisdiction over each employee and Employer's Liability insurance with limits of \$1,000,000 per accident for bodily injury or disease.

 - (b) Commercial General Liability insurance on an occurrence form with a combined single limit of \$5,000,000 each occurrence; and for project specific, an annual aggregate of \$5,000,000. Coverage must include premises/operations, products/completed operations, and sudden and accidental pollution. **Magellan Midstream Partners, L.P. and its Affiliates** (hereinafter defined), and its and their respective directors, officers, partners, members, shareholders, employees, agents, and contractors shall be included as additional insureds. The term "Affiliate(s)" as used herein means, with respect to Magellan Midstream Partners, L.P., any individual, corporation, partnership, limited partnership, limited liability company, limited liability partnership, firm, association, joint stock company, trust, unincorporated organization, governmental body, or other entity (collectively, a "Person") that directly, or indirectly, through one or more intermediaries, controls, or is controlled by, or is under common control with Magellan Midstream Partners, L.P. The term "control" (including the terms "controlled by" and "under common control with"), as used in the previous sentence means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of Magellan Midstream Partners, L.P. or such Person, as applicable, whether through ownership of voting stock, ownership interest or securities, by contract, agreement or otherwise.

 - (c) The Sudden and Accidental Pollution can be a separate, stand alone policy, but must still meet the \$5,000,000 minimum limit requirement. If the coverage is written on a claims-made policy form, the coverage must be maintained for two (2) years following completion of the work activities related to the Approved Encroachments.

- (d) In each of the above policies, the **City** or its contractors and subcontractors agree to waive and will require its insurers to waive any rights of subrogation or recovery either may have against **Magellan** and its affiliated companies.
 - (e) Regardless of the insurance requirements above, the insolvency, bankruptcy, or failure of any such insurance company providing insurance for the **City** or its contractors and subcontractors, or the failure of any such insurance company to pay claims that occur, such requirements, insolvency, bankruptcy or failure will not be held to waive any of the provisions hereof.
 - (f) In the event of a loss or claim arising out of or in connection with the construction of the **Approved Encroachments**, the **City** agrees, upon request of **Magellan**, to submit a certified copy of its insurance policies for inspection by **Magellan**.
 - (g) The **City** shall require all of its contractors and subcontractors for work related to the construction of the **Approved Encroachments** to provide adequate insurance coverage, all to be endorsed with the Waiver of Subrogation wording referenced in Section (d) above; any deficiency in the coverage, policy limits, or endorsements of said contractors and subcontractors, shall be the sole responsibility of the **City**.
7. **Indemnification.** **City** will indemnify, save, and hold harmless **Magellan**, its affiliated companies, directors, officers, partners, employees, agents and contractors from any and all environmental and non-environmental liabilities, losses, costs, damages, expenses, fees (including reasonable attorneys' fees), fines, penalties, claims, demands, causes of action, proceedings (including administrative proceedings), judgments, decrees and orders resulting from **City's** breach of this **Agreement** or caused by or as a result of the construction, use, maintenance, existence or removal of the **Approved Encroachments** and **Other Encroachments** located on the **Magellan Easement Tract**. The presence of **Magellan's** representative or any instructions given by such representative will not relieve **City** of any liability under this **Agreement**, except to the extent that such liability results from **Magellan's** or its representative's gross negligence or willful misconduct.
8. **Damage or Loss.** **City** covenants that:
- (a) If at any time, in the sole opinion of **Magellan**, it becomes necessary for **Magellan**, to cross, occupy, utilize, move or remove all or portions of the **Approved Encroachments** placed on **Magellan's Easement Tract** or constructed pursuant to this **Agreement**, for any purpose, including but not limited to surveying, constructing new facilities, maintaining, inspecting, operating, protecting, repairing, replacing, removing or changing the size of a pipeline(s) and appurtenances on **Magellan's Easement Tract** and such activities by **Magellan** result in damage to or destruction of the **Approved**

Encroachments, then repair, replacement or restoration of such **Approved Encroachments** shall be at the sole cost and responsibility of **City**.

(b) If at any time, any encroachments belonging to or permitted by **City** which are not authorized by this or another written agreement (“**Other Encroachments**”) are found to be on **Magellan’s Easement Tract**, **Magellan** may at any time request **City** to remove such **Other Encroachments**, and if **City** refuses or fails to do so within a reasonable time, **Magellan’s** may remove them from **Magellan’s Easement Tract** to a location off of **Magellan’s Easement Tract** at **City’s** expense, unless they are allowed to remain by a written agreement between **Magellan** and **City**. Should such removal activities by **Magellan** result in damage to or destruction of the **Other Encroachments**, then repair, replacement or restoration of such **Other Encroachments** shall be at the sole cost and responsibility of **City**, and such **Other Encroachments** may not be repaired, replaced or rebuilt on **Magellan’s Easement Tract** without a written agreement between **Magellan** and **City**.

(c) If during the exercise of the rights granted by the **Easement** or by this **Agreement**, the **Approved Encroachments** and **Other Encroachments**, if any, are damaged, destroyed or suffer loss of value, **City** agrees to release **Magellan**, its affiliates, and its and their respective directors, officers, members, partners, shareholders, employees, agents and contractors from and against any and all liabilities, and damages or losses which may arise as a result of the damage to or loss of use of the **Approved Encroachments** and **Other Encroachments**, if any, caused by **Magellan**, its employees, agents and contractors.

9. **Magellan Rights.** **Magellan** and **City** agree that the existence of the **Approved Encroachments** or this **Agreement** does not constitute a waiver of **Magellan’s** rights under the **Easement**. **Magellan** hereby reserves and **City** hereby grants and confirms all of **Magellan’s** rights, title and estate as set forth in the **Easement**.

10. **Construction Equipment – Cover Requirements.** **Magellan** has performed pipeline stress calculations for safe weights for construction equipment (including loads) working near or driving over the **Magellan Facilities** based on an assumed maximum loaded vehicle weight of 80,000 lbs. The stress calculations assume that the gross loaded vehicle weight is evenly distributed between two (2) axles resulting in a maximum wheel load of 20,000 lbs. Based upon this assumption, equipment meeting the aforesaid criteria may cross the **Magellan Facilities** only where there is a minimum depth of three (3) feet of compacted cover maintained or provided. For any vehicle or equipment (including loads) having greater weight than the referenced maximum wheel load of 20,000 lbs., **City** must submit in writing to **Magellan** information as to the type, size and gross (loaded) weight of such heavier construction equipment which is planned to be used over or in the vicinity of the **Magellan Facilities** (and other such information as may be reasonably needed by the **Magellan** engineer). **Magellan** will then, in a timely manner, calculate and provide to **City** a revised

written requirement for the depth of cover that **City** must provide and/or maintain over the **Magellan Facilities** during **City's** activities over or in the vicinity of the **Magellan Facilities** to provide for safe operation and **City** agrees to comply with such requirement.

11. The terms and conditions of this **Agreement** will constitute covenants running with the land and be binding upon and inure to the benefit of the parties hereto, their successors, assigns and grantees. This **Agreement** may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one instrument. This **Agreement** shall become effective upon its complete execution by the parties hereto.

IN WITNESS WHEREOF, the parties have set their hands on the dates expressed below.

MAGELLAN PIPELINE COMPANY, L.P.

By Its General Partner, Magellan Pipeline GP, LLC

By Its Undersigned Authorized Signatory:

By: _____

Name: _____

Date: _____

CITY OF INVER GROVE HEIGHTS

By: _____

Name: George Tourville

Title: Mayor

Date: _____

By: _____

Name: Melissa Kennedy

Title: Deputy City Clerk

Date: _____

By Authority of a Resolution adopted by the
City Council of Inver Grove Heights
on _____, 2015.

This instrument was drafted by:

Magellan Pipeline Company, L.P.

P. O. Box 22186, OTC-9 (S. Guthrie)

Tulsa, Oklahoma 74121-2186

After recording, please return to:

Magellan Pipeline Company, L.P.

P. O. Box 22186, OTC-9 (S. Guthrie)

Tulsa, Oklahoma 74121-2186

STATE OF OKLAHOMA)
) SS
COUNTY OF TULSA)

Before me, the undersigned, a Notary Public in and for the county and state aforesaid, on this ____ day of _____, 2015 personally appeared _____, to me personally known to be the Authorized Signatory for MAGELLAN PIPELINE GP, LLC, a Delaware limited liability company, who being duly sworn did acknowledge to me that he/she executed the foregoing instrument on behalf of said limited liability company as the free and voluntary act and deed, for the uses, purposes and consideration therein set forth.

Witness my hand and official seal.

Notary Public

My commission expires:

STATE OF MINNESOTA)
) SS
COUNTY OF DAKOTA)

Before me, the undersigned, a Notary Public in and for the County aforesaid, on this ____ day of _____, 2015, personally appeared George Tourville to me known personally to be the Mayor of the City of Inver Grove Heights, a Minnesota municipal corporation, who being duly sworn did acknowledge to me that he executed the foregoing instrument on behalf of the City of Inver Grove Heights, Minnesota by authority of a Resolution of the City Council of the City of Inver Grove Heights, as the free and voluntary act and deed of said municipal corporation, for the uses, purposes and consideration therein set forth.

Witness my hand and official seal.

Notary Public

My Commission Expires:

STATE OF MINNESOTA_)
) SS
COUNTY OF DAKOTA)

Before me, the undersigned, a Notary Public in and for the County aforesaid, on this ____ day of _____, 2015, personally appeared Melissa Kennedy to me known personally to be the Deputy City Clerk of the City of Inver Grove Heights, a Minnesota municipal corporation, who being duly sworn did acknowledge to me that she executed the foregoing instrument on behalf of the City of Inver Grove Heights, Minnesota by authority of a Resolution of the City Council of the City of Inver Grove Heights, as the free and voluntary act and deed of said municipal corporation, for the uses, purposes and consideration therein set forth.

Witness my hand and official seal.

Notary Public

My Commission Expires:

EXHIBIT "A"

SUBJECT LAND

Real Property located in the City of Inver Grove Heights, Dakota County, Minnesota, described as follows:

A permanent easement for drainage and utility purposes and all such purposes ancillary, incident or related thereto 80.00 feet wide, over, under, across, through and upon the hereinafter described Parcel A, lying 40.00 feet left and 40.00 feet right of a line described as follows:

Commencing at the southwest corner of the Northeast Quarter of Section 7, Township 27 North, Range 22 West of the 4th Principal Meridian, Dakota County, Minnesota; thence on an assumed bearing of North 89 degrees 41 minutes 25 seconds East along the south line of said Northeast Quarter, a distance of 345.23 feet; thence South 11 degrees 12 minutes 10 seconds East, a distance of 229.51 feet to the point of beginning of the line to be described; thence North 11 degrees 12 minutes 10 seconds West, a distance of 229.51 feet; thence North 08 degrees 07 minutes 36 seconds West, a distance of 145.13 feet; thence North 07 degrees 50 minutes 29 seconds East, a distance of 169.57 feet, and said line there terminating.

The side lines of said easement shall be prolonged or shortened to terminate at the south line of said Northeast Quarter.

Together with:

A permanent easement for drainage and utility purposes and all such purposes ancillary, incident or related thereto, 50.00 feet wide, over, under, across, through and upon the hereinafter described Parcel A, lying 25.00 feet left and 25.00 feet right of a line described as follows:

Commencing at the southwest corner of the Northeast Quarter of Section 7, Township 27 North, Range 22 West of the 4th Principal Meridian, Dakota County, Minnesota; thence on an assumed bearing of North 89 degrees 41 minutes 25 seconds East along the south line of said Northeast Quarter, a distance of 345.23 feet; thence North 08 degrees 07 minutes 36 seconds West, a distance of 145.13 feet; thence North 07 degrees 50 minutes 29 seconds East, a distance of 142.23 feet to the point of beginning of the line to be described; thence North 88 degrees 24 minutes 37 seconds West, a distance of 271.36 feet; thence North 58 degrees 24 minutes 37 seconds West, a distance of 633.27 feet; thence South 52 degrees 15 minutes 15 seconds West, a distance of 156.26 feet; thence North 37 degrees 44 minutes 45 seconds West to the center line of County State Aid Highway No. 63 (Argenta Trail), and said line there terminating.

EXCEPT those parts lying within the above described 80.00 feet wide permanent easement, and the existing road right-of-way of County State Aid Highway No. 63 (Argenta Trail).

Together with:

A permanent easement for drainage and utility purposes and all such purposes ancillary, incident or related thereto, over, under and across the hereinafter described Parcel A, lying northerly, northeasterly and northwesterly of and adjoining the above described 50.00 feet wide permanent easement, lying southeasterly of the southeasterly right-of-way line of County State Aid Highway No. 63 (Argenta Trail), and lying westerly of the east line of the Exception parcel of the hereinafter described Parcel A and its southerly extension.

Together with:

A temporary easement for grading, sloping and construction purposes, and all such purposes ancillary, incident or related thereto, varying in width, over, under, across, through and upon the hereinafter described Parcel A, its limits being 115.00 feet left of the first and second course of the following described Line 1, and 100.00 feet left of the remaining described courses of said Line 1.

Line 1:

Commencing at the southwest corner of the Northeast Quarter of Section 7, Township 27 North, Range 22 West of the 4th Principal Meridian, Dakota County, Minnesota; thence on an assumed bearing of North 89 degrees 41 minutes 25 seconds East along the south line of said Northeast Quarter, a distance of 345.23 feet to the point of beginning of Line 1 to be described; thence North 08 degrees 07 minutes 36 seconds West, a distance of 145.13 feet; thence North 07 degrees 50 minutes 29 seconds East, a distance of 142.23 feet; thence North 88 degrees 24 minutes 37 seconds West, a distance of 271.36 feet; thence North 58 degrees 24 minutes 37 seconds West, a distance of 633.27 feet; thence South 52 degrees 15 minutes 15 seconds West, a distance of 156.26 feet; thence North 37 degrees 44 minutes 45 seconds West to the center line of County State Aid Highway No. 63 (Argenta Trail), and said Line 1 there terminating.

EXCEPT those parts thereof lying within the above described permanent easements and the existing road right-of-way of County State Aid Highway No. 63 (Argenta Trail).

Said temporary easement shall expire on June 30, 2016.

Parcel A:

That part of the North Half of the Southwest Quarter of the Northeast Quarter (N1/2 of SW 1/4 of NE 1/4) and the Southwest Quarter of the Southwest Quarter of the Northeast Quarter (SW1/4 of SW1/4 of NE1/4), and the Southeast Quarter of the Northwest Quarter (SE1/4 of NW1/4) of Section 7, Township 27 North, Range 22 West lying East of SAR No. 63, EXCEPT:

a) A tract of land lying in the Southeast Quarter of the Northwest Quarter (SE1/4 of NW1/4) of said Section 7 described as follows:

Commencing at the Southeast corner of the Northwest Quarter (NW1/4); thence North along the East line of said Northwest Quarter (NW1/4) 384.2 feet to the actual point of beginning; thence deflect left 51 degrees, 24 minutes for 549.19 feet to the centerline of SAR No. 63; thence deflect left 76 degrees, 15 minutes along said centerline 79.94 feet; thence deflect left 111 degrees 31 minutes, 53 seconds, 573.48 feet to the point of beginning.

b) A tract of land lying in the Southeast Quarter of the Northwest Quarter (SE1/4 of NW1/4) and the Southwest Quarter of the Northeast Quarter (SW1/4 of NE1/4) of said Section 7, described as follows:

Commencing at the Southeast corner of the Northwest Quarter (NW1/4) of said Section 7; thence North along the East line of said Northwest Quarter (NW1/4) 384.2 feet to the actual point of beginning; thence deflect left 51 degrees, 24 minutes, 549.19 feet to the centerline of SAR No. 63; thence deflect right 103 degrees, 45 minutes along said centerline 200.1 feet; thence deflect right 76 degrees, 15 minutes, for 452.39 feet; thence deflect right 51 degrees, 24 minutes, 248.7 feet; thence deflect right 128 degrees, 36 minutes to the point of beginning.

Said Parcel A is the same parcel of land conveyed to James E. Peltier by I.Y.Q. per Warranty Deed Doc. No. 1221560.

**LEVANDER,
GILLEN &
MILLER, P.A.**

ATTORNEYS AT LAW

TIMOTHY J. KUNTZ
DANIEL J. BEESON
*KENNETH J. ROHLF
◊STEPHEN H. FOCHLER
◊JAY P. KARLOVICH
ANGELA M. LUTZ AMANN
*KORINE L. LAND
◻*DONALD L. HOEFT
DARCY M. ERICKSON
DAVID S. KENDALL
BRIDGET McCAULEY NASON
TONA T. DOVE
BRADLEY R. HUTTER
•
HAROLD LEVANDER
1910-1992
•
ARTHUR GILLEN
1919-2005
•
• ROGER C. MILLER
1924-2009

MEMO

*ALSO ADMITTED IN WISCONSIN
◊ALSO ADMITTED IN NORTH DAKOTA
◻ALSO ADMITTED IN MASSACHUSETTS
◻ALSO ADMITTED IN OKLAHOMA

TO: Inver Grove Heights Mayor and Councilmembers
FROM: Timothy J. Kuntz, City Attorney
DATE: March 18, 2015
RE: Acquisition of Easement from James Peltier for City Project No. 2015-10

Section 1. Background. The Council previously ordered City Project No. 2015-10. Project No. 2015-10 extends utilities from Alverno Avenue to the Blackstone Vista plat.

The utilities cross the James Peltier property. The City needs a permanent utility easement and temporary construction easement (the Easements) from the landowner.

The City has negotiated an Easement Purchase Agreement. The salient provisions are:

- The City will pay Peltier \$110,000.
- Peltier will deliver the Easements upon payment of the money and upon Magellan Pipeline Company granting consent to the Easements.
- Magellan Pipeline Company (Magellan) has a pre-existing superior pipeline easement. In order for Peltier to grant the Easements, Magellan has to consent. A major contingency to the agreement with Peltier is that Magellan has to first grant its consent. The City has negotiated an Encroachment Agreement with Magellan and the City believes that Magellan will deliver its consent and thus satisfy the contingency.
- The City is trying to schedule a closing (delivery of money, Easements and consent from Magellan) within the next week so the Project can stay on schedule.

A separate Confidential Memo covered by the attorney-client privilege has been sent to the Council concerning the negotiations with Peltier.

Section 2. Action Requested. The Council is asked to approve the attached resolution agreeing to the Easement Purchase Agreement. The City Engineer, the City Attorney and the consultants on the acquisition team recommend approval.

**CITY OF INVER GROVE HEIGHTS
DAKOTA COUNTY, MINNESOTA**

RESOLUTION NO. 15-_____

**A RESOLUTION APPROVING THE NEGOTIATED SETTLEMENT AGREEMENT
BETWEEN JAMES E. PELTIER AND THE CITY CONCERNING DAMAGES
RELATING TO THE PELTIER PROPERTY
RELATIVE TO CITY PROJECT 2015-10**

WHEREAS, the City of Inver Grove Heights (the “City”) has authorized the design of plans and specifications for the initial phase of a municipal water distribution system and a municipal sanitary sewer collection system to ultimately serve the City’s Northwest Area;

WHEREAS, construction plans have been prepared for City of Inver Grove Heights Project No. 2015-10 (the “Project”) which provides for the installation of trunk water mains and trunk sanitary sewer from Alverno Avenue’s north termini, westerly toward and under Argenta Trail and onto proposed street right-of-way within a portion of the proposed Blackstone Vista development;

WHEREAS, the acquisition of permanent and temporary easements from James E. Peltier is necessary for construction of the Project;

WHEREAS, the City of Inver Grove Heights was assisted by its property acquisition consultant, Evergreen Land Services Company, for the direct purchase of the various easements for the Project;

WHEREAS, the City, through its consultant, was able to negotiate the direct purchase of the proposed easements affecting property owned by James E. Peltier for the monetary sum of \$110,000.00.

NOW, THEREFORE, BE IT RESOLVED BY THE INVER GROVE HEIGHTS CITY COUNCIL:

1. Provided the conditions as set forth paragraphs #2 and #3 below are met, the negotiated settlement in the sum of \$110,000.00 concerning damages associated with the City’s acquisition of a permanent and a temporary easement over a portion of the James E. Peltier property relative to City Project 2015-10 is hereby approved.

2. Provided said documents are received in substantially the same form as attached hereto and provided that any modifications to the documents attached hereto are approved by the City Engineer and the City Attorney after a determination that the modifications do not materially restrict the City's rights or materially add to the City's obligations, payment of the negotiated settlement amount of \$110,000.00 is hereby authorized upon receipt by the City of:
 - a. Easement Purchase Agreement executed by James E. Peltier; and
 - b. Permanent Drainage and Utility Easement and Temporary Construction Easement executed by James E. Peltier; and
 - c. Consent to the Grant of Easement executed by Magellan Pipeline Company, L.P.

3. Provided said documents are received in substantially the same form as attached hereto and provided that any modifications to the documents attached hereto are approved by the City Engineer and the City Attorney after a determination that the modifications do not materially restrict the City's rights or materially add to the City's obligations, the Mayor and Deputy City Clerk are authorized to execute the following documents:
 - a. Easement Purchase Agreement, and
 - b. Permanent Drainage and Utility Easement and Temporary Construction Easement.

Passed this 23th day of March, 2015.

George Tourville, Mayor

Attest:

Melissa Kennedy, Deputy City Clerk

EASEMENT PURCHASE AGREEMENT

This **Easement Purchase Agreement** ("Agreement") is made this _____ day of March, 2015, ("Effective Date") by and between **James E. Peltier**, a single person, hereinafter referred to as the "Seller" and the **City of Inver Grove Heights**, a municipal corporation organized under the laws of the State of Minnesota, hereinafter referred to as the (hereinafter referred to as the "Buyer").

WHEREAS, The Seller owns the real property situated within the City of Inver Grove Heights, Dakota County, Minnesota as described on the attached **Exhibit A** referred to as the "**Property**".

WHEREAS, Seller desires to sell and grant a permanent drainage and utility easement and temporary construction easement in the Property to the Buyer.

1. **Purchase and Sale.** On the Date of Closing, the Seller, in consideration of the sum of **One Hundred Ten Thousand and No/100 Dollars (\$110,000.00)** and other good and valuable consideration to them in hand paid by the Buyer, the receipt and sufficiency of which is hereby acknowledged, does hereby agree to grant and convey unto the Buyer, its successors and assigns, the following:
 - a.) A **permanent easement for utility and drainage purposes and a temporary construction easement** (hereinafter "**Easement**") in the form attached hereto as **Exhibit B**, with respect to that real property legally described and depicted in said **Exhibit B** ("**Easement Area**").
2. **Purchase Price.** At Closing, Buyer will pay Seller **One Hundred Ten Thousand and No/100 Dollars (\$110,000.00)** ("**Purchase Price**") for the Easement on the Property.
3. **Date and Location of Closing.** The Date of Closing shall be within thirty (30) calendar days after all of the Buyer Contingencies have been satisfied. The location of the Closing shall be at the offices of LeVander, Gillen & Miller, P.A., 633 South Concord Street, Suite 400, South St. Paul, MN 55075.
4. **Contingencies.**
 - 4.1. **Buyer Contingencies.** Unless waived by Buyer, in Buyer's sole discretion, in writing, **Buyer's obligation to proceed to Closing shall be subject to:** (a) performance by Seller of its obligations hereunder, (b) the continued accuracy of Seller's warranties and representations provided in Sections 7 and 8, and (c) on or before one hundred eighty (180) days after the Effective Date, Magellan Pipeline Company, L.P., shall have

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signed and delivered to Buyer an original signature to the Consent to the Grant of Easement as shown on **Exhibit C** of the **Easement**. Notwithstanding the foregoing sentence, Buyer, at any time after March 9, 2015, may unilaterally terminate this Easement Purchase Agreement if Magellan Pipeline Company, L.P., has not signed and delivered to Buyer an original signature to the Consent to the Grant of Easement as shown on **Exhibit C** of the **Easement**.

- 4.2 **Seller's Contingencies.** Unless waived by Seller in writing, **Seller's obligation to proceed to Closing shall be subject to:** (a) Buyer shall have performed and satisfied all agreements, covenants and conditions required pursuant to this Agreement to be performed and satisfied by or prior to the Closing Date, and (b) All representations and warranties of Buyer contained in this Agreement shall be accurate as of the Closing Date. Seller shall have the unilateral right to terminate this Easement Purchase Agreement if Closing does not take place on or before the two hundred tenth (210th) day after the Effective Date.
5. **Payment of Purchase Price.** Subject to (i) full and timely performance by Seller and (ii) the satisfaction of all contingencies herein contained, the Purchase Price shall be payable by Buyer to Seller on the Closing Date in the form of a certified check from the Buyer. Buyer shall deliver one check to Seller. The Buyer will list James E. Peltier as 1099 payee for the required IRS disclosure.
6. **Easement.** Seller shall deliver the easement rights purchased by Buyer hereunder by way of the **Easement** on the Date of Closing.
7. **Warranty of Title.** The Seller, for himself and his successor and assigns, does hereby warrant to and covenant with the Buyer, its successors and assigns, that he is well seized in fee of the Property and that he has good right to grant and convey the Easement to the Buyer.
8. **Environmental Warranties.** To the best of Seller's knowledge (i) no condition exists within the Easement Area on the Property that may support a claim or cause of action under any Environmental Law (as defined below) and there are no Hazardous Substances (as defined below) located within the Easement Area on the Property, (ii) there has been no release, spill, leak or other contamination or otherwise within the Easement Area on the Property, and (iii) there are no restrictions, clean ups or remediation plans regarding the Easement Area on the Property. "Environmental Law" shall mean (a) the Comprehensive Environmental Response Compensation and Liability Act of 1980, 42 U.S.C. § 9601-9657, as amended, or any similar state law or local ordinance, (b) the Resource Conservation and Recovery Act of 1976, 42 U.S.C. § 6901, et seq., (c) the Federal Water Pollution Control Act, 33 U.S.C. § 1251 et seq., (d) the Clean Air

Act, 42 U.S.C. § 7401, et seq., (e) the Toxic Substances Control Act, 15 U.S.C. § 2601 et seq., (f) the Safe Drinking Water Act, 42 U.S.C. § 300(f) et seq., (g) any law or regulation governing aboveground or underground storage tanks, (h) any other federal, state, county, municipal, local or other statute, law, ordinance or regulation, including, without limitation, the Minnesota Environmental Response and Liability Act, Minn. Stat. § 115B.01, et seq., (i) all rules or regulations promulgated under any of the foregoing, and (j) any amendments of the foregoing. "Hazardous Substances" shall mean polychlorinated biphenyls, petroleum, including crude oil or any fraction thereof, petroleum products, heating oil, natural gas, natural gas liquids, liquefied natural gas or synthetic gas usable for fuel, and shall include, without limitation, substances defined as "hazardous substances", "toxic substances", "hazardous waste", "pollutants or contaminants" or similar substances under any Environmental Law.

Seller warrants and represents to Buyer that to the best of Seller's knowledge, no portion within the Easement Area on the Property is now used as a garbage or refuse dump site, landfill, waste disposal facility, waste transfer station or any other type of facility for the storage, processing, treatment or temporary or permanent disposal of waste materials of any kind, and Seller has not used, generated, stored, released or disposed of any hazardous substances, wastes, or other materials identified as hazardous or toxic in any federal, state, local or other statute, ordinance, rule, regulation or governmental requirement within the Easement Area on the Property.

Seller warrants and represents to Buyer that to the best of Seller's knowledge, no portion within the Easement Area on the Property contains Construction Debris (building materials, packaging, and rubble resulting from construction, remodeling, repair, and demolition of buildings and roads or as defined by Minn. Stat. § 115A.03), Demolition Debris (solid waste resulting from the demolition of buildings, roads, and other man-made structures including concrete, brick, bituminous concrete, untreated wood, masonry, glass, trees, rock, and plastic building parts), Industrial Solid Waste (all solid waste generated from an industrial or manufacturing process and solid waste generated from non-manufacturing activities such as service and commercial establishments or as defined by Minn. Stat. § 115A.03), Mixed Municipal Solid Waste (garbage, refuse, and other solid waste from residential, commercial, industrial, and community activities that the generator of the waste aggregates for collection or as defined by Minn. Stat. § 115A.03), or Solid Waste (garbage, refuse, sludge from a water supply treatment plant or air contaminant treatment facility, and other discarded waste materials and sludges, including but not limited to sewer sludge, in solid, semi-solid, liquid, or contained gaseous form, resulting from industrial, commercial, mining, and agricultural, operations, and from community activities, but does not include animal waste used as fertilizer or as defined by Minn. Stat. § 115A.03).

Seller warrants and represents to Buyer that to the best of Seller's knowledge, the soils and grounds within the Easement Area on the Property are free from any release of petroleum and there has been no release of petroleum within the Easement Area on the Property.

9. **Indemnification.** From and after delivery to Buyer of the **Easement**, Seller agrees to indemnify, defend and hold Buyer harmless against and in respect of any and all claims, demands, actions, suits, proceedings, losses, costs, expenses, obligations, liabilities, damages, recoveries, and deficiencies, including interest, penalties and reasonable attorneys' fees, that Buyer incurs or suffers, after the Date of Closing, which arise out of, result from or relate to a breach of any of Seller's warranties or representations made in Paragraph 7 or in Paragraph 8.
10. **Acknowledgment of Fair Market Value.** Buyer and Seller agree that the Purchase Price listed in this Agreement represents the fair market value of the easement rights to be sold hereunder which has been determined by a method of valuation acceptable to Buyer and Seller.
11. **Waiver, Release and Covenant not to Sue**

11.1 **WAIVER.** For good and valuable consideration, the Seller, for himself, his successors and assigns, and for anyone claiming to be acting on his behalf, does hereby waive (i) any and all right to make a claim for appraisal reimbursement under Minn. Stat. Section 117.036, or arising under any other Minnesota Statute or otherwise, (ii) any and all right to make a claim for attorney's fees under Minn. Stat. Chapter 117, or arising under any other Minnesota Statute or otherwise, and (iii) all actions, causes of action, suits, rights, claims and demands whatsoever, including attorney's fees of any nature whatsoever, whether or not well-founded in fact or in law, known or unknown, contingent or non-contingent, and whether or not based upon statute or common law, against the Buyer, arising out of the Buyer's purchase of the Easement; provided, however, that this waiver shall not apply to any claims arising under the terms of this Agreement or arising by reason of any action or omission by the Buyer or its agents and contractors in the exercise of the Buyer's rights under the Easement.

11.2 **RELEASE.** For good and valuable consideration, the Seller, for himself, his successors and assigns, and for anyone claiming to be acting on his behalf, does hereby release and forever discharge the Buyer, from all actions, causes of action, liabilities, obligations, promises, agreements, controversies, damages, suits, rights, costs, losses, expenses, claims and demands whatsoever, including attorney's fees of any nature whatsoever, whether or not well-founded in fact or in law, known or unknown, contingent or non-contingent, and whether or not based upon statute or common law, arising out of the Buyer's purchase of the Easement; provided,

however, that this release shall not apply to any claims arising under the terms of this Agreement or arising by reason of any action or omission by the Buyer or its agents and contractors in the exercise of the Buyer's rights under the Easement..

11.3 COVENANT NOT TO SUE. For good and valuable consideration, the Seller covenants with the Buyer that he, his successors and assigns, and for anyone claiming to be acting on his behalf, will not bring any legal or equitable suit, action, cause of action or claim, whether in a judicial or administrative forum, arising out of the Buyer's purchase of the Easement; provided, however, that this covenant shall not apply to any claims arising under the terms of this Agreement or arising by reason of any action or omission by the Buyer or its agents and contractors in the exercise of the Buyer's rights under the Easement..

12. **Survival of Warranties.** The representations, indemnifications, warranties, and covenants of Buyer and Seller contained in this Agreement shall survive the conveyance of the Property and shall not be merged with the delivery of the **Easement** to Buyer.
13. **Assignment of Agreement.** Nothing in this Agreement, express or implied, is intended to confer upon any person other than the parties hereto and the heirs, executors, personal representatives, successors and assigns, any rights or remedies under or by reason of the Agreement. No assignment of this Agreement or any rights or obligations hereunder shall be effective unless the written consent of the other party is first obtained.
14. **Amendment of Agreement.** This Agreement may be amended only by a written instrument executed by Buyer and Seller.
15. **Entire Agreement.** This Agreement embodies the entire agreement between the parties with relation to the transaction provided for herein, and there have been and are no covenants, agreements, representations, warranties, or restrictions between the parties with regard thereto other than those set forth herein.
16. **Date of Agreement.** All references in the Agreement to "the date of this Agreement" shall be deemed to refer to that date set forth in the introductory clause of this Agreement.
17. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of Minnesota.
18. **Time of Essence.** Time is of the essence in the closing of this transaction.
19. **Severability.** In the event any one or more of the provisions of this Agreement, or any application thereof, shall be found to be invalid, illegal, or otherwise

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unenforceable, the validity, legality, and enforceability of the remaining provision or any application thereof shall not in any way be affected or impaired thereby.

20. **Counterparts.** This Agreement may be executed in any number of counterparts; each of which shall be an original, but such counterparts together shall constitute one and the same instrument.

21. **Closing Costs.**

21.1 **Recording Costs.** Buyer will pay the cost of recording the **Easement**.

22. **Closing Documents.**

22.1. **Seller's Documents At Closing.** At Closing, Seller shall execute and deliver to Buyer the following which documents shall be effective as of the Closing Date:

- a.) Seller shall execute and deliver the **Easement** to Buyer, conveying the easement rights to Buyer, free and clear of all encumbrances;
- b.) **FIRPTA Affidavit.** An affidavit of Seller certifying that Seller is not a "foreign person", "foreign partnership", "foreign trust", "foreign estate" or "disregarded entity" as those terms are defined in Section 1445 of the Internal Revenue Code of 1986, as amended.
- c.) **Seller's Affidavit.** A standard owner's affidavit from Seller.
- d.) **Settlement Statement.** A settlement statement with respect to this transaction.
- e.) **Form 1099**
- f.) **Form W-9**
- g.) **General Deliveries.** Such other documents as the Buyer shall reasonably request.

22.2. **Buyer Documents At Closing.** At Closing, Buyer shall execute and deliver to Seller the following:

- a.) A certified check in the sum of **One Hundred Ten Thousand and No/100 Dollars (\$110,000.00)** for the **Easement**.
- b.) **Settlement Statement.** A settlement statement with respect to this transaction.
- c.) **General Deliveries.** Such other documents as the Seller shall reasonably request.

This Agreement may be executed in any number of counterparts, each of which shall be deemed an original but all of which shall constitute one and the same instrument.

[Remainder of page intentionally left blank]

EXHIBIT A
LEGAL DESCRIPTION OF THE PROPERTY

Real Property located in the City of Inver Grove Heights, Dakota County, Minnesota, described as follows:

That part of the North Half of the Southwest Quarter of the Northeast Quarter (N $\frac{1}{2}$ of SW $\frac{1}{4}$ of NE $\frac{1}{4}$) and the Southwest Quarter of the Southwest Quarter of the Northeast Quarter (SW $\frac{1}{4}$ of SW $\frac{1}{4}$ of NE $\frac{1}{4}$) and the Southeast Quarter of the Northwest Quarter (SE $\frac{1}{4}$ of NW $\frac{1}{4}$) of Section 7, Township 27 North, Range 22 West lying East of SAR No. 63,

EXCEPT:

- a.) A tract of land lying in the Southeast Quarter of the Northwest Quarter (SE $\frac{1}{4}$ of NW $\frac{1}{4}$) of said Section 7 described as follows:

Commencing at the Southeast corner of the Northwest Quarter (NW $\frac{1}{4}$); thence North along the East line of said Northwest Quarter (NW $\frac{1}{4}$), 384.2 feet to the actual point of beginning; thence deflect left 51 degrees, 24 minutes for 549.19 feet to the centerline of SAR No. 63; thence deflect left 76 degrees 15 minutes along said centerline 79.94 feet; thence deflect left 111 degrees 31 minutes, 53 seconds, 573.48 feet to the point of beginning.

- b.) A tract of land lying in the Southeast Quarter of the Northwest Quarter (SE $\frac{1}{4}$ of NW $\frac{1}{4}$) and the Southwest Quarter of the Northeast Quarter (SW $\frac{1}{4}$ of NE $\frac{1}{4}$) of said Section 7, described as follows:

Commencing at the Southeast corner of the Northwest Quarter (NW $\frac{1}{4}$) of said Section 7; thence North along the East line of said Northwest Quarter (NW $\frac{1}{4}$) 384.2 feet to the actual point of beginning; thence deflect left 51 degrees, 24 minutes, 549.19 feet to the centerline of SAR No. 63; thence deflect right 103 degrees, 45 minutes along said centerline 200.1 feet; thence deflect right 76 degrees, 15 minutes, for 452.39 feet; thence deflect right 51 degrees, 24 minutes, 248.7 feet; thence deflect right 128 degrees, 36 minutes to the point of beginning, Dakota County, Minnesota.

Abstract Property

EXHIBIT B
EASEMENT

PERMANENT UTILITY AND DRAINAGE EASEMENT

AND

TEMPORARY CONSTRUCTION EASEMENT

This **PERMANENT UTILITY AND DRAINAGE EASEMENT AND TEMPORARY CONSTRUCTION EASEMENT** (Easement) is made, granted and conveyed this _____ day of March, 2015, between **James E. Peltier**, a single person, hereinafter referred to as the “Landowner” and the **City of Inver Grove Heights**, a municipal corporation organized under the laws of the State of Minnesota, hereinafter referred to as the “City.”

The Landowner owns the real property situated within Dakota County, Minnesota as described on the attached **Exhibit A** (hereinafter “Landowner’s Property”).

The Landowner in consideration of the sum of One Dollar and other good and valuable consideration to it in hand paid by the City, the receipt and sufficiency of which is hereby acknowledged, does hereby grant and convey unto the City, its successors and assigns, the following:

- 1.) A permanent easement for water trunk, lateral and service lines and appurtenances and casing pipes related thereto and for sanitary sewer trunk, lateral and service lines and appurtenances and casing pipes related thereto and for storm water piping and for surface drainage purposes, and all such purposes ancillary, incident or related thereto (hereinafter “Permanent Easement”) under, over, across, through and upon that real property identified, legally described and depicted on **Exhibit B** (hereinafter the “**Permanent Easement Area**”) attached hereto and incorporated herein by reference; and
- 2.) A temporary easement for grading, sloping and construction purposes, and all such purposes ancillary, incident or related thereto (hereinafter “Temporary Easement”) under, over, across, through and upon that real property identified, legally described and depicted on **Exhibit B** (hereinafter the “**Temporary Easement Area**”) attached hereto and incorporated herein by reference. The Temporary Easement shall expire on June 30, 2016.

The Permanent Easement rights described herein and granted herein shall be subject to the prior and existing easement and easement rights of Magellan Pipeline Company, L.P., and its successors and assigns, under that certain Easement Agreement described in **Exhibit C** attached hereto and incorporated herein by reference (including, without limitation, the terms set forth in such **Exhibit C**) (such easement rights and such Exhibit C terms being hereinafter referred to collectively as the “**Magellan Easement Rights**”). Subject to the foregoing Magellan Easement Rights, such Permanent Easement rights are forever and shall include, but not be limited to, the construction, inspection, reconstruction, maintenance, repair and replacement of the following:

- a. any subsurface sanitary sewer mains, subsurface storm sewer mains, subsurface water mains, and underground drainage pipes, conduits, and mains, and all necessary facilities and improvements ancillary, incident or appurtenant thereto, under, over, across, through and upon the Permanent Easement Area; and
- b. above ground fire hydrants, curb boxes, gate valve boxes, manhole covers, marking posts and surface drains over, across, through and upon the Permanent Easement Area; and
- c. surface drainage over, across, through and upon the Permanent Easement Area, but excluding the establishment of any ponds;

provided, however, that nothing in this Easement is intended to give the City the right to erect or maintain any structure on or over the surface of the Permanent Easement Area other than surface drains, fire hydrants, curb boxes, gate valve boxes, manhole covers and marking posts, or the right to use the Permanent Easement Area to create, maintain, or replace or provide any utility services other than sanitary sewers, storm sewers, and water mains, or to alter substantially the grade of the Permanent Easement Area except as reasonably needed to direct surface waters to a drain installed pursuant to this Easement.

EXEMPT FROM STATE DEED TAX

Subject to the Magellan Easement Rights, the rights of the City also include the right of the City, its contractors, agents and servants:

- a.) to enter upon the Permanent Easement Area at all reasonable times and upon giving Landowner at least seven (7) days notice except in cases of emergency for the purposes of construction, reconstruction, inspection, repair, replacement, grading, sloping, and restoration relating to the purposes of this Easement; and
- b.) to maintain the Permanent Easement Area, any City improvements and any underground drainage pipes, conduits or mains, together with the right to excavate and refill ditches or trenches for the location of such pipes, conduits or mains; and
- c.) to remove from the Permanent Easement Area trees, crops, brush, herbage, aggregate, undergrowth and other obstructions interfering with the location,

construction and maintenance of the pipes, conduits, or mains and to deposit earthen material in and upon the Permanent Easement Area but only as necessary to restore the grade or direct surface waters to a drain installed pursuant to this Easement; and

- d.) to remove or otherwise dispose of all earth or other material excavated from the Permanent Easement Area (provided, however, at Landowner's option, the City shall instead stockpile any such earth and other material not already removed and not needed for refilling the Permanent Easement Area, on-site, at a location reasonably selected by Landowner); and
- e.) to enter upon the Temporary Easement Area during the term of its existence for the purposes of construction, inspection, grading, sloping, and restoration relating to the purposes of this Easement; and
- f.) to maintain the Temporary Easement Area during the term of its existence, together with the right to excavate and refill ditches or trenches for the location of such pipes, conduits or mains; and
- g.) to remove from the Temporary Easement Area during the term of its existence trees, crops, brush, herbage, aggregate, undergrowth and other obstructions interfering with the location, construction and maintenance of the pipes, conduits, or mains and to deposit earthen material in and upon the Temporary Easement Area; and
- h.) to remove or otherwise dispose of all earth or other material excavated from the Temporary Easement Area during the term of its existence (provided, however, at Landowner's option, the City shall instead stockpile any such earth and other material not already removed and not needed for refilling the Temporary Easement Area, on-site, at a location reasonably selected by Landowner);.

The City shall not be responsible to Landowner for any costs, expenses, damages, demands, obligations, penalties, attorneys' fees and losses resulting from any claims, actions, suits, or proceedings based upon a release or threat of release of any hazardous substances, petroleum, pollutants, and contaminants which may have existed on, or which relate to, the Permanent or Temporary Easement Areas or the Landowner's Property prior to the date hereof.

Except to the extent arising out of the negligent acts or omissions, intentional misconduct, or illegal acts of Landowner, its successors, assigns, and/or anyone for whom the Landowner is legally responsible, the City shall defend, protect, indemnify, and hold harmless Landowner, and pay all costs and expenses, including reasonable attorney's fees actually incurred by Landowner, from and against any and all judgments, fines, claims, actions, causes of action, penalties, costs, damages, injuries, expenses, or other liability of any kind to the extent arising from, out of, or as a result of any construction or operations, activities, actions or inactions of the City and/or its agents and contractors, including, without limitation, any claims asserted against Landowner by

{ 00047246.1 }

Magellan Pipeline Company, L.P., and its successors on account of the City's use of this Easement. Furthermore, the City shall reasonably compensate Landowner for any damage to real or personal property, whether owned by Landowner or any successor, employee, agent, representative, assign, contractor, sublessee, grantee, licensee, invitee, guest or permittee of Landowner, or any other person or entity that has obtained or hereafter obtains rights or interests from Landowner, which was caused by the negligent operations, activities, actions or inactions of the City in the exercise of its rights under this Easement. In the event that Landowner shall bring a court proceeding to enforce his rights under this paragraph and prevails, the City shall reimburse Landowner's attorney's fees, costs, and expenses reasonably incurred in connection with establishing such rights. To the maximum extent allowed by law, the City hereby waives any governmental immunity defenses that it has or may have to any claims asserted by Landowner under this paragraph; provided, however, the City does not waive the maximum liability limits provided by Minnesota Statutes Chapter 466, except to the extent the availability of insurance proceeds constitutes a waiver under Minn. Stat. sec. 466.06 of such limits.

The City hereby warrants that Exhibit B accurately shows the location of the Permanent and Temporary Easement Areas. The City further warrants that it will install, maintain, and remove all pipes and conduits installed pursuant to this Easement in accordance with all applicable laws governing such actions.

The City hereby agrees to use reasonable efforts to restore the grade, coverage, and condition of the surface of the Easement Areas, following any work conducted thereon by the City pursuant to this Easement to substantially the same condition it was in prior to such work, or as near to such condition as is reasonably practicable. Such restoration efforts shall include, where appropriate, but are not limited to, replacement of approximately four inches of top soil, seeded with a seed mixture of either grass, alfalfa or native grasses as selected by the Landowner. Notwithstanding the foregoing, the City shall have no obligation to restore any impediment that it removed in accordance with clauses (c) and (g) above, or to restore the surface grade to the extent it altered such grade to divert surface water to any drain that it installed pursuant to this Easement.

Notwithstanding anything in this Easement to the contrary, the City shall have no right, under this Easement, to install or maintain pipes and conduits within the Permanent Easement Area for any purpose other than to provide water, sanitary sewer, and storm sewer services, or to alter the grade of the Easement Areas other than to divert surface water to any drain that it installs pursuant to this Easement.

Landowner shall have the right to do anything lawful within the Easement Areas, provided that such activities do not unreasonably interfere with the City's exercise of its rights under this Easement. Without limitation, Landowner shall have the right to use the Easement Areas for roads and pathways and the right to landscape the Easement Areas, provided that the City shall have no obligation (notwithstanding anything in this Easement to the contrary) to restore such Landowner improvements if the City removes or destroys them in the course of carrying out any of the activities that this Easement permits. Notwithstanding anything to the contrary in this Easement,

Landowner shall not place any building, shed, boulders, deck, gazebo, retaining wall or tree on the Easement Areas.

To the extent and for such time as the City maintains liability insurance during construction in which the owner of the Magellan Easement Rights is named an additional insured, the City shall also have Landowner thus named.

Landowner, for himself and his successors and assigns, does hereby warrant to and covenant with the City, its successors and assigns, that he is well seized in fee of Landowner's Property described on Exhibit A and the Permanent and Temporary Easement Areas described on Exhibit B and has good right to grant and convey the Permanent and Temporary Easements herein to the City.

This Easement shall run with and be appurtenant to the Easement Areas and bind and inure to the benefit of the parties and their respective assigns and successors.

The Consent to the Grant of Easement to the City of Inver Grove Heights attached hereto as **Exhibit C** is hereby incorporated by reference and made a part hereof.

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

LANDOWNER

James E. Peltier

STATE OF MINNESOTA)
)
COUNTY OF DAKOTA) ss.

On this ____ day of _____, 2015, before me a Notary Public within and for said County, personally appeared James E. Peltier, a single person, to me personally known to be the person described in and who executed the foregoing instrument and he acknowledged that he executed the same as his free act and deed.

Notary Public

This instrument was drafted by:
Timothy J. Kuntz
LeVander, Gillen & Miller, P.A.
633 South Concord Street, Suite 400
South St. Paul, Minnesota 55075
(651)451-1831

After recording, please return to:
Timothy J. Kuntz
LeVander, Gillen & Miller
633 South Concord Street, Suite 400
South St. Paul, Minnesota 55075
(651)451-1831

EXHIBIT A
LEGAL DESCRIPTION OF LANDOWNER'S PROPERTY

Real Property located in the City of Inver Grove Heights, Dakota County, Minnesota, described as follows:

That part of the North Half of the Southwest Quarter of the Northeast Quarter (N ½ of SW ¼ of NE ¼) and the Southwest Quarter of the Southwest Quarter of the Northeast Quarter (SW ¼ of SW ¼ of NE ¼) and the Southeast Quarter of the Northwest Quarter (SE ¼ of NW ¼) of Section 7, Township 27 North, Range 22 West lying East of SAR No. 63,

EXCEPT:

- c.) A tract of land lying in the Southeast Quarter of the Northwest Quarter (SE ¼ of NW ¼) of said Section 7 described as follows:

Commencing at the Southeast corner of the Northwest Quarter (NW ¼); thence North along the East line of said Northwest Quarter (NW ¼), 384.2 feet to the actual point of beginning; thence deflect left 51 degrees, 24 minutes for 549.19 feet to the centerline of SAR No. 63; thence deflect left 76 degrees 15 minutes along said centerline 79.94 feet; thence deflect left 111 degrees 31 minutes, 53 seconds, 573.48 feet to the point of beginning.

- d.) A tract of land lying in the Southeast Quarter of the Northwest Quarter (SE ¼ of NW ¼) and the Southwest Quarter of the Northeast Quarter (SW ¼ of NE ¼) of said Section 7, described as follows:

Commencing at the Southeast corner of the Northwest Quarter (NW ¼) of said Section 7; thence North along the East line of said Northwest Quarter (NW ¼) 384.2 feet to the actual point of beginning; thence deflect left 51 degrees, 24 minutes, 549.19 feet to the centerline of SAR No. 63; thence deflect right 103 degrees, 45 minutes along said centerline 200.1 feet; thence deflect right 76 degrees, 15 minutes, for 452.39 feet; thence deflect right 51 degrees, 24 minutes, 248.7 feet; thence deflect right 128 degrees, 36 minutes to the point of beginning, Dakota County, Minnesota.

Abstract Property

EXHIBIT B
LEGAL DESCRIPTION AND DEPICTION OF EASEMENT AREAS

A permanent easement for drainage and utility purposes and all such purposes ancillary, incident or related thereto 80.00 feet wide, over, under, across, through and upon the hereinafter described Parcel A, lying 40.00 feet left and 40.00 feet right of a line described as follows:

Commencing at the southwest corner of the Northeast Quarter of Section 7, Township 27 North, Range 22 West of the 4th Principal Meridian, Dakota County, Minnesota; thence on an assumed bearing of North 89 degrees 41 minutes 25 seconds East along the south line of said Northeast Quarter, a distance of 345.23 feet; thence South 11 degrees 12 minutes 10 seconds East, a distance of 229.51 feet to the point of beginning of the line to be described; thence North 11 degrees 12 minutes 10 seconds West, a distance of 229.51 feet; thence North 08 degrees 07 minutes 36 seconds West, a distance of 145.13 feet; thence North 07 degrees 50 minutes 29 seconds East, a distance of 169.57 feet, and said line there terminating.

The side lines of said easement shall be prolonged or shortened to terminate at the south line of said Northeast Quarter.

Together with:

A permanent easement for drainage and utility purposes and all such purposes ancillary, incident or related thereto, 50.00 feet wide, over, under, across, through and upon the hereinafter described Parcel A, lying 25.00 feet left and 25.00 feet right of a line described as follows:

Commencing at the southwest corner of the Northeast Quarter of Section 7, Township 27 North, Range 22 West of the 4th Principal Meridian, Dakota County, Minnesota; thence on an assumed bearing of North 89 degrees 41 minutes 25 seconds East along the south line of said Northeast Quarter, a distance of 345.23 feet; thence North 08 degrees 07 minutes 36 seconds West, a distance of 145.13 feet; thence North 07 degrees 50 minutes 29 seconds East, a distance of 142.23 feet to the point of beginning of the line to be described; thence North 88 degrees 24 minutes 37 seconds West, a distance of 271.36 feet; thence North 58 degrees 24 minutes 37 seconds West, a distance of 633.27 feet; thence South 52 degrees 15 minutes 15 seconds West, a distance of 156.26 feet; thence North 37 degrees 44 minutes 45 seconds West to the center line of County State Aid Highway No. 63 (Argenta Trail), and said line there terminating.

EXCEPT those parts lying within the above described 80.00 feet wide permanent easement, and the existing road right-of-way of County State Aid Highway No. 63 (Argenta Trail).

Together with:

A permanent easement for drainage and utility purposes and all such purposes ancillary, incident or related thereto, over, under and across the hereinafter described Parcel A, lying northerly, northeasterly and northwesterly of and adjoining the above described 50.00 feet wide permanent easement, lying southeasterly of the southeasterly right-of-way line of County State Aid Highway No. 63 (Argenta Trail), and lying westerly of the east line of the Exception parcel of the hereinafter described Parcel A and its southerly extension.

Together with:

A temporary easement for grading, sloping and construction purposes, and all such purposes ancillary, incident or related thereto, varying in width, over, under, across, through and upon the hereinafter described Parcel A, its limits being 115.00 feet left of the first and second course of the following described Line 1, and 100.00 feet left of the remaining described courses of said Line 1.

Line 1:

Commencing at the southwest corner of the Northeast Quarter of Section 7, Township 27 North, Range 22 West of the 4th Principal Meridian, Dakota County, Minnesota; thence on an assumed bearing of North 89 degrees 41 minutes 25 seconds East along the south line of said Northeast Quarter, a distance of 345.23 feet to the point of beginning of Line 1 to be described; thence North 08 degrees 07 minutes 36 seconds West, a distance of 145.13 feet; thence North 07 degrees 50 minutes 29 seconds East, a distance of 142.23 feet; thence North 88 degrees 24 minutes 37 seconds West, a distance of 271.36 feet; thence North 58 degrees 24 minutes 37 seconds West, a distance of 633.27 feet; thence South 52 degrees 15 minutes 15 seconds West, a distance of 156.26 feet; thence North 37 degrees 44 minutes 45 seconds West to the center line of County State Aid Highway No. 63 (Argenta Trail), and said Line 1 there terminating.

EXCEPT those parts thereof lying within the above described permanent easements and the existing road right-of-way of County State Aid Highway No. 63 (Argenta Trail).

Said temporary easement shall expire on June 30, 2016.

Parcel A:

That part of the North Half of the Southwest Quarter of the Northeast Quarter (N1/2 of SW 1/4 of NE 1/4) and the Southwest Quarter of the Southwest Quarter of the Northeast Quarter (SW1/4 of SW1/4 of NE1/4), and the Southeast Quarter of the Northwest Quarter (SE1/4 of NW1/4) of Section 7, Township 27 North, Range 22 West lying East of SAR No. 63, EXCEPT:

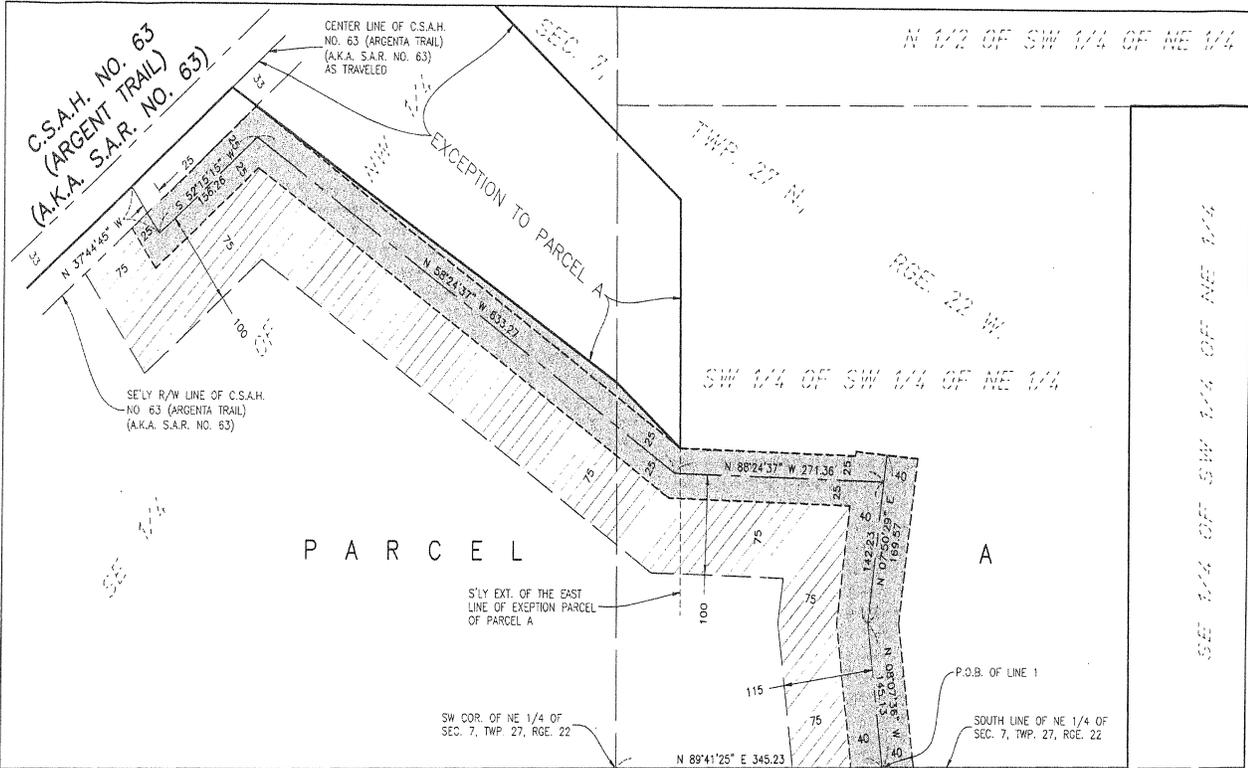
a) A tract of land lying in the Southeast Quarter of the Northwest Quarter (SE1/4 of NW1/4) of said Section 7 described as follows:

Commencing at the Southeast corner of the Northwest Quarter (NW1/4); thence North along the East line of said Northwest Quarter (NW1/4) 384.2 feet to the actual point of beginning; thence deflect left 51 degrees, 24 minutes for 549.19 feet to the centerline of SAR No. 63; thence deflect left 76 degrees, 15 minutes along said centerline 79.94 feet; thence deflect left 111 degrees 31 minutes, 53 seconds, 573.48 feet to the point of beginning.

b) A tract of land lying in the Southeast Quarter of the Northwest Quarter (SE1/4 of NW1/4) and the Southwest Quarter of the Northeast Quarter (SW1/4 of NE1/4) of said Section 7, described as follows:

Commencing at the Southeast corner of the Northwest Quarter (NW1/4) of said Section 7; thence North along the East line of said Northwest Quarter (NW1/4) 384.2 feet to the actual point of beginning; thence deflect left 51 degrees, 24 minutes, 549.19 feet to the centerline of SAR No. 63; thence deflect right 103 degrees, 45 minutes along said centerline 200.1 feet; thence deflect right 76 degrees, 15 minutes, for 452.39 feet; thence deflect right 51 degrees, 24 minutes, 248.7 feet; thence deflect right 128 degrees, 36 minutes to the point of beginning.

Said Parcel A is the same parcel of land conveyed to James E. Peltier by I.Y.Q. per Warranty Deed Doc. No. 1221560.



ARGENTA HILLS

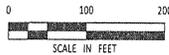
76TH STREET W.

ALVERNO AVENUE

ARGENTA HILLS 8TH ADDITION



PROPOSED PERPETUAL DRAINAGE & UTILITY EASEMENT (81,599 SQ. FT.)
 PROPOSED TEMPORARY CONSTRUCTION EASEMENT (97,546 SQ. FT.)



EASEMENT EXHIBIT
 7250 ARGENTA TRAIL, INVER GROVE HEIGHTS, MN
BOLTON & MENK, INC.
 Consulting Engineers & Surveyors
 12224 NICOLLET AVENUE
 BURNSVILLE, MINNESOTA 55337
 (952) 890-0509

PART OF:
 NW 1/4 & NE 1/4
 SEC. 7, TWP. 27, RGE. 22
 DAKOTA COUNTY, MN
 FOR: CITY OF INVER GROVE HEIGHTS

EXHIBIT C

**CONSENT TO THE GRANT OF EASEMENT
TO THE CITY OF INVER GROVE HEIGHTS**

The undersigned, grantee of that certain Easement Agreement (hereinafter "Easement Agreement") dated May 8, 1931 and filed with the Dakota County Recorder's Office in Book 41 of MR, page 326, as amended, revised and partially released as provided in Document No. 327031 and as transferred, assigned and/or acquired by the undersigned by virtue of an entity name change filed of record with the Dakota County Recorder's Office as Document Numbers 1939909, 1939910, 2147874 and 2269072 Abstract and 476951.1, 476951.2, 0523361 and 552515 Torrens, which Easement Agreement encumbers a portion of the real property to be subjected to the foregoing Permanent Utility and Drainage Easement and Temporary Construction Easement, hereby consents to the grant of this Permanent Utility and Drainage Easement and Temporary Construction Easement by Landowner, subject to the terms set forth below, to the City of Inver Grove Heights (hereinafter referred to as "City" to use the Permanent Utility and Drainage Easement and Temporary Construction Easement for the purposes stated in the Permanent Utility and Drainage Easement and Temporary Construction Easement.

This consent is made subject to the prior, existing rights of Magellan Pipeline Company, L.P., its successors and assigns (hereinafter, "**Magellan**"), under the terms of the Easement Agreement and subject to the further, additional terms and conditions:

The rights granted to Magellan in the Easement Agreement, which rights were acquired prior to the signing of this Consent, are and shall be superior to and have priority over any rights granted to City in the **PERMANENT UTILITY AND DRAINAGE EASEMENT AND TEMPORARY CONSTRUCTION EASEMENT**.

Before the conduct of any activities by or on behalf of the City under the **PERMANENT UTILITY AND DRAINAGE EASEMENT AND TEMPORARY CONSTRUCTION EASEMENT** to place, create, erect or construct any pipeline, building, improvement, road, driveway, structure, fence, water impoundment, waterway or engineering works or obstruction of any kind, either on, above or below the surface of the ground on the land or involving any change to the grade or elevation of the land, or conduct any activities (including, without limitation, driving heavy equipment [defined as having a loaded weight of 80,000 lbs. or greater], excavating, directional drilling or boring, or mining that could endanger lateral support for the ground), or to plant any trees, bushes or shrubs, or any of the above activities within the boundaries of the land described in the Easement Agreement, City must first acquire the prior written permission of Magellan by Encroachment Agreement. City shall assume all liability for and shall indemnify and save harmless Magellan and its affiliates, and their members, partners, directors, officers, employees and agents, from all liabilities (including, without limitation, claims and



NORTHERN DAKOTA COUNTY CABLE
COMMUNICATIONS COMMISSION
5845 Blaine Avenue
Inver Grove Heights, Minnesota 55076-1401
651/450-9891 Fax 651/450-9429 e-mail: NDC4@townsquare.tv

Honorable Mayor Tourville and Council Members
c/o City Administrator Joe Lynch
8150 Barbara Avenue
Inver Grove Heights, MN 55077

RE: Cover Letter / Executive Summary for March 23rd Council Meeting

Via e-mail
March 18, 2015

Dear Honorable Mayor Tourville and Inver Grove Heights Council Members:

Enclosed are two resolutions, one relating to the Comcast request for transfer of the franchise, and the second relating to a 12-month extension of the current franchise. These DRAFT resolutions have not changed since your Council reviewed them at your March 2nd Study Session.

To recap our presentation on March 2nd, the NDC4 Cable Commission unanimously approved these two DRAFT Resolutions at its February 4th meeting. NDC4 is recommending that the Council adopt BOTH resolutions, as they provide conditions on the Comcast merger to protect our cities, residents and subscribers, and give us the ability to complete franchise renewal negotiations over the next 12 months.

Also enclosed are background documents including a PowerPoint from our attorney Brian Grogan, and two expert consultants' financial reports on the merger transactions. All of this information is also available on the "cable customers" tab on our web site at <http://www.townsquare.tv/customer-services-dakota-county-public-access.cfm>.

As you can see, there are **two DRAFT resolutions**, one includes approval of the transfer with many conditions relating to financial and customer service protections, as well as assurances that Comcast will work in good faith to complete our franchise renewal in the next twelve months, and that Comcast AND (if the merger closes) the new Grantee, will be obliged under terms of the extension. The second resolution is a simpler, shorter agreement to simply extend the franchise for twelve months. **The NDC4 Commission recommends approval of both of these resolutions by each of the seven Member Cities.** (The resolutions are inter-related, so we recommend that **BOTH resolutions** be approved by the cities.)

As we stated at the March 2nd Study Session, the two financial reports clearly do not paint a pretty picture of the financial qualifications of the Grantee that will be in place after the transactions. However, most of the LFA's (Local Franchise Authorities) in the Twin Cities are moving forward with making agreements like ours, to protect our consumers, cities, and our Rights-of-Way as best we can, with conditions on the merger. Several cities and cable commissions have already passed similar approvals with conditions tailored to their communities. As you know, we are a tiny speck on the map of this \$50 Billion transaction, and it

doesn't appear that any of the Twin Cities (or Michigan) communities have the resources required to try to deny this transfer and fight it out in court with these mega-corporations.

There is still the possibility that either the FCC or other federal reviewers, or even some state PUC's reviewing the telephone side of the transaction, may not approve the merger. That is why we are recommending the resolutions will apply to either the current Grantee (Comcast) OR the new entity IF the merger is approved and closes.

To update you on the status with the other six Member Cities of NDC4 Cable Commission, all six have now discussed and approved these same resolutions at their Council Meetings over the past few weeks.

On a separate, but somewhat related note, NDC4 posted ads in the March 8 and March 15 *South-West Review* newspapers, inviting applications for competing cable television franchises. This officially kicks off the process for CenturyLink (or others) to apply to our Member Cities for a Competitive Video Franchise in Northern Dakota County, in order to bring more competition to our residents. NDC4 will hold a Public Hearing on Wednesday, April 15th, at 7 p.m. on the topic of competing franchise applications. It is expected that CenturyLink (and possibly Comcast) will present at this hearing. Residents are also welcome to comment.

Please feel free to call me or e-mail me at 651-450-9891 ext. 308, jmiller@townsquare.tv, if you have any questions or need further information.

Sincerely,



Jodie Miller
NDC4 Executive Director

cc: Richard "Skip" Jackson, Inver Grove Heights Citizen Rep. NDC4 Commission
Brian Grogan, NDC4 Legal Counsel

Attachments:

- DRAFT NDC4 Resolution Relating to Franchise Extension
- FINAL DRAFT Resolution and Guaranty
- Grogan PowerPoint dated 2-4-15
- Ashpaugh & Sculco and Front Range Consulting Financial Report
- Moss & Barnett Financial Report

RESOLUTION NO. _____

RESOLUTION OF THE CITY OF _____, MINNESOTA
GRANTING COMCAST OF ST. PAUL, INC. A FRANCHISE
EXTENSION TO MARCH 31, 2016

WHEREAS, on or about April 1, 2000, the City of _____,
Minnesota granted Cable Television Franchise Ordinance (“Franchise”) which is currently held
by Comcast of St. Paul, Inc. (“Comcast”); and

WHEREAS, Comcast has requested renewal of the Franchise; and

WHEREAS, the initial term of the Franchise is due to expire on or about March 31, 2015;
and

WHEREAS, both the City and Comcast desire to reserve all of their respective rights
under state and federal law regarding the franchise renewal process, specifically all rights
provided by 47 U.S.C. 546.

NOW, THEREFORE, the City of _____, Minnesota hereby resolves
as follows:

1. The Franchise is hereby amended by extending the term of the Franchise from April 1,
2015 through and including March 31, 2016.
2. Except as specifically modified hereby, the Franchise shall remain in full force and effect.
3. The City and Comcast hereby agree that neither party waives any rights either may have
under the Franchise or applicable law.
4. This Resolution shall become effective upon the occurrence of both of the following
conditions: (1) The Resolution being passed and adopted by the City; and (2) Comcast’s
acceptance of this Resolution.

Adopted by the City of _____, Minnesota, this _____ day of
_____, 2015.

ATTEST:

CITY OF _____, MINNESOTA

By: _____

By: _____

Its: _____

ACCEPTANCE AND AGREEMENT

Comcast of St. Paul, Inc. hereby accepts this Resolution No. _____
("Resolution") and hereby accepts the terms, provisions and recitals of the Resolution and
agrees to be bound by the Franchise.

Dated this ____ day of _____, 2015.

COMCAST OF ST. PAUL, INC.

By: _____

Its: _____

SWORN TO BEFORE ME this
____ day of _____, 2015.

NOTARY PUBLIC

RESOLUTION NO. _____

**APPROVING THE TRANSFER OF THE CABLE FRANCHISE
AND CHANGE OF CONTROL OF THE GRANTEE**

WHEREAS, Comcast of St. Paul, Inc. ("Grantee"), currently holds a cable television franchise ("Franchise") granted by the City of _____, Minnesota; and

WHEREAS, the City is a member of the Northern Dakota County Cable Communications Commission ("Commission"), a joint powers commission which administers and regulates the operations of the Grantee under the Franchise; and

WHEREAS, Grantee owns, operates and maintains a cable television system ("System") in the City pursuant to the terms of the Franchise; and

WHEREAS, the Franchise is set to expire on or about March 31, 2015 ("Franchise Expiration Date") and the parties anticipate extending the term of the Franchise through March 31, 2016 by adoption of a separate extension resolution; and

WHEREAS, as part of the renewal of the Franchise, the City has completed an assessment of the future cable related needs and interests of the City ("Needs Assessment"); and

WHEREAS, Grantee currently collects from subscribers in the City a public, educational and governmental fee in the amount of \$1.72, which will increase by 3% to \$1.77 effective April 1, 2015 pursuant to exhibit B, paragraph 6 of the Franchise ("PEG Fee"); and

WHEREAS, Grantee currently remits \$1.20 of the PEG Fee to the Commission and retains the balance to recoup certain PEG grants previously remitted to the Commission under the Franchise; and

WHEREAS, as of the Franchise Expiration Date, the Grantee will have been fully reimbursed for the PEG grants it provided to the Commission under the Franchise; and

WHEREAS, on February 12, 2014, Comcast Corporation ("Comcast") and Time Warner Cable Inc. ("TWC") entered into an Agreement and Plan of Merger; and

WHEREAS, on April 25, 2014, Comcast and Charter Communications, Inc. ("Charter") entered into the Comcast/Charter Transactions Agreement (the "Agreement"), pursuant to which the Grantee, through a restructuring under Comcast's ownership, will become Comcast of St. Paul, LLC ("New Grantee") and immediately thereafter will become a wholly-owned subsidiary of Midwest Cable, Inc. ("Midwest Cable") (the "Transaction"); and

WHEREAS, on or about June 17, 2014, the City received from Grantee, FCC Form 394 - Application for Franchise Authority Consent to Assignment or Transfer of Control of Cable Television Franchise ("Application"); and

WHEREAS, Federal law and the terms of the Franchise require that the City take action to consider the Application within one hundred twenty (120) days of the date of receipt, or on or before October 15, 2014; and

WHEREAS, on or about August 22, 2014, Comcast and Midwest Cable agreed to extend the Application review period for sixty (60) days until December 15, 2014 to allow the City time to review the additional information concerning the qualifications of Midwest Cable provided to the City on September 30, 2014; and

WHEREAS, on or about September 30, 2014, Comcast and Midwest Cable agreed to a further extension of the Application review period for thirty (30) days until January 15, 2015 to allow the City to review certain service agreements related to the Transaction as well as certain SEC financial filings to be made available for review on October 31, 2014; and

WHEREAS, on or about December 23, 2014, Comcast and Midwest Cable agreed to a further extension of the Application review period through and including February 27 2015; and

WHEREAS, Section 10.5 of the Franchise requires the City's advance written consent prior to the Grantee's transfer of the Franchise; and

WHEREAS, as a result of the delays in the Franchise renewal process caused by the processing of the Transaction, the Commission and the City have not been able to secure adequate PEG funding for overdue capital upgrades, and have not been able to complete the informal franchise renewal that was scheduled to be ready for City's consideration by December 31, 2014; and

WHEREAS, as a result of the proposed Transaction Grantee has requested consent from the City to the proposed transfer of the Franchise; and

WHEREAS, the City has reviewed the proposed Transaction, and based on information provided by Grantee and Midwest Cable and on the information received by the City from the Northern Dakota County Cable Communications Commission ("Commission"), the City has elected to approve the proposed Transaction subject to certain conditions as set forth herein.

NOW, THEREFORE, the City of _____, Minnesota hereby resolves as follows:

1. All of the above recitals are hereby incorporated by reference as if fully set forth herein.
2. The Franchise is in full force and effect and Grantee is the lawful holder of the Franchise.
3. New Grantee will be the lawful holder of the Franchise after completion of the Transaction.
4. The City hereby consents and approves of the proposed Transaction subject to the below conditions.

- a. New Grantee agreeing to assume any and all liabilities, known and unknown, under the Franchise.
- b. Within thirty (30) days following close of the Transaction, Midwest Cable (also to be known as Greatland Connections, Inc.) shall execute and provide the City with the Acceptance attached hereto at Exhibit A and incorporated by reference.
- c. Within thirty (30) days following close of the Transaction, Midwest Cable (also to be known as GreatLand Connections Inc.) shall execute and provide the City with the Corporate Parent Guaranty attached hereto as Exhibit B and incorporated by reference.
- d. Within thirty (30) days following close of the Transaction, Midwest Cable (also to be known as GreatLand Connections Inc.) shall execute and provide the City with a written guaranty in the form attached hereto as Exhibit C specifying that subscriber rates and charges in the City will not increase as a result of the costs of the proposed Transaction.
- e. Within twenty (20) days of the date of adoption of this Resolution, Grantee shall execute and file with the City the Acceptance and Agreement attached hereto to verify New Grantee's agreement to comply with the terms and conditions of this Resolution and the exhibits attached hereto.
- f. New Grantee will not raise any challenge to the data, findings or conclusions of the Needs Assessment that rests on:
 - i. the fact that New Grantee and Midwest Cable, or any other parent company or affiliate of New Grantee or Midwest Cable, did not own or control the System and Franchise at the time the Needs Assessment was completed or
 - ii. the passage of time from the date the Needs Assessment was completed and fails to recognize and account for the 12 month period of delay in processing the renewal caused by review of the Transaction.
- g. In the event the Transaction does not close, Grantee will not raise any challenge to the data, findings or conclusions of the Needs Assessment that rests on the passage of time from the date the Needs Assessment was completed and fails to recognize and account for the 12 month period of delay in processing the renewal caused by review of the Transaction.
- h. New Grantee, or if the Transaction does not close then the Grantee, commits to meet with the City and Commission staff and other City designees in person at City Hall, Commission offices, or another mutually agreed upon location, to negotiate renewal of the Franchise no less frequently than once every

thirty (30) days commencing May 1, 2015 and continuing until the Franchise is renewed.

i. Grantee and New Grantee shall continue to collect the PEG Fee (effective April 1, 2015 the PEG Fee shall be \$1.77) as required by the Franchise. Due to the fact that as of Franchise Expiration Date the Grantee will have been fully reimbursed for the PEG grants it provided to the Commission (or its PEG designee) under the Franchise, Grantee and New Grantee shall not retain any portion of the PEG Fee but rather shall remit the entire PEG Fee of \$1.77 to the Commission (or its PEG designee) and the Commission shall have the right, for the balance of the extended Franchise term, to use the PEG Fee for all PEG related obligations. The City, Grantee and New Grantee agree that this paragraph 4.i applies solely for the 12 month extension contemplated under this Resolution and any subsequent extension and it is not intended to be relied upon in franchise renewal negotiations.

j. Consistent with the Franchise, the PEG Fee may be unilaterally increased no more than once each calendar year in the Commission's sole discretion as provided by exhibit B, paragraph 6.

k. New Grantee will participate in quarterly meetings with the City's designees for the first two (2) years following the close of the Transaction to verify that subscriber issues and concerns are being addressed by New Grantee or any other entity that may have interaction with subscribers within the City. If issues are not being addressed, New Grantee agrees to meet with the City, as directed, to explain steps being undertaken to address subscriber concerns and New Grantee will provide regular and timely updates to the City to provide verification of corrective actions being undertaken to address unresolved issues.

l. New Grantee will maintain an "escalated complaint program" similar to Comcast's current program, to escalate unresolved complaints from subscribers. A team of specifically identified employees of New Grantee shall be available to City and Commission via email and telephone for reporting issues. These specifically identified employees of New Grantee will have the ability to take actions to resolve subscriber complaints relating to billing, property or service restoration, technical appointments, or any other subscriber matters when necessary. New Grantee will follow-up with City or Commission in writing by email (and by phone when necessary) with a summary of the results of the complaint(s).

m. New Grantee shall maintain and provide (as Grantee currently provides), the commitment of free cable TV service to schools and city buildings in accordance with the requirements of the Franchise.

n. New Grantee's compliance with the requirements of paragraphs 4.b through 4.m of this Resolution shall be handled under the Franchise. New

Grantee shall be subject to available enforcement procedures and remedies as if these obligations were set forth in the Franchise.

o. Comcast shall, within twenty (20) days of the date of adoption of this Resolution, fully reimburse the City for all of the City's reasonable costs and expenses in connection with the City's review of the proposed Transaction, including without limitation, all costs incurred by the City for experts and attorneys retained by the City to assist in the review as well as notice and publication costs ("Reimbursement").

i. The Reimbursement shall not be deemed to be "Franchise Fees" within the meaning of Section 622 of the Cable Act (47 U.S.C. §542), nor shall the Reimbursement be deemed to be (i) "payments in kind" or any involuntary payments chargeable against the Franchise Fees to be paid to the City by New Grantee pursuant to the Franchise.

ii. The Reimbursement shall be considered a requirement or charge incidental to the awarding or enforcing of the Franchise.

iii. It is understood that the language in this paragraph 4.o has been agreed to solely for the purpose of this Resolution and this Reimbursement, and does not prejudice any party from taking a different position regarding the Franchise Fee issues in the future.

5. In the event the proposed Transaction contemplated by the foregoing resolution is not completed, for any reason, the City's consent shall not be effective. If any of the conditions set forth herein are not met, the City's consent to the proposed Transaction shall be null and void and of no effect.

This Resolution shall take effect and continue and remain in effect from and after the date of its passage, approval, and adoption.

Approved by the City of _____, Minnesota this _____ day of _____, 2015.

ATTEST:

CITY OF _____, MINNESOTA

By: _____

By: _____

Its: _____

ACCEPTANCE AND AGREEMENT

Comcast of St. Paul, Inc. hereby accepts this Resolution No. _____ (“Resolution”) and any Exhibits incorporated by reference in the Resolution and agrees to be bound by the terms and conditions of this Resolution and the terms and conditions of the Franchise, as extended, referenced within the Resolution.

Dated this ____ day of _____, 2015.

COMCAST OF ST. PAUL, INC.

By: _____

Its: _____

SWORN TO BEFORE ME this
____ day of _____, 2015.

NOTARY PUBLIC

EXHIBIT A

**ACCEPTANCE BY COMCAST OF ST. PAUL, LLC TO BE FILED WITH CITY UPON
CLOSING OF THE TRANSACTION**

Comcast of St. Paul, LLC, hereby accepts City of _____,
Minnesota Resolution No. _____ (“Resolution”) and any Exhibits incorporated by
reference in the Resolution and agrees to be bound by the terms and conditions of this
Resolution and the terms and conditions of the Franchise, as extended, referenced within the
Resolution.

Dated this ____ day of _____, 2015.

COMCAST OF ST. PAUL, LLC

By: _____

Its: _____

Sworn to before me this _____
day of _____, 2015.

Notary Public

EXHIBIT B

CORPORATE PARENT GUARANTY

THIS AGREEMENT is made this _____ day of _____, 201__ (this "Agreement"), by and among GreatLand Connections Inc. (f/k/a Midwest Cable, Inc.), a Delaware corporation (the "Guarantor"), the City of _____, Minnesota ("Franchising Authority"), and _____, a _____ ("Company").

WITNESSETH

WHEREAS, on or about April 1, 2000, the Franchising Authority granted a Cable Television Franchise Ordinance which is now held by Comcast of Minnesota, Inc. (the "Franchise"), pursuant to which the Franchising Authority has granted the rights to own, operate, and maintain a cable television system ("System"); and

WHEREAS, pursuant to the Comcast/Charter Transaction Agreement dated April 25, 2014 by and between Charter Communication, Inc., a Delaware corporation, and Comcast Corporation, a Pennsylvania corporation, ("Agreement"), the Franchise will be transferred to the Company and the Guarantor will acquire control of the Company as an indirect subsidiary of Guarantor as a result of Comcast Corporation's contribution and spin off of certain cable television systems pursuant to the Agreement ("Change in Control"); and

WHEREAS, Company and Comcast Corporation have requested the consent to the Change of Control in accordance with the requirements of Section 10.5 of the Franchise; and

WHEREAS, pursuant to Resolution No. _____, dated _____, 20____, Franchising Authority conditioned its consent to the Change of Control on the issuance by Guarantor of a corporate parent guaranty guaranteeing certain obligations of Company under the Franchise.

NOW, THEREFORE, in consideration of the foregoing promises and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, in consideration of the approval of the Change of Control, Guarantor hereby unconditionally and irrevocably agrees to provide all the financial resources necessary for the observance, fulfillment and performance of the obligations of the Company under the Franchise and also to be legally liable for performance of said obligations in case of default by the Company.

This Agreement, unless terminated, substituted, or canceled, as provided herein, shall remain in full force and effect for the duration of the term of the Franchise.

Upon substitution of another Guarantor reasonably satisfactory to the Franchising Authority, this Agreement may be terminated, substituted, or canceled upon thirty (30) days prior written notice from Guarantor to the Franchising Authority and the Company. Such termination shall not affect liability incurred or accrued under this Agreement prior to the effective date of such termination or cancellation.

**GREATLAND CONNECTIONS INC.
(F/K/A MIDWEST CABLE, INC.)**

By: _____

Its: _____

SWORN TO BEFORE ME this
___ day of _____, 2015.

NOTARY PUBLIC

EXHIBIT C

GUARANTY REGARDING RATES

GreatLand Connections, Inc., upon closing of the proposed Transaction (as defined in the City of _____, Minnesota Resolution No. _____), guarantees that rates and charges for cable service offered by _____, the Grantee in the City, will not increase as a result of the cost of the proposed transaction.

GreatLand Connections, Inc. agrees that any failure to adhere to this guaranty shall be deemed a violation of the Franchise.

GREATLAND CONNECTIONS, INC.,

By: _____

Its: _____

SWORN TO BEFORE ME this
___ day of _____, 2015.

NOTARY PUBLIC

Comcast/Midwest Cable Transfer of Franchise

Northern Dakota County Cable
Communications Commission

February 4, 2015

Brian T. Grogan, Esq.

(612) 877-5340

Brian.Grogan@lawmoss.com

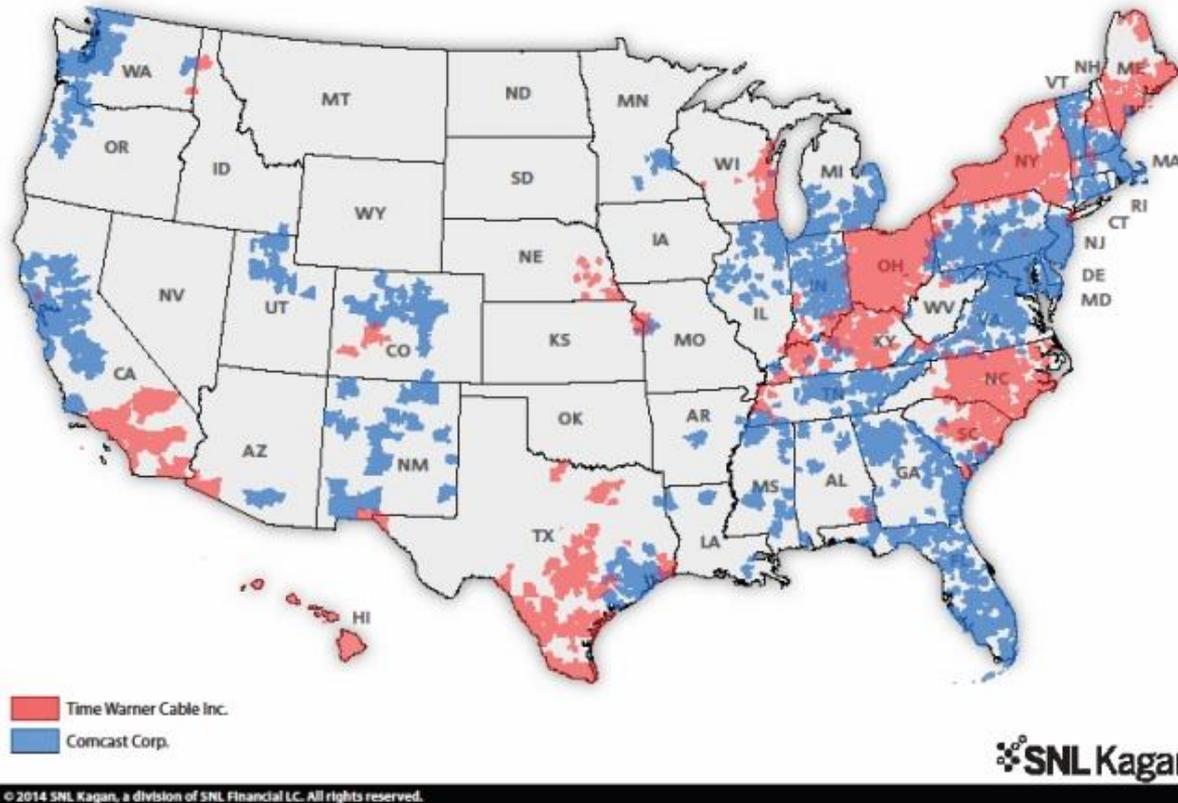
Comcast/TWC Merger

- **Comcast merger with Time Warner Cable**
 - Announced February 12, 2014
 - Comcast acquires TWC's 11.4 M cable subs
 - Results in Comcast controlling 34 M cable subs
- **Requires local, state and federal approvals**
- **Comcast voluntarily offers to divest subs**
 - Comcast seeks to shed 4 M cable subs
 - Comcast seeks to get down to 30 M cable subs

Comcast TWC

34 million subscribers

Time Warner Cable & Comcast Footprint



Comcast / Charter

- **Comcast and Charter Communications**
 - Announced April 25, 2014
 - Comcast to sell 1.4 M cable subs to Charter
 - Comcast and Charter to swap subs
 - 1.5M to Charter
 - 1.6M to Comcast

Midwest Cable

- **2.5 M subs to be divested to new entity**
 - Former Comcast properties in MN, MI, IL, IN, AI and others
- **Twin Cities Comcast systems part of spin-off**
- **Midwest Cable – newly created entity**
 - After closing will be renamed “GreatLand Connections”
- **Midwest Cable will be publicly traded entity**
- **New Grantee = Comcast of Minnesota, LLC**
- **Financial review – challenging**
 - Given lack of operating history

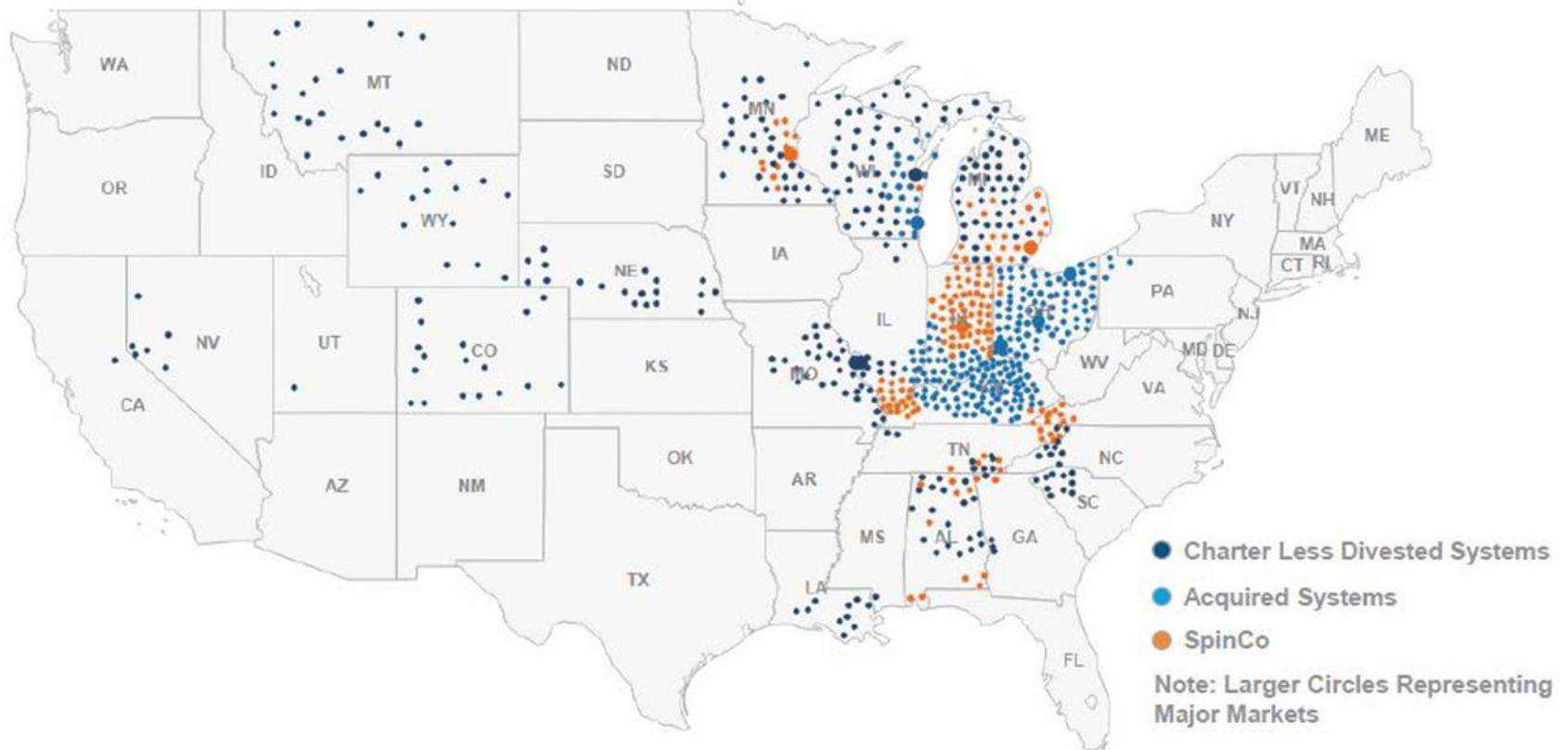
Who Will Run Midwest Cable?

- **Separate board of directors - owned**
 - 33% by Charter Communications
 - 67% by Comcast Shareholders
- **Midwest will initially have 9 board members**
- **Michael Willner**
 - President and CEO of Midwest
 - 40 year veteran
 - Insight Communications
 - No existing franchises under its control
 - Much of executive team worked at Insight
- **Midwest has no operating history**
- **Substantial operations handled by Charter**

Charter Overview

- **Charter operates cable systems in MN**
 - Duluth, St. Cloud, Marshall, Apple Valley, Lakeville, Rochester, Mankato, Winona and many others
- **Charter provides service to**
 - 6.1 million subs
 - In 29 states
- **Charter is a *Fortune 500* company**
 - Employs approximately 23,000 people

Proposed Charter + Midwest Cable (SpinCo)



Local Operations

- **Local field operational (technical) personnel**
 - Will be Midwest Cable employees
- **Government affairs personnel**
 - Interacting with local franchising authorities
 - Will be Midwest Cable employees
- **Other operational services**
 - Will be provided by Charter personnel

Charter Services to Midwest

- **Midwest will pay Charter 4.25% of revenues**
 - 4.25% of all voice, video and data revenues
 - Procurement and Programming Management Services
 - Network Operations
 - Engineering & IT
 - Voice Operations
 - Field Operations
 - Customer Service
 - Billing & Collections
 - Marketing & Sales
 - Administrative and Back office Services
 - Other

Impact on Services

- **Subs keep Comcast telephone numbers**
- **Subs keep cable equipment**
 - At least for initial transition – perhaps longer/permanently
- **Email**
 - Subs will have to transition away from comcast.net
 - Likely to Charter's email domain
- **Billing**
 - Will transition to Midwest
 - Online payments will require subscribers to contact bank

Financial Review

- **Complexity of transaction and multiple filings at SEC = delayed consultant's report**
- **Midwest's initial debt leverage will be no greater than 5.0x its 2014 EBITDA**
 - Earnings before interest, taxes, depreciation and amortization
 - i.e. how much profit is made with present assets and operations on the products sold, as well as providing a proxy for cash flow
 - Consistent with some other cable operators
 - Charter at 5.0x,
 - Cablevision at 5.3x,
 - Suddenlink at 5.7x and
 - Mediacom at 5.3x).
- **Please refer to Consultant's financial report**

Timeline for Local Action

- **Member Cities have right to review transfer of franchise**
 - Under franchise, state and federal law
 - Approve/not approve
- **Official request via FCC Form 394**
 - Received June 18, 2014
- **120 days to issue local decision**
 - October 18, 2014 = initial deadline
 - Comcast extended deadline
 - First to December 15th
 - Second to January 15th
 - New deadline – February 27th
- **Legal, technical and financial qualifications**

Resolution

- **Approve transaction subject to:**
 - Written Acceptance by New Grantee - Comcast of Minnesota, LLC
 - Guaranty by GreatLand Connections Inc. (New name for Midwest)
 - Extension of existing Franchise
 - PEG funding – address grant funding
 - Renewal
 - Delayed due to transfer
 - Preservation of Needs Assessment
 - Commitment to meet and negotiate renewal –
 - Customer service
 - Quarterly meetings with New Grantee for 2 years
 - Escalated complaint process maintained
 - Reimbursement of all transfer costs

Questions?

Brian T. Grogan, Esq.

Moss & Barnett, A Professional Association

150 South Fifth Street, Suite 1200

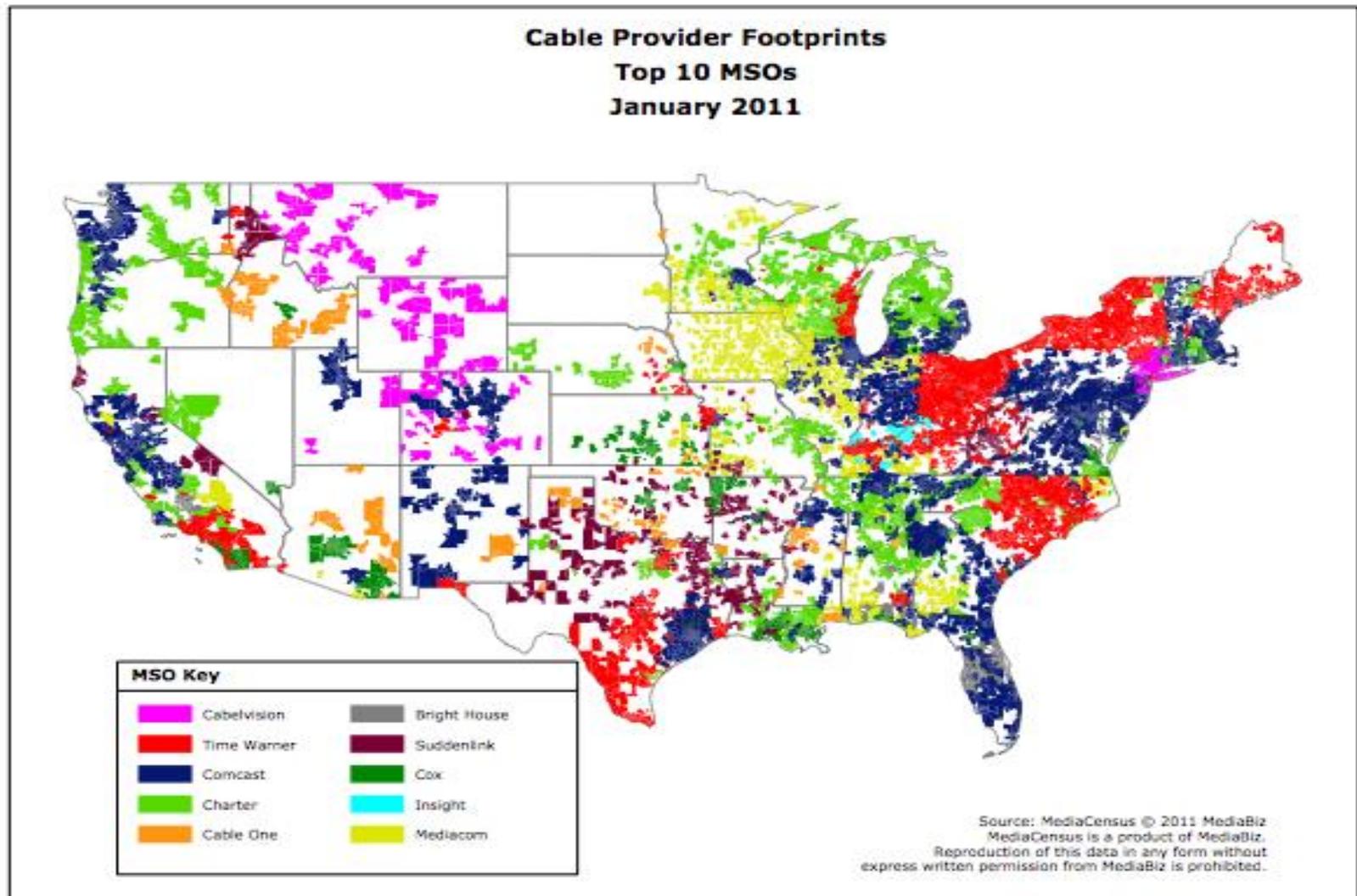
Minneapolis, MN 55402

(612) 877-5340 phone / (612) 877-5031 facsimile

E-mail: Brian.Grogan@lawmoss.com

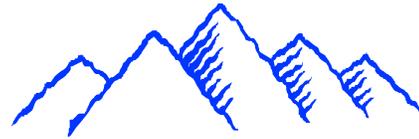
Web site: www.lawmoss.com

Pre-Merger Cable Markets





ASHPAUGH & SCULCO, CPAs, PLC
Certified Public Accountants and Consultants



Front Range Consulting, Inc.

**REPORT
REGARDING
THE
SPIN-OFF
OF
CABLE SYSTEMS
TO
MIDWEST CABLE, INC.**

January 2015

Introduction

Ashpaugh & Sculco, CPAs, PLC and Front Range Consulting, Inc. (the “Consultants”) have been retained by several LFAs¹ to assist them in the financial analyses of the transfers of the cable television franchises now held by Comcast in a newly formed subsidiary of Comcast, Midwest Cable, Inc. and which are to be spun off to a new company, GreatLand Connections, Inc. (“GreatLand”) assuming the Transaction is completed.² This spin-off³ is part of a larger transaction that involves: (i) acquisition of Time Warner Cable, Inc. (“Time Warner”) by Comcast Corporation, Inc. (“Comcast”); (ii) sale of systems by Comcast to Charter Communications, Inc. (“Charter”); (iii) swap of systems between Comcast and Charter; (iv) spin-off of systems from Comcast to SpinCo, (v) the reorganization of Charter (collectively, the “Transactions”).⁴ The Consultants are also assisting LFAs who have authority to review other elements of the Transaction. However, this particular report focuses on the Midwest Cable, Inc. / GreatLand Connections, Inc. spin-off.

Executive Summary and Recommendations

As the Transfer (that is, the spin-off from Comcast into a new independent entity, GreatLand Connections, Inc. and associated Charter transactions) is currently structured, the Consultants have been given virtually no non-public data on which to assess this transaction

¹ This report is prepared for the following municipal entities: Meridian Township, MI, the City of Southfield, MI, and the Minnesota Association of Community Television Administrators (MACTA) local franchise authorities (jointly the “Participating LFAs”).

² The Consultants were not engaged to, and did not, perform an audit of Comcast, Time Warner, Charter or SpinCo (the “Companies”), the objective of which would be the expression of an opinion that the financial statements provide a representation of the operations for the period reviewed. Accordingly, we do not express such an opinion. Had the Consultants performed such additional procedures, other matters might have come to our attention that would have been reported to you. This memorandum relates only to the financial analysis of the proposed spin-off of cable systems owned by Comcast to Midwest Cable, Inc. and does not extend to any financial statements of the Companies or the Participating LFAs. This report is intended solely for the information and use of the Participating LFAs and is not intended to be and should not be used by anyone other than the Participating LFAs without the express written permission of the Consultants.

³ GreatLand Connections, Inc. is the anticipated new name of the spun off company. During the LFA review process, the spun off company has also been referred to as SpinCo, Midwest Cable, LLC and Midwest Cable, Inc. For the purposes of this Report, GreatLand, SpinCo, Midwest Cable, LLC and Midwest Cable, Inc. are all referring to the same spun off entity. This report will generally refer to the entity as Midwest Cable.

⁴ We have identified the following separate but interrelated transactions (jointly the “Transactions”): (1) Comcast acquisition of Time Warner (“Acquisition”); (2) purchase of subscribers by Charter from Comcast (“Sale”); (3) system swaps between Comcast and Charter (“Swaps”); (4) transfers of Comcast systems to SpinCo (aka Midwest Cable, LLC, Midwest Cable, Inc. to be renamed GreatLand Connections, Inc.) (“Transfers”) and (5) creation of the new Charter (“New Charter”). They are all interrelated as items 2 through 5 would not occur if the Acquisition is not approved. The description of the transactions is based on the S-1 and S-1A filed by Midwest Cable, Inc. on October 31, 2014 and December 23, 2014.

notwithstanding numerous data requests and the execution of a confidentiality agreement. As part of this project, the Consultants were asked to determine whether Midwest Cable had shown, either as part of the Form 394 or through supplemental submissions, that it is financially qualified to perform as Franchisee. Neither it, nor Comcast and Charter have provided adequate information that establishes the financial qualifications of Midwest Cable. As will be explained below, without the requested data, the Consultants had to make informed estimates as to the projected financial condition of Midwest Cable after the spinoff. In its December 9, 2014 filed S-4, Charter made projections based on limited data, and Charter, Midwest and Comcast did not provide the support for those projections to the Consultants as requested. As a result, Comcast, Charter and Midwest Cable are asking the Consultants and the Participating LFAs to trust the limited projections included in the Charter S-4 and the limited pro forma estimates in Midwest Cable's S-1 as a reasonable basis to conclude that the new entity, GreatLand, will be financially capable of meeting the franchise requirements and subscribers needs. The Consultants cannot provide that assurance to the Participating LFAs without access to the requested data to allow a full and complete review of the resulting new entity and of the projections of that new entity's initial years' operations. Neither Comcast, Charter nor Midwest Cable have provided reasonable cooperation in this process.

Debt

One measure of financial health used in the cable industry is to compare EBITDA (earnings before interest, taxes, depreciation and amortizations) as a multiple of debt. A lower multiple suggests the company has greater ability to support operations and improve its system; a high multiple may mean the company will be unable to perform as promised because of the increased fixed costs associated with long-term debt. Based on the information provided by Comcast, Charter and Midwest Cable regarding Midwest's projected debt (which Comcast and Midwest indicated may be as much as \$7.8 billion) and the historical EBITDA for the systems Midwest is obtaining in the spin-off (adjusted to include new costs that will be incurred as a result of the Transfer and operating as a stand-alone company), EBITDA is projected to range from approximately 6.4 times to over 10 times multiple of debt in their initial years' of operations. Comcast's EBITDA would be about a 3 times multiple of debt post-transaction.⁵

⁵ The \$7.8 billion is the most recent estimate of the debt Midwest will assume from Comcast, according to the public filings of Comcast, Charter and Midwest Cable. (See Midwest Cable's 12/23/2014 S-1/A.) To be sure, the Transfer documents suggest that Midwest Cable's debt should be limited to no more than 5 times EBITDA – a high level, and still troubling in light of other aspects of the transaction, but at least at the high end of EBITDA/debt multiples in the industry. The so called "financing" EBITDA used to calculate the amount of debt to be assumed by Midwest is different from the EBITDA estimates the Consultants have determined as the projected EBITDA determined in Attachment D to more properly reflect the ongoing operations and costs for Midwest rather than a "financing" EBITDA that excludes real costs to Midwest like costs of executive staff, CSA costs, transactional and transitional related costs. Charter's S-4 filed December 9, 2014 seems to explain Midwest's EBITDA will be based on pro forma financials. However, based on the best information available to

Impact on Cash Flow

- Midwest is assuming significant deferred tax liabilities from Comcast. Midwest has asserted in its S-1 in its notes to its financial statements that approximately \$2.2 billion of this deferred tax liability is related to intangible cable franchise rights which will not become payable unless "... we recognize an impairment or dispose of a cable franchise ..." ⁶ The remaining balance of \$600 million is where Comcast has taken advantage of accelerated depreciation on plant assets and thereby deferring taxes Comcast would owe in the future. However, it is leaving Midwest with the duty to pay those deferred taxes, and that additional tax liability would amount to about \$5.25 per sub per month. This is also likely to impact cash flow, and the ability of Midwest to provide services and fund day-to-day operations.

Infrastructure

- Midwest is not receiving in the spin-off basic infrastructure now used by Comcast to provide services to subscribers, such as the backbone connections used in the delivery of national programming, Internet and phone services. Hence, the "price" it is paying for the system does not include basic building blocks, which it will need to obtain in other ways. Its flexibility in this regard is limited by the debt it is obligated to acquire in the spin-off.

Customer Service

- As part of the Transaction, Midwest is required to contract with Charter, which will then be responsible for providing basic customer services and day-to-day operations for an initial term of 3 years. In addition, Midwest will be contracting and paying Comcast for "transition" services. The costs of providing these services to Midwest by Charter under the Charter Service Agreement ("CSA") and by Comcast under the Transition Services Agreement ("TSA") are not known (except for the CSA's 4.25% of gross revenue management fee) and are likely further eroding Midwest's income and cash flow. The 4.25% fee is estimated to be an additional expense to Midwest of approximately \$200 million annually.

the Consultants, Attachment D shows our calculation of pro forma EBITDA for Midwest is a range from 1,215 million to \$732 million. That is, assuming the \$7.8 billion is accurate, the company is incurring from approximately \$1.6 to \$4.1 billion more in debt than the financial analyses support. Of course, if Comcast were to limit Midwest's debt to 5 times actual pro forma EBITDA, Midwest would be in a much better position to perform.

⁶ Midwest S-1 at F-14.

Impact on Rates

- Midwest has a high likelihood of cash flow difficulties – it starts day one with no cash reserves, which may require Midwest to increase cash through additional debt (if any debt could be raised), reducing/eliminating capital expenditures, eliminating services and/or raising rates.⁷ According to the Charter S-4 projections, Midwest will have increased revenues in 2015 from 2014 of \$184 million compared to Wall Street consensus programming cost increases of \$179 million.

Impact on Franchise Obligations

- There is significant question as to whether Charter, which is taking on the management of Midwest's 2.5 million subscribers and assuming significant new debt, will be in a position to perform in a manner that satisfies Midwest's franchise obligations. However, we have seen nothing, for example, that suggests that Midwest can perform if Charter does not; that Midwest can terminate the CSA if Charter fails to satisfy franchise obligations for customer service. While Charter and Midwest continue to maintain that the CSA is not yet final, the CSA does ensure Midwest will have significant expenses and it does not guarantee that Charter can or will be in a position to perform. From a review of the draft CSA, it appears that Midwest has limited "outs" if Charter does not perform adequately under the CSA for the first 3 years and Charter has virtually no incentive to ensure that it provides adequate services under the CSA.

Midwest's financial qualifications do not improve significantly if examined over the long term as compared to the short term. The charges under the CSA, the fee of 4.25% of total revenue plus costs for services provided, will continue for at least 3 years. The charges for services provided by the TSA are anticipated to diminish over the first 18 months, but that will require Midwest to have available funds to invest in needed accounting and management computer systems and training and backbone delivery systems for products such as voice, email and Internet. Additionally, Comcast is transferring \$600 million in deferred tax liability to Midwest that may add over \$159.57 million a year in income tax expense for 3 to 4 years.

As discussed in this report in detail, little information was provided and the typical response from Comcast, who, as its owner, was speaking for Midwest Cable, was that all needed information was publically available or "Midwest Cable does not yet own these properties and has not yet established definitive plans for future operations." The last statement is curious since Comcast did and does own these systems, has control of the data and is the guiding force behind the plans for the spin-off of Midwest Cable.

⁷ The Consultants have been advised that Midwest will have a \$750 million line of credit in addition to the initial debt from the spin-off.

Report on Spin-Off to Midwest Cable, Inc.

It should be noted that the original financial information contained in the FCC Form 394 as filed (and presented as Exhibit 6 to the filing) has changed materially. Comcast filed amended financial data on August 25, 2014 and September 3, 2014 with the Securities and Exchange Commission (the "SEC") in the form of S-4/As. Without explanation in these filings or to the Participating LFAs, the anticipated initial debt was reduced from \$8.8 billion to \$7.8 billion, reduced transferred deferred taxes from \$3.053 billion to \$2.859 and reduced initial start-up cash from \$600 million to \$300 million. Comcast did not notify the Participating LFAs of these changes and did not refile or amend the original FCC Form 394s.⁸ By letter of September 30 to the Participating LFAs' counsels, it was made clear the reductions to the initial start-up debt were needed because revisions had caused Midwest Cable's anticipated income and EBITDA to drop significantly. The amounts for deferred taxes and cash were further changed in the October 31, 2014 S-1 filed by Midwest Cable, Inc., reducing deferred taxes to \$2.836 billion and cash to zero. Both Midwest and Charter have provided some limited new information in Midwest's S-1, S-1/A and Charter's S-4 (filed on December 9, 2014) but have not provided the Consultants with any supporting information to verify their assertions regarding the going forward revenues, expenses and resulting EBITDA notwithstanding the various requests by the Consultants for that supporting data.

Comcast/Charter/Midwest did provide a confidential letter to the Consultants on December 11, 2014 that reiterated the Charter projections contained in the December 9, 2014 Charter S-4 as well as some "averaged" Wall Street consensus forecasts for Midwest.⁹

If the Transaction was approved, from a financial perspective the Consultants recommend the Participating LFAs obtain protections to reduce or protect against the risks identified above; that ensure that customers will receive adequate service, and that there will be adequate remedies if Charter fails to perform; and that ensures that the Participating LFAs have a remedy if Midwest and or Charter do not perform. For Participating LFAs that have significant past performance issues, it may be appropriate to ensure that Comcast either resolves non-compliance issues prior to consummating the Transfer, or otherwise addresses non-compliance in a way that will not burden Midwest Cable.

In addition, the Participating LFAs may wish to ensure that the deal does not change prior to consummation in a way that may harm consumers; and may need to ensure that revenues are not diverted to Charter, and are fully recognized in franchise fees. For example, the management fees paid to Charter should not be deducted from gross revenues before

⁸ We are not aware of any LFA anywhere that received an amendment to the filed 394.

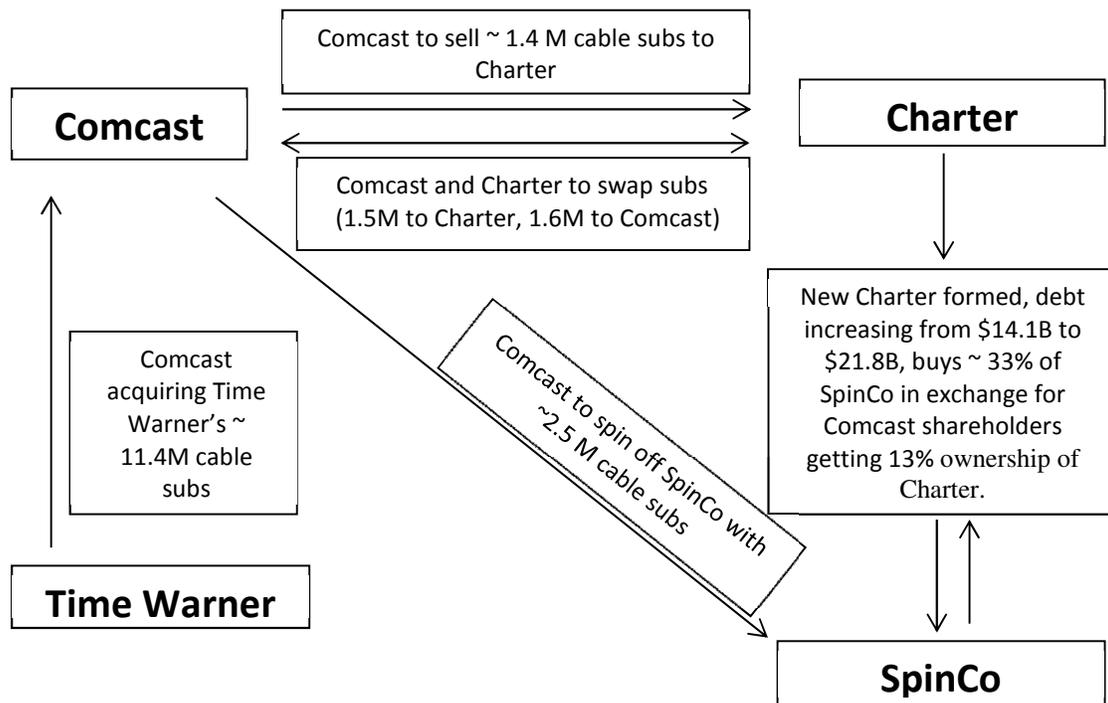
⁹ Attachment G contains the redacted version of the December 11, 2014 letter.

Report on Spin-Off to Midwest Cable, Inc.

computing franchise fees due to the Participating LFAs.¹⁰ The Consultants realize that other non-financial conditions and/or agreements might outweigh or mitigate the impact of the possible financial conditions. The Consultants understand that these non-financial conditions/agreements could involve renewal and extensions of current franchise agreements, PEG financial commitments and channel placements and customer service standards.

Overview of Transaction

Detailed below is a summary chart showing the Comcast-Time Warner-Charter-Midwest Cable transaction.



As explained above, the Acquisition is the initial transaction in a series of transactions that are all part of the same deal. When Comcast announced the Acquisition, it also explained that it would divest systems and subscribers to reduce its footprint to 30% or less of MVPD subscribers.¹¹ Comcast proposes to accomplish this through the sale of systems to Charter and the spin-off of systems to a new company, identified as SpinCo (aka Midwest Cable d/b/a

¹⁰ The Consultants are not aware of Midwest Cable or Charter making such a claim at this time. However, protections can be made to prevent this in the future by specifically addressing it in the definition of gross revenues for franchise fees and PEG.

¹¹ See Comcast's Public Interest Benefits Summary of February 13, 2014.

Report on Spin-Off to Midwest Cable, Inc.

GreatLand Connections, Inc.). In addition, Comcast is “swapping” systems with Charter to consolidate its holding in certain areas of the country. (See the public disclosure of April 28, 2014, “Comcast and Charter Reach Agreement on Divestitures”.) As explained above, we refer to the composite of all of the transactions as the Transactions.

SpinCo was recently created by Comcast to effectuate the spin-off of these 2.5 million subscribers from Comcast into this new, to be publically traded cable company. One reason Comcast has proposed this new SpinCo was to bring down the number of video subscribers that Comcast controls to under 30% of the marketplace, a prior FCC threshold no longer in effect. In the SpinCo structure proposed, Comcast will have no direct ownership of SpinCo as Comcast’s contribution of 2.5 million subscribers will be accomplished by a spin-off of SpinCo. Existing Comcast shareholders will receive SpinCo (Midwest Cable) stock, initially owning 100%. Charter Communications will swap 13% of its ownership shares with SpinCo shareholders resulting in Charter Communications owning 33% of SpinCo. In this fashion, Comcast Corporation has no attributable interest in SpinCo or in Charter.

The SpinCo structure also includes the Charter Service Agreement (“CSA”) between Charter and Midwest Cable to allow Charter to assumedly provide much of the engineering, technical, accounting, billing, etc. support functions for Midwest Cable. This in turn would make Midwest Cable potentially a very small employee-based company compared to a traditional cable company. For this service support, Charter will charge Midwest Cable a service fee of 4.25% of its gross revenues plus the cost of the services rendered. Unlike franchise fees that are only applied to cable gross revenues, this service fee will be applied to all gross revenues including data and VoIP revenues. Additionally, Midwest Cable will also have a Transition Service Agreement (“TSA”) with Comcast to provide specified transitional services to Midwest Cable for periods of up to eighteen (18) months. Comcast has stated that charges to Midwest Cable for the TSA-based services will be at Comcast’s incremental costs of providing the services. Midwest Cable will also have a Separation Agreement with Comcast that will address legal matters regarding the spin-off and tax and debt issues. Midwest Cable will have to secure new debt to pay Comcast for the debt associated with the spun-off 2.5 million subscribers, which is reported to be approximately \$7.8 billion, although it is limited to 5 times Midwest Cable’s “financing” EBITDA. In its May 2014 S-4/A and the original FCC Form 394, Comcast identified this new debt level to be acquired by Midwest Cable to be \$8.8 billion. As currently described in filed documents, the new debt to be acquired by Midwest Cable is estimated to be approximately \$7.8 billion based on a 5.0 times estimated 2014 EBITDA.¹² This is a substantial reduction in the debt that Midwest Cable will be issuing and, as described more fully below, includes potential contingencies that Charter will have to participate in additional financing if Midwest Cable is unable to secure this new debt. Essentially the debt being issued by Midwest

¹² See Charter’s S-4 filed December 9, 2014.

Cable will allow Comcast to lower its own debt as the Midwest Cable debt will be exchanged for current Comcast debt. Should Midwest's "financing" EBITDA not support the level of \$7.8 billion, since it is limited to 5 times by the terms of the Transactions, any reduction will be absorbed by Comcast in the spin-off.

Review Methodology

The Consultants have employed a seven step approach to its financial review of the Transactions that include: 1) a review of publicly available information on the Transactions, 2) a review of the FCC Form 394s filed with each of the Participating LFAs, 3) an initial assessment of the financial impacts of the Acquisition, 4) a development of an initial and follow-up data requests related to the Form 394 and underlying documents, 5) an assessment of the data provided by the companies to the data requests, 6) an independent assessment of the resulting financial impacts of the Acquisition and 7) providing this report to the Participating LFAs explaining our analyses and conclusions. In addition, the findings of this report have been discussed with Comcast, Midwest Cable and Charter prior to release.

Consideration of the Franchisor

The Franchisor may consider many aspects of the transaction of the transfer. When the transfer is to a different company, these considerations include the "legal, financial, technical and character qualifications of the transferee." In the case of a transfer of interest, the franchisor may consider the public interest impact of the transaction if that is permitted by local franchise or state law. For example, the language of Comcast's current franchise with one Minnesota city states:

- 121.(d). For the purpose of determining whether it shall consent to a transfer, except as federal law prohibits it from doing so, the city may inquire into the qualification of the prospective transferee, and the company shall assist the council in any such inquiry. The proposed transferee must show financial responsibility as determined by the city and must agree to comply with all provisions of the franchise. A request for a transfer will not be granted unless the council determines, in light of the record before it, including the transfer application, that:
 - 121.(d).(1). there will be no adverse effect on the public interest, or the city's interest;
 - 121.(d).(2). the transferee will agree to be bound by all the conditions of the franchise and to assume all the obligations of its predecessor; and
 - 121.(d).(3). any outstanding compliance and compensation issues have been resolved or are preserved to the satisfaction of the city.
- 121.(e). The consent or approval of the council to any transfer shall not constitute a waiver or release of the rights of the city, and any transfer shall, by its terms,

be expressly subordinate to the terms and conditions of the franchise and any amendments or agreements related thereto.

- 121.(f). In the absence of extraordinary circumstances, the council will not approve any transfer prior to substantial completion of the system upgrade required by Article III.
- 121.(g). In no event shall any transfer be approved without transferee becoming a signatory to the franchise, and any amendments or agreements related thereto.

As the above referenced franchise states and Federal law also suggests, a franchising authority may consider franchise compliance in connection with a transfer, and the effect of the transaction on competition in the provision of cable services.

One of the key elements of any transfer review is a consideration of the “financial, technical and legal” qualifications of the franchise holder post-transaction. Section 617 of the Cable Communications Policy Act of 1984 (“Cable Act”), 47 U.S.C. Sec. the FCC developed a form that specifies the *initial* information companies 537 to trigger applicable deadlines for review of a proposed acquisition or merger. The FCC-required information is focused on permitting localities to assess the financial, technical and legal qualifications of the franchise holder post-transaction.¹³ Section 617 states:

A franchising authority shall, if the franchise requires franchising authority approval of a sale or transfer, have 120 days to act upon any request for approval of such sale or transfer that contains or is accompanied by such information as is required in accordance with Commission regulations and by the franchising authority. If the franchising authority fails to render a final decision on the request within 120 days, such request shall be deemed granted unless the requesting party and the franchising authority agree to an extension of time.

Additionally, the Code of Federal Regulations states in 47 CFR § 76.502:

Time limits applicable to franchise authority consideration of transfer applications.

- a) A franchise authority shall have 120 days from the date of submission of a completed FCC Form 394, together with all exhibits, and

¹³ While the FCC’s form is focused on financial, technical and legal qualifications, it does not override local requirements or substantive standards for review. An application for a transfer should include the specific information required by the form, as well as information required by local ordinances and franchises governing transfers.

any additional information required by the terms of the franchise agreement or applicable state or local law to act upon an application to sell, assign, or otherwise transfer controlling ownership of a cable system.

b) A franchise authority that questions the accuracy of the information provided under paragraph (a) must notify the cable operator within 30 days of the filing of such information, or such information shall be deemed accepted, unless the cable operator has failed to provide any additional information reasonably requested by the franchise authority within 10 days of such request.

c) If the franchise authority fails to act upon such transfer request within 120 days, such request shall be deemed granted unless the franchise authority and the requesting party otherwise agree to an extension of time.

From the perspective of local franchising authorities and consumers, the financial issues surrounding a merger or other transfer has less to do with whether someone may profit from a transaction and more to do with the potential impact of the transaction on current and future operations and cable subscribers. If, for example, a company pays too much for a cable system, it may be forced to raise rates, reduce franchise obligations, cut back on day-to-day customer services or take other steps to cut costs or increase revenues to achieve its targeted financial results. If, for example, a company is required to assume debt as part of a transaction, that could affect the company's ability to issue debt in the future, and may limit the company's ability to finance service or system expansions, upgrades and improvements. If, for example, a transaction has significant "transition costs" - costs associated with changing over internal systems, changing out customer premises equipment, making the systems operationally and administratively consistent, training and severing employees, etc. - the company must have enough cash on hand and sufficient cash flow to cover normal expenses but also the expected expenses and losses that can be anticipated to accompany the transaction, while maintaining debt service covenants and ratios that will allow the company to obtain any needed additional debt for equipment, system expansions and operational changes. Otherwise, the company is either likely to become financially unstable, or must respond with actions that affect the quality (and price) of cable services immediately and into the future. One should not and cannot just assume that a deal involving experienced cable operators is a sound deal particularly when these cable operators are merging established companies, each with its own established traditions and methodologies. Experienced cable operators can and do go bankrupt, as was the case with Adelphia Communications filing bankruptcy in 2002 and Charter in 2009.

Complicating Circumstances in this Transaction

In this case, the financial analyses are complicated by at least three factors.

First, we need to analyze the financial position of Midwest Cable after the Spin-off. Midwest Cable-owned subsidiaries will own the local systems, and if the Spin-off results in insufficient

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cash flow, it will impact Midwest Cable's borrowing capabilities, redirects capital resources to transitional operations, etc. As a result, customers and franchise obligations may suffer. Financial detail of the spun off company has only been provided in summary and based on internal accounting allocations when these systems were part of Comcast, not as if Midwest Cable is a separate operating company. The emphasis included in the outside auditor's report, by Deloitte & Touche, LLP, dated October 24, 2014 contain the following caution:

"As discussed in Note 1 [to the audited financial statements], the Company [Midwest Cable] is an integrated business of Comcast Corporation and is not a stand-alone entity. The accompanying combined financial statements reflect the assets, liabilities, revenue, and expenses directly attributable to the Company, as well as allocations deemed reasonable by Comcast Corporation management, and do not necessarily reflect the combined financial position, results of operation, and cash flows that would have resulted had the Company been operated as a stand-alone entity during the periods presented." (Midwest Cable S-1 dated October 31, 2014, page F-2)

As discussed below, the overall concern is that the data presented initially and as revised by Comcast and Midwest Cable are NOT financial statements reflecting Midwest Cable as a separate operating company but rather an allocation of what Midwest Cable financial results were as part of Comcast using Comcast "shared" services, management team, programming contracts, etc.

Second, the Transactions also include the acquisition of former Time Warner and Comcast franchises in the Sale and Swaps between Comcast and Charter. Charter's operating efficiencies will be impacted as it transitions new systems from Time Warner and Comcast into "new" Charter and also provides services for systems that will be owned or operated by Midwest Cable. Midwest Cable will be dependent upon Charter for a multitude of day-to-day operating activities. To the extent new Charter struggles with the increased debt load it will acquire as part of these acquisitions and the integration of these new franchises into new Charter, the level of services being provided by new Charter to Midwest Cable could be impacted. A recent S-1/A filed by Liberty Broadband, a 26% owner of Charter explains the risk factors. Among other things, "Charter has a significant amount of debt and may incur significant additional debt, including secured debt, in the future, which could adversely affect its financial health and ability to react to changes in its business." Liberty goes on to note that "If current debt amounts increase, the related risks that Charter faces will intensify." The proposed transaction does increase Charter debt.

With respect to the Comcast-Charter-Midwest deal, the S-1/A states:

"Charter's management will be required to devote a significant amount of time and attention to the process of integrating the operations of the acquired assets with Charter's pre-Comcast Transactions operations. There is a significant degree of difficulty and management involvement inherent in that process. These difficulties include:

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- integrating the operations of the acquired assets while carrying on the ongoing operations of the businesses Charter operated prior to the Comcast Transactions;
- integrating information, purchasing, provisioning, accounting, finance, sales, billing, payroll, reporting and regulatory compliance systems;
- integrating and unifying the product offerings and services available to customers, including customer premise equipment and video user interfaces;
- managing a significantly larger company than before consummation of the Comcast Transactions;
- integrating separate business cultures;
- attracting and retaining the necessary personnel associated with the acquired assets;
- creating uniform standards, controls, procedures, policies and information systems and controlling the costs associated with such matters; and
- the impact on Charter's business of providing services to GreatLand Connections, Inc. which will also face the foregoing difficulties.

Charter and Comcast have agreed to provide each other with transition services in connection with the transferred systems and relevant assets. Providing such services could divert management attention and result in additional costs, particularly as Charter starts up infrastructure and staff to take over transitional services and provides transition services to Comcast for former Charter systems. In addition, the inability to procure such services on reasonable terms or at all could negatively impact Charter's expected results of operations. If Charter's management is not able to effectively manage the integration process, or if any significant business activities are interrupted as a result of the integration process, Charter's business could suffer and its liquidity, results of operations and financial condition may be materially adversely impacted.

Of course, the fact that these risk factors exist does not mean that Charter believes it will fail, or that it will be unable to address the risk factors. Some of the risks are common to any transaction, and not just this one. But the statement of risk factors does recognize that there are likely to be significant additional costs associated with the transactions that are not reflected in historical data, and it does suggest that there is reason for an LFA to approach the transaction cautiously.

Third, the company refused to provide meaningful information regarding future costs to Midwest Cable or to Charter, or information regarding expected cash flows, despite repeated requests. As part of a financial analysis, the Consultants will typically seek information sufficient to allow the Consultants to evaluate the company's (in this case, Midwest Cable) operations against standard industry metrics, and to determine (i) the impacts on cash flow from each of these deals and (ii) what sort of cash flows would be required to meet operational

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and capital expenses of the resulting company and generate the sort of free cash-flow/return on investment expected in the industry. All that has been presented in the FCC Form 394 and made available in public filings are pro forma historical financials (balance sheet, income statement and a simplified cash flow for the first time in the S-1) showing Midwest Cable before the spin-off as operated by Comcast with limited pro forma adjustments from the spin-off (primarily the addition of the debt and the inclusion of the Charter Service Agreement gross revenue fee). No start-up or transition costs have been identified, and no information has been provided as to the costs that Charter will charge Midwest (remember, Charter recovers costs plus 4.25% of gross revenues under its deal with Midwest). Not only is information missing with respect to costs that clearly will be incurred, but the analysis is based on Comcast's performance as operator of the system.

That is, the financial information does not show if cash flow will be generated that will allow Midwest Cable to cover transitional and integration costs, without significant impact on rates, consumer service and investment throughout the spun off systems serving the Participating LFAs.

Charter's December 9 filed S-4 shows some projected financial data for Midwest Cable. This data cannot be analyzed by Consultants since the supporting detail has not been provided. However, Charter's projections show the following:

	Midwest Cable Projected¹⁴					
	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Revenue (\$MM)	\$4,625	\$4,809	\$5,050	\$5,378	\$5,728	\$6,043
EBITDA	\$1,558	\$1,575	\$1,609	\$1,713	\$1,825	\$1,925
CapEx (\$MM)	\$735	\$818	\$808	\$753	\$773	\$786
Cash Flow Before Finance and Tax (EBITDA less CapEx) (\$MM)	\$823	\$757	\$801	\$960	\$1,052	\$1,139

These Charter projections appear to be projections of what Charter believes the financial results of Midwest will be as a stand-alone entity as opposed to the financial results of Midwest as part of Comcast but cannot be reviewed or verified by the Consultants because Charter has refused to provide supporting detail.

Analysis of projected financials and cash flow would provide a basis for conclusions on shifts in revenues, expenses and capital budgets from the Transactions. Changes in revenues could signify rates increases above historical levels. Expense changes could identify changes in services, increased costs for the Transactions or discontinuation of some operations. Capital shifts from investment in customer premises equipment to distribution plant might suggest problems in providing enhanced services in legacy Comcast systems. Simply put, the financial

¹⁴ Charter S-4 of December 9, 2015.

information provided to the Participating LFAs in the FCC Form 394, the multiple Comcast S-4/A's and the Midwest S-1 and S-1/A provide historical financial information on what Midwest Cable would look like as part of Comcast and not as a standalone entity. The Midwest S-1 and S-1/A contain financial information related to "shared" facilities costs from Comcast that will not continue after the spin-off and may or may not be replaced by new costs to Midwest Cable and/or part of the Charter Service Agreement ("CSA") and the Comcast Transition Service Agreement ("TSA"). It appears unlikely that Midwest would be able to replicate Comcast's performance, but the "financial qualifications" showing made by the company effectively is based on the assumption that Midwest Cable will be able to do so.

Efforts to Obtain Additional Information

Comcast filed with the SEC Form S-4/A on May 23, 2014 and established a data link on its website for "public information" associated with the Transactions. The S-4/A contained basic information about the Transactions, including the anticipated spinoff of Midwest Cable, e.g., balance sheets and income statements in summary form showing Comcast, the adjustments to spinoff Midwest Cable, the adjustments associated with the Swaps with Charter, the adjustments associated with the Sale to Charter and the resulting financials of Comcast after the Transactions.

The FCC Form 394s for the transfer of the franchise from Comcast to Midwest Cable was filed with the Participating LFAs on or about June 17, 2014 and relied on the same data as in the May 23 S-4/A. Each of the Participating LFAs within 30 days provided a letter to the identified contact at Comcast explaining the deficiencies in the filed 394 and requesting additional information on the transfer and the financial aspects of the transaction. Comcast responded on or about July 28, 2014 providing no financial information typically stating "(t)he requested information falls outside the scope of this proceeding" and to refer the Participating LFAs to a website of publically available information which contained copies of SEC and FCC filings. Comcast's non-financial responses typically included statements such as:

- "We disagree with the suggestion in your letter that the Application was incomplete or inaccurate."
- "Midwest Cable does not yet own these properties and has not yet established definitive plans for future operations."
- "At this time, Midwest Cable has not developed any specific plans that would impact operations or facilities for the member communities served by the Commission."
- "This request exceeds the scope of permissible review of the Form 394 because it seeks information about broadband services, which are outside the Commission's regulatory authority."
- "We can assure you, however, that if any change is made, it will be undertaken in manner that minimizes disruption to existing subscribers."

- “Midwest Cable does not have any current plans to change ...”

On behalf of the Participating LFAs, the Consultants sent a follow-up request to Comcast, Charter and Midwest Cable on August 13, 2014. Without making any promises or commitments to providing additional information, Comcast and Midwest Cable by letter of August 22, 2014 granted each of the Participating LFAs “a 60-day extension to December 15, 2014, to complete review of the pending Form 394 Application.”

On August 25, 2014, without any notice to the Participating LFAs, Comcast filed a SEC Form S-4/A that contained significant changes to the financial aspects of the spinoff of Midwest Cable, e.g., initial start-up debt was decreased from \$8.8 billion to \$7.8 billion, operating income was decreased by 11.8%. The Consultants provided an additional request on September 3 to address questions raised by the August 25 S-4/A.

The August 25 S-4/A was further corrected by Comcast’s S-4/A filed September 3, 2014. On September 30, 2014 Comcast (without responding to the August 13 request) explained that due to the 11.8% reduction in carve out “Operating Income” and the resulting flow-through to EBITDA (earnings before interest, taxes, depreciation and amortization) that Midwest Cable could not support the original start-up debt of \$8.8 billion requiring it to be decreased to \$7.8 billion.¹⁵ Comcast acknowledged that the “enterprise value” of Midwest Cable had decreased to \$13 billion from the \$14.3 billion amount put forth by Comcast in April 2014. Comcast also revealed for the first time narrative describing generally the “transition services” Comcast would provide to Midwest Cable “on an incremental cost basis.” No additional information was provided on what those costs would be. As previously explained in public documents, the letter explained that Charter would provide services to Midwest Cable under the “Charter Services Agreement” (“CSA”) and stated “Charter will provide a variety of services to Midwest Cable in exchange for cost reimbursement at actual economic cost with no markup.” Again, no specific cost data was provided since the CSA had not been finalized. The letter stated that the Midwest Cable S-1 filing with the SEC was “expected to be filed by October 31, 2014.” Finally, the letter stated that “Comcast and Midwest Cable are together granting an additional one-month extension to January 15, 2015.” The Participating LFAs jointly responded to Comcast’s September 30 letter on October 10, 2014.

The Participating LFAs’ October 10 letter again included financial requests of Comcast, Midwest Cable and Charter, basically the August 13 requests updated to reflect the information in Comcast’s September 30 letter, and explained that “it is very important” the October 31 response to the LFAs “include responses to pending data requests” and a revised Exhibit 6 to the filed FCC Form 394. Comcast responded by letter dated October 21, 2014 making it clear

¹⁵ \$8.2 of the \$8.8 billion was to be paid to Comcast and \$600 million retained by Midwest Cable as start-up cash. The S-4/A shows all of the \$7.8 billion going to Comcast and there has not been any explanation of the resulting \$400 million reduction in the payment to Comcast or the lack of any start-up cash for Midwest Cable.

that the requests would not be specifically responded to, that it was planning to publicly release the audited and unaudited financial statements in the Midwest Cable Form S-1 by October 31, 2014 and that, upon execution of “an appropriate confidentiality agreement,” these documents could be provided to the Consultants.¹⁶ The confidentiality agreement (“CA”) was executed on October 24. The Midwest Cable, Inc. “audited” combined financial statements as of December 31, 2013 and 2012 were provided plus the condensed combined financial statements for the 6 months ended June 30, 2014. Since these documents were made public 7 days later, the only thing executing the CA did was allow the Consultants to view them a week early. As it turned out these was nothing new or meaningful in these documents. No financial information was provided on Midwest Cable’s costs from Comcast under the transition agreement and no financial information was provided on Charter’s charges to Midwest Cable. No adjustments were made to reflect Charter’s costs. For example, Midwest Cable will be receiving programming under Charter’s contracts and at Charter’s costs, which are different than Comcast’s programming and Comcast’s costs, but no adjustment was made or even discussed in these financials. The Consultants immediately responded back to Comcast requesting more detail and pro forma data for the calendar year 2014.

On October 31, Midwest Cable filed its S-1 with SEC that included the financial data provided to the Consultants on October 24. No additional financial information or explanations were provided that had not already been made public.

On November 7, Comcast emailed the TSA (see Attachment C) by and between Comcast Corporation and Midwest Cable, Inc., 48 Statements of Work (“SOWs”) prepared in connection with the TSA and the CSA (see Attachment B) by and between Midwest Cable, Inc. and Charter Communications Operating, LLC. These documents again described the services that would be provided but did not provide any cost data that had not already been made public.¹⁷ The TSA and CSA are current drafts of these documents and have not been signed by either party and according to the S-1 are subject to material changes.

Attachment A provides samples of each of the documents referenced in the above discussion.

The publicly available information provided directly to the LFAs, or made available on the web by the companies has been provided to meet requirements of Federal regulatory agencies and shareholders. It is not designed to meet the needs of the Participating LFAs trying to assess the financial impacts of the Acquisition, Sale, Swaps and Transfers, and as suggested above, in this

¹⁶ It should be noted that starting with the Participating LFAs initial response to the 394 by letters generally dated on or around July 17, Comcast was told that the Consultants were willing to execute a confidentiality agreement with Comcast to protect confidential information from release. The October 21 letter was the first time Comcast had responded to the offer.

¹⁷ The TSA, SOW and CSA are not included in Attachment A.

case clearly omits information relevant to an analysis of Midwest's capabilities as a standalone company.

In sum: the Participating LFAs made requests of Comcast/Charter/Midwest Cable for the required additional information. However, Comcast largely did not provide any additional detail and, again, only referenced the publically available information. As we explain below, the Consultants therefore developed an analysis of Midwest's position based on the information that was provided, adjusted conservatively for costs that Midwest will incur.

The Consultants had a conference call with Comcast, Midwest Cable and Charter on December 15, 2014 to discuss this report. While criticisms were made by Comcast and Charter, little additional information was provided in the call or in subsequent correspondence. This report, where appropriate, addresses the comments of Comcast, Midwest Cable and Charter. Changes were made based on clarifying information provided.

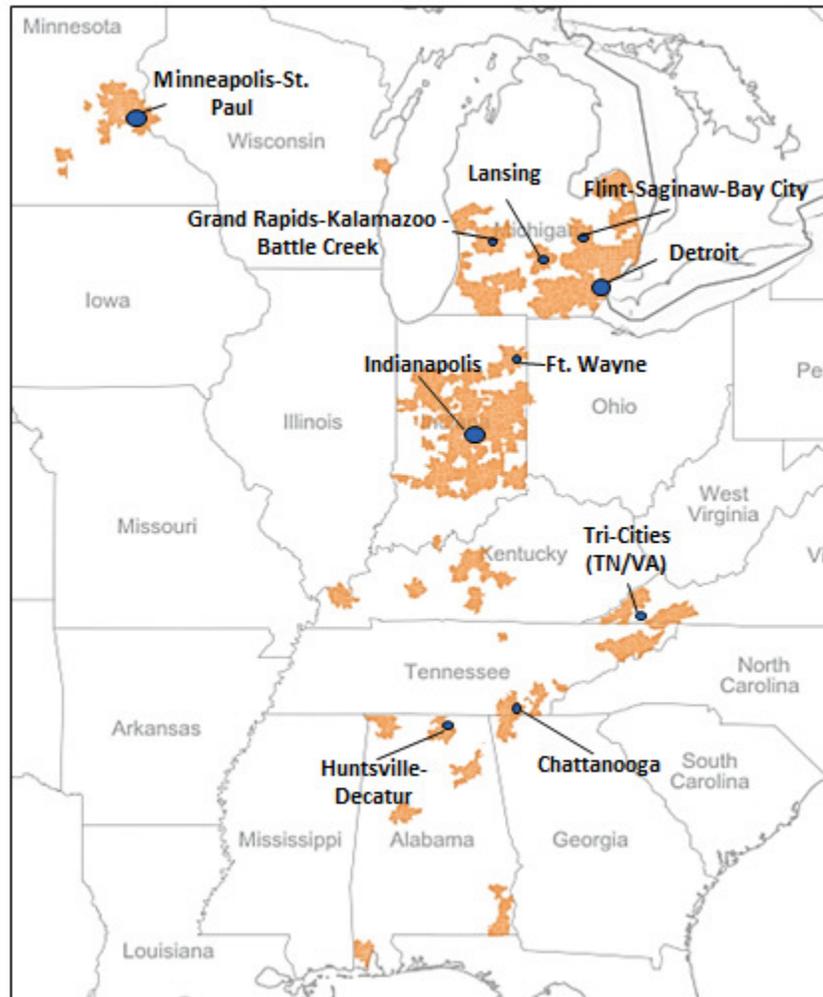
Overview of Midwest Cable

Midwest Cable, Inc. was created as an operating subsidiary of Comcast Corporation¹⁸ as part of the overall Transactions to house the cable systems that were being transferred to Midwest Cable assuming the approval of the merger. Midwest Cable, following the spin-off, will issue classes of common stock to each shareholder of Comcast's Class A, Class A Special and Class B common shareholders shares of Midwest Cable Class A and Class A-1 common stock. The Class A-1 will be converted in New Charter common stock whereby the Comcast shareholders will own approximately 13 percent (13%) of New Charter. After all of these technical and complicated stock transactions, the resulting ownership of Midwest Cable will be approximately sixty-seven percent (67%) will be owned by Comcast's three current classes of common stock and approximately thirty-three percent (33%) owned by New Charter directly.¹⁹ The shares of Midwest Cable will be publically traded on the NASDAQ under the symbol "GLCI." Midwest Cable will be a separate stand-alone company with its own Board of Directors and Management team with two major caveats: first, the initial Board is appointed by Comcast and Charter, and second New Charter will be responsible for providing most of Midwest Cable's day-to-day operations under the Charter Service Agreement.

Midwest Cable presented the following chart of the post Transaction ownership structure in its S-1.

¹⁸ Midwest was formed in May 2014 as a wholly owned subsidiary of Comcast.

¹⁹ As the shareholders of Comcast will own 13% of New Charter, the real ownership of Midwest Cable by Comcast shareholders will be 67% plus approximately 4% (New Charter's 33% times Comcast shareholders' 13%) or over 71% of Midwest Cable.



The three largest clusters for Midwest Cable appear to be in the metropolitan areas including and surrounding Detroit (28%), Indianapolis (14%) and Minneapolis-Saint Paul (22%).

The Board of Directors initial make-up is very interesting as Comcast has appointed three (3) of the Board members, New Charter has appointed three (3) members and Comcast has selected three (3) members from a list presented by New Charter. Mr. Michael S. Willner (previously CEO of Insight Communications, which was sold to Time Warner in 2012) will serve as President and CEO of Midwest Cable. Mr. Thomas M. Rutledge (currently President and CEO of Charter Communications) will become the Chairman of the Board of Midwest Cable. The September 30, 2014 letters sent to the Participating LFAs details other executive management employees that are to be part of Midwest Cable. As a result, it is not unreasonable to assume that the direction of Board of Directors and the executive management team will be greatly aligned with the strategy being used by Comcast and Charter.

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Midwest in its S-1 has identified “risks” associated with this Transaction. They identified the following risk factors:

- *We currently face a wide range of competitors, and our business and results of operations could be adversely affected if we do not compete effectively.*
- *Newer technologies and services are driving changes in consumer behavior, which may increase the number of competitors we face and adversely affect our businesses.*
- *Our programming expenses may increase materially following the spin-off.*
- *Programming expenses for our video services are increasing, which could adversely affect our businesses.*
- *We face risks inherent in our commercial business.*
- *Our business depends on keeping pace with technological developments.*
- *We are subject to regulation by federal, state and local authorities, which may impose additional costs and restrictions on our businesses.*
- *Changes to existing statutes, rules, regulations, or interpretations thereof, or adoption of new ones, could have an adverse effect on our business.*
- *Tax legislation and administrative initiatives or challenges to our tax positions could adversely affect our results of operations and financial condition.*
- *A decline in advertising expenditures or changes in advertising markets could negatively impact our businesses.*
- *We rely on network and information systems, properties and other technologies, and a disruption, cyber attack, failure or destruction of such networks, systems, properties or technologies may disrupt or have an adverse effect on our business.*
- *Weak economic conditions may have a negative impact on our business.*
- *We may be unable to obtain necessary hardware, software and operational support.*
- *We may be unable to maintain intellectual property protection for our products and services.*
- *Our cable system franchises are subject to non-renewal or termination. The failure to renew a franchise in one or more key markets could adversely affect our business.*
- *The effect of changes to healthcare laws in the United States may increase the number of employees who choose to participate in our healthcare plans, which may significantly increase our healthcare costs and negatively impact our financial results.*

Midwest has identified additional risk factors associated with the Transaction. They identified the following risk factors.

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- *We have no operating history as a separate company and may be unable to maintain our operating results at historical levels after becoming a stand-alone company.*
- *As a stand-alone company, we expect to expend additional time and resources to comply with rules and regulations that do not currently apply to us.*
- *Our historical and pro forma financial information may not be indicative of our future results as a separate company.*
- *The combined post-distribution value of Comcast, our and New Charter shares of common stock may not equal or exceed the pre-distribution value of Comcast shares of common stock.*
- *The transactions are subject to certain conditions, and therefore the transactions may not be consummated on the terms or timeline currently contemplated.*
- *After the transactions, certain members of management, directors and stockholders may face actual or potential conflicts of interest.*
- *The indemnification arrangements we entered into with Comcast in connection with the transactions may require us to divert cash to satisfy indemnification obligations to Comcast. In addition, Comcast's indemnity to us may not be sufficient to insure us against the full amount of liabilities for which it will be allocated responsibility, and Comcast may not be able to satisfy its indemnification obligations to us in the future.*
- *Transfer or assignment to us of certain contracts and other assets may require the consent of a third party. If such consent is not given, we may not be entitled to the benefit of such contracts and other assets in the future.*
- *Our financial results may be impacted in the event we no longer receive services from Comcast or Charter.*
- *If the spin-off and SpinCo merger, together with certain related transactions, do not qualify as a transaction that is generally tax-free for U.S. federal income tax purposes, holders of Comcast common stock and Comcast could be subject to significant tax liability.*
- *If the spin-off is taxable to Comcast and Comcast is not at fault or is not otherwise indemnified by New Charter under the tax matters agreement, we will generally be required to indemnify Comcast; the obligation to make a payment on this indemnification obligation could have a material adverse effect on us.*
- *We may be affected by significant restrictions following the spin-off and SpinCo merger in order to avoid triggering significant tax-related liabilities.*

Finally Midwest has identified several risk factors associated with their indebtedness.

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- *In connection with the transactions, we expect to incur indebtedness, which could adversely affect our financial condition and prevent us from fulfilling our obligations under anticipated agreements governing our indebtedness.*
- *We may not be able to generate sufficient cash to service our indebtedness and may be forced to take other actions to satisfy our obligations under our indebtedness, which may not be successful.*
- *We may not be able to access the credit and capital markets at the times and in the amounts needed and on acceptable terms.*
- *The terms of the agreements governing our indebtedness are expected to restrict our current and future operations, particularly our ability to respond to changes or to take certain actions, which could harm our long-term interests.*

In any S-1, “risk factors” are identified to alert potential stockholders as to risks associated with a transaction, and, in many, risk factors are common to any merger. However, what the risks do show is what may happen if a company has excessive debt, is undercapitalized, has insufficient operating capital, or lacks the infrastructure and resources necessary to provide services itself. The question, then is whether the companies have shown that the Transfer is structured in such a way that there no real risk of non-performance or failure to perform as now required or as may be required to meet future needs, and no significant risk of harms to subscribers (in the form of increased rates, reduced services or poor customer service).

Four significant aspects of Midwest Cable’s new structure will be: (1) issuance of approximately \$7.8 billion of new debt²⁰, (2) entering into the Charter Service Agreement, (3) entering into the Comcast Transition Service Agreement and (4) assuming approximately \$600 million in deferred tax liability associated with non-intangible assets. Midwest Cable has presented in its S-1 that the shareholder equity on a book basis at the time of spin-off be approximately a negative \$2 billion. This negative equity coupled with the \$10.6 billion of long term liabilities (debt and deferred taxes) suggests a new company saddled with a significant hill to climb before shareholders will see positive earnings results.²¹ Impacts to the Participating LFAs could be difficulty in funding needed equipment, upgrades and promised franchise-related expenditures, fixing non-compliance issues and increases in rates.

The two service agreements, the CSA²² and the TSA,²³ are very important in understanding the management of Midwest Cable on a stand-alone basis. Midwest Cable will enter into a service

²⁰ See note 5 above.

²¹ A more complete discussion of the debt level and deferred taxes is contained in the following section discussion Midwest’s Financial Qualifications.

²² See Attachment B.

²³ See Attachment C.

agreement, the TSA, with Comcast to provide a multitude of transitional services to Midwest Cable as it transitions from being Comcast owned and managed systems to a stand-alone entity at the time of spin-off. The S-1 description²⁴ of the TSA is:

The nature and scope of the transition services will be as set forth in the transition services agreement and will otherwise be substantially consistent with the nature and scope of such services as provided by Comcast and its subsidiaries to the SpinCo systems immediately before the effective date of the spin-off. If, after the effective time of the spin-off, we identify additional services that are not provided under the transition services agreement (other than because Comcast and we agreed that those services would not be provided), and certain other conditions are met, Comcast and its subsidiaries will provide those services as they can reasonably provide and those services that Comcast and its subsidiaries provide will become transition services under the transition services agreement.

Promptly following entry into the transition services agreement, we and Comcast will develop a joint migration plan, which will target completion of the migration of certain transition services to us or our designees by not later than the first anniversary of the effective date of the spin-off.

In consideration for the transition services, the transition services agreement will provide that we will reimburse and pay to Comcast and its subsidiaries their actual, incremental costs (without overhead allocation) of providing the transition services (including in connection with the migration of the transition services).

While there has been no presentation of the estimated costs associated with this TSA included in the financial data supporting this Transaction, we find the inclusion of the incremental cost language and no overhead allocation to be a positive position for Midwest Cable. Having said that, many of the items that Comcast will be providing will only allow Midwest Cable to have a limited time to decide whether to include these services under the CSA or require Midwest Cable to internally provide these services. For example, if Comcast was providing any general accounting services to Midwest Cable for a fixed time period, Midwest Cable will be required if not covered by the CSA to develop these internal accounting systems to replace those being provided by Comcast under the TSA. This will require capital and significant management time and effort to take an empty shell company and bring it up to a fully functioning stand-alone company. Historically in the cable industry, mergers and acquisitions occurred where the surviving party was already a functioning operating company with all necessary back-office operations. That is not the case with Midwest Cable. The financial information provided about Midwest Cable in this spinoff does not reflect these potentially significant start-up costs that will be required. Additionally, the S-1 contains the following caveat:

²⁴ See pages 68 and 69 of the Midwest S-1.

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The terms of the transition services agreement have not yet been finalized; changes, some of which may be material, may be made to the terms of the transition services agreement before it is finalized, including to the terms described above. You should read the full text of the transition services agreement, which will be filed with the SEC as an exhibit to the registration statement into which this prospectus is incorporated.

As a result, the Consultants caution the Participating LFAs that this TSA needs to be fully understood especially with respect to the ongoing costs to Midwest Cable and the efforts Midwest Cable will need to accomplish in order to self-provision these TSA services within the estimated one-year term of the TSA. These costs to Midwest Cable could be significant and may result in capital expenditures and operational expenses to be diverted from day to day operations, like franchise compliance, in order to get this start-up company fully functioning.

The CSA is a much different agreement. Instead of being short-term in nature the CSA is for a minimum of three (3) years with automatic renewals for one year periods. The services to be provided under the CSA include:

- Corporate Services;
- Network Operations;
- Engineering and IT;
- Voice Operations
- Field Operations Support Services
- Customer Service;
- Billing and Collections
- Product Services;
- Marketing Services;
- Sales;
- Business Intelligence; and
- Intellectual Property Licensing.

From this list it would appear that the CSA will cover virtually all of the day-to-day operations except for HR, Legal, Finance and Accounting and Government Affairs. The CSA provides the following compensation terms for Midwest Cable payments to Charter.

In consideration for the services, the Charter services agreement will provide that we will pay to Charter and its subsidiaries the actual, economic costs of providing the services, without markup, which will comprise any direct costs incurred in providing the services and, subject to certain exceptions, an allocated portion of the compensation and overhead expenses incurred in providing the services. We will also reimburse Charter and

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its subsidiaries for out-of-pocket costs incurred in providing the services. In addition, in consideration for certain rights, including the rights to purchase goods and services, and the rights to obtain programming services, under Charter's third party procurement and programming agreements, we will pay Charter a services fee equal to 4.25% of our gross revenues.

Different from the TSA which provides for incremental costs without overhead, the CSA provides for a flat percentage of gross revenues (including non-cable revenues) at 4.25 % plus direct costs, out-of-pocket costs and allocated overhead expenses. Based on 2013 gross revenues, Midwest Cable has estimated the 4.25% service to be approximately \$190 million exclusive of any direct and allocated overhead costs.

It does appear that Midwest Cable will be relying on new Charter's programming agreements to provide the necessary video programming to the Midwest Cable systems. While there has been no estimate of the potential programming cost increases provided by Comcast, Charter or Midwest Cable as a result of Midwest Cable subscriber's losing the expected lower programming costs from Comcast to the new Charter programming costs, sources from Wall Street reportedly estimate the increase to programming to be around \$179 million in Midwest Cable first year of operation. If this \$179 million is correct, that would mean that each video subscriber will cost Midwest approximately \$6.00 per month or approximately 8% to 10% more. It is likely that if the programming costs under the CSA are greater than as part of Comcast, Midwest Cable will likely be incented to raise prices for its products to produce the same net income as it would have under Comcast ownership. In fact the Midwest S-1 states:

Prior to the spin-off, programming expenses for our video services were our largest single expense item, even with the benefit of lower rates obtained by Comcast due to its scale as being the nation's largest cable operator. Following the spin-off, we will not receive the benefit of Comcast's lower programming rates. We expect that we will obtain our programming primarily through Charter's programming arrangements, as well as through some direct relationships with programmers. As a result, our programming expenses may increase materially due to the loss of benefits attributable to Comcast's scale.

The CSA has the same caveat as quoted above in that it is not final and may be revised. In the S-1, Midwest Cable also describes a second service agreement with Charter that will reverse the roles of the CSA, that is, Midwest Cable providing services to Charter. It is intended to have the same cost reimbursement procedures as the CSA with the notable exception of the elimination of the 4.25% gross revenue fee.

Additionally, the S-1 discusses a Separation Agreement between Comcast and Midwest Cable that addresses many corporate transactions and regulatory approvals required as part of the Transfer. Part of the provisions of the Separation Agreement relate to the issuance of the \$7.8 billion in new debt to Midwest Cable. The S-1 states:

The separation agreement will also provide that we [Midwest Cable] and Comcast will use reasonable best efforts to cause us to incur new indebtedness in an aggregate amount equal to 5.0 times the 2014 EBITDA of the SpinCo systems (as such term is defined by our financing sources for purposes of the financing). The indebtedness will consist of (i) credit facilities to be used to fund cash distributions to Comcast and for our general corporate purposes, and (ii) notes newly issued by us to Comcast, which notes will be used to enable Comcast to complete a debt-for-debt exchange whereby one or more financial institutions are expected to conduct a third-party tender offer for certain of Comcast's publicly-traded debt securities, which is referred to as the "debt tender offer", and will then exchange the tendered debt securities of Comcast for our new notes held by Comcast, which is referred to as the "debt-for-debt exchange."

Essentially what will take place is that Comcast will be able to retire its current debt by \$7.8 billion and have that become long term debt of Midwest Cable. The \$7.8 billion is the latest Comcast estimate of the debt that will be assumed by Midwest Cable, and based on the language above, appears to be based on the 2014 performance of the systems that will be spun-off: that is, the EBITDA, with small adjustments, seems to be based on the performance of the systems as part of Comcast. But the actual EBITDA of the systems post-transaction will be based on Midwest's revenues and costs, which will be affected by the costs of the CSA. Likewise, the financial position of the company as measured by EBITDA as a multiple of debt will be based on Midwest Cable's costs and revenues, not Comcast's costs and revenues.

Overview of Charter/New Charter

The Consultants have analyzed the current financial picture of Charter Communications as part of the Midwest Cable review because of the significant impact Charter will have on the day-to-day operations of Midwest Cable's systems under the CSA. Under the proposed Transaction, Charter will be swapping with Comcast approximately 1.5 million subscribers, acquiring approximately 1.4 million subscribers from the combined Comcast and Time Warner and managing the Midwest Cable properties covering approximately 2.5 million subscribers. As a result, Charter will be growing from its current 4.4 million subscriber to 5.7 million subscribers and then manage another 2.5 million Midwest Cable subscribers resulting in Charter owning or managing almost double its current subscriber amounts. As we have concluded in the Report on the Comcast Time Warner acquisition, substantial changes in subscribers served from the "Swaps", subscriber growth from the "Purchase" and the 2.5 million of Midwest Cable will require significant senior management attention to assimilate acquired systems into the Charter-way and will also require management attention to properly execute the CSA.

Because of these Transactions' impacts and the inter-company relationship with Midwest Cable, the financial qualification of New Charter is an important component of assessing the

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overall financial qualifications of Midwest Cable.²⁵ Charter emerged from bankruptcy 5 years ago, in November 2009. One of the largest changes to Charter was the restructuring and lowering of its debt levels. If these Transactions are completed, Charter will be returning to a total debt level that is close to its pre-bankruptcy level. Currently, Charter has about \$14 billion in long term debt and will be acquiring another \$8 billion in long term debt to fund the acquisition of the Comcast-Time Warner 1.4 million subscriber systems. On a per video subscriber basis after the proposed Transactions, Charter will have approximately \$22 billion in long term debt and approximately 5.7 million subscribers or \$3,900 of debt per video subscriber. This high level of debt does expose New Charter to substantial interest rate risk and a large portion of the long term debt is due within the next five (5) years.

New Charter will have a different subscriber base than current Charter. Current Charter has approximately 4.4 million subscribers across the country. Only approximately one-third (1/3) of those current subscribers will exist in new Charter owned and managed systems. Charter will be faced with a difficult task of integrating two-thirds (2/3) of its owned and managed subscribers into the new Charter day-to-day operations and corporate processes. Table 1 below shows the make-up of new Charter's subscribers.

Table 1

Subscriber Sources ²⁶	Subscribers
Current Charter Subscribers	4.4 million
Current Charter Subscribers Swapped to Comcast	(1.6) million
Remaining Current Charter Subscribers	2.8 million
Comcast Subscribers Swapped to New Charter	1.5 million
New Charter Purchased Subscribers from Comcast	1.4 million
New Charter Subscribers	5.7 million
New Charter Managed Subscribers (Midwest Cable)	2.5 million
Total New Charter Owned and Managed Subscribers	8.2 million

Of primary concern to Midwest Cable will be the ability of new Charter to provide at least the same level of day-to-day services to Midwest Cable subscribers as Comcast is currently providing. While the CSA does provide Charter almost \$200 million in additional revenues

²⁵ The technical and legal qualifications are also important, but as noted above, this report is focused on a financial review of the transaction.

²⁶ See April 28, 2014 Investor Presentation

(under the 4.25% gross revenue portion alone), Charter's management structure and back-office systems could be over taxed by the addition of another 2.5 million managed subscribers, while incorporating the almost 3 million new subscribers acquired. Such pressures could affect new Charter's performance under the CSA. From what has been presented in the CSA, it does not appear that there are any performance standards that new Charter must meet in order to get the payments. As a result, Charter will have financial incentives to limit the resources devoted to providing services pursuant to the CSA, and Midwest Cable appears to have no simple mechanism for ensuring that Charter will perform to standards required under the franchise (and no obvious way to correct service deficiencies using its own employees). To be sure, the companies argue that because Charter owns a significant stake in Midwest Cable, it will have an incentive to ensure that the company does well.

In short, there is no assurance in the deal documents that Charter will perform adequately, and Midwest Cable, because of its obligations under the CSA, may not have the financial wherewithal or the ability to deliver adequate services.

Midwest Cable Financial Qualifications

The Consultants relied on publicly available information and their 40+ years of combined experience in preparing this analysis. Typically, evaluations of cable companies are driven based on cash flow, *i.e.*, the cash generated by the entity indicate its financial health. As noted above, in this case, Comcast, Charter and Midwest Cable have not provided any meaningful cash flow analyses relative to system cash flow after the Spin-off is completed, and instead have relied on historical data based on Comcast's performance. The Comcast's latest S-4/A of September 3 and Midwest Cable S-1 of October 31, 2014 provide the most update and detailed historical financial data publically available. The S-1 provides a simplified cash flow that simply shows that Midwest Cable has no cash because it is all transferred to Comcast. This is also shown on Midwest Cable's balance sheet in the S-1 with no cash shown for any period.

On December 9, 2014, Charter filed a S-4 that contained information concerning Midwest Cable. As discussed above on page 14 and shown in the table, Charter prepared projections based on the historical data from the Comcast S-4/A and Midwest Cable S-1 plus some adjustments associated with Midwest Cable as a stand-alone company taking service under the CSA. The Consultants have not been provided detail supporting the projections. Of major concern is the lack of support for programming cost changes and the cost adjustments related to Charter providing services under the CSA. While historical data for Charter shows it has higher operational costs per subscriber than Comcast, the adjustments Charter has made in its projections for Midwest Cable seem to indicate that costs under the CSA, the TSA and Midwest Cable's executive staff will be about the same amount as the costs of Comcast that are being replaced. The Consultants do not believe that is logical or supportable. Attachment F to this report shows the higher costs per subscriber that Charter incurs compared to Comcast. With respect to total operating expenses, Charter incurs between \$18 to \$22 more costs per subscriber than Comcast. Assuming Charter's costs will replace the current Comcast costs,

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Midwest will see additional pressure to raise rates and/or reduce services in order to achieve its EBITDA goals.

Throughout this review, the Consultants have notified the Participating LFAs and, through the requests for information, Comcast and Midwest Cable that additional information needed to be provided. We also pointed out that the FCC Form 394 filing was premature. These concerns have been verified over the course of this review.

- Charter will be providing services at “actual economic cost with no markup” generally described in the documents provided, but the agreement for these services is still not final and the costs that Midwest Cable must bear from this agreement are still not known. Midwest Cable will pay Charter a “management fee” of 4.25% but it is still unclear how that fee will interact with the services provided at cost. Our assumption is that it will not have any impact, that no services are included for that fee.
- Comcast will be providing “transitional services” but those, again, are only generally described. And, again, the agreement is not final and the costs to Midwest Cable are unknown.
- The financial data of Exhibit 6 provided in the filed FCC Form 394 has changed dramatically in documentation from Comcast and Midwest Cable. Start-up cash has decreased from \$600 million to zero. Debt has decreased from \$8.8 billion to \$7.8 billion. Annual net income based on 2013 data has decreased from \$705 million to \$272 million. While the latest S-1 pro forma (estimated) net income does now include an adjustment for Charter’s management fee, it still does not include any cost changes from the spinoff and the associated changes. It does not include any transitional costs and it does not include Charter’s service costs or programming costs, which apparently will be passed through to Midwest Cable. It does not include Comcast’s charges for transitional services. It does not even include adjustments for to reflect the addition of executive management personnel to Midwest Cable hired earlier this year.

None of these costs are specifically estimated in any of the documentation provided to date. In addition, while the Consultants have repeatedly requested such data and support, no documentation or support for the adjustments shown to the financials in the S-1 to reflect pro forma Midwest Cable have been provided.

Exhibit 6 to Form 394

As stated above, Exhibit 6 contained the same financial information as in the May 23 S-4/A of Comcast. The unaudited pro forma financial information presented was “to give effect to the spin-off of cable systems serving approximately 2.5 million current Comcast subscribers into the newly formed public entity.” Comcast was asked specific questions about the Exhibit by the LFAs. Comcast’s response to the development of the financial information was:

29. With respect to Exhibit 6, please provide:

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a. The methodology used, including all assumptions made by Comcast, Time Warner and/or Charter, by Comcast to allocate the assets, liabilities, revenues and expenses of the historical Comcast systems and those systems that are anticipated being spun-off that are currently Time Warner systems. Included, but not limited to, in the response should be the identification of the records used by Comcast to include current Time Warner systems;

RESPONSE: The cable systems that will comprise Midwest Cable are all legacy Comcast systems. Midwest Cable will not include any Time Warner or Charter cable systems. The cable systems' historical accounting records are maintained as part of Comcast's consolidated records. The accounting operating ledgers considered in preparation of the analysis underlying Exhibit 6 involve cable systems destined for Midwest Cable and no other cable systems. These accounting records serve as the base for the combined Midwest Cable financial statements. For those operating ledgers which are not fully comprised of cable systems that will be spun-off, an allocation methodology was adopted so as to properly represent the historical assets, liabilities, revenues and expenses of the particular systems being spun-off to Midwest Cable. The allocations were primarily based on the relative number of subscribers, however other allocations were used on particular accounts if deemed more reasonable.

b. The methodology used, including all assumptions and appraisals (whether in-house or prepared by a third party), by Comcast to estimate:

i. Property and equipment, net of \$1.957 billion;

RESPONSE: Property and equipment value is based on the historical cost of the underlying asset. Property and equipment is comprised of the historical assets on the operating ledgers of the cable systems that will be included in the spin-off Transaction, as well as other assets that were deemed to be part of the historical operations of the cable systems. The value of these assets was based on the historical cost of the underlying asset with no fair value adjustment. To the extent allocations were used to value assets associated with these particular cable systems, a variety of methodologies were employed to best allocate the assets at issue. Plant, for example, was allocated based on the total pro-rata amount of plant miles. Customer premises equipment and vehicles, however, were based on specific identification. Land and buildings were based on the preliminary shared asset list.

ii. Franchise rights of \$6.231 billion; and

RESPONSE: Franchise rights were allocated based on the estimated fair value of Midwest Cable compared to the overall "cable communications" segment of Comcast.

iii. Goodwill of \$1.391 billion;

RESPONSE: Goodwill was allocated based on the estimated fair value of Midwest Cable related to the overall "cable communications" segment of Comcast.

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c. Please provide support for the amount shown for “Deferred Taxes” of \$3.053 billion that explains in detail the pro forma valuation at “Spin-Off”;

RESPONSE: Deferred taxes is a preliminary estimate based on the difference between the estimated book basis of the assets to be included in the spin-off Transaction (exclusive of non-deductible goodwill), and the estimated tax basis of these assets.

d. An explanation regarding the plans of Comcast and/or Midwest Cable to change any asset depreciation rates for the properties being dedicated to Midwest Cable;

RESPONSE: There is no plan to change any asset depreciation rates at the current time. The basis used in spin-off scenarios is the historical cost basis of those assets and liabilities.

e. Detailed support for the identified shared facilities cost of approximately \$245 million;

RESPONSE: The \$245 million cost does not reflect shared facilities cost, but is an estimated allocation of overhead costs. These overhead costs include administrative support, technical support, and other back-office rules that are not performed at a regional level.

f. A list of and explanation regarding any known and measurable costs similar to the “share facilities” costs that Comcast has failed to include in Exhibit 6 - the explanation should include the reasoning for not including the costs in Exhibit 6; and,

RESPONSE: The shared facilities list is still being refined.

g. A list of and explanation regarding any other estimable costs, such as, but not limited to, transaction costs and integration costs, that have not been included in Exhibit 6 – the explanation should include the reasoning for not including the costs in Exhibit 6, an identification of the costs and estimates of the amounts for calendar years 2014 and 2015.

RESPONSE: It is not possible to calculate those future costs at the current time.

(Response to 29 of the July 17, 2014 letter of Bradley Hagen & Gullikson, LLC on behalf of its clients.)

Clearly, Comcast’s responses show that financial data of Exhibit 6 were estimates and Comcast anticipated they would change. The changes that have occurred thus far are very significant. In Midwest Cable’s filed S-1 total assets decreased \$1.4 billion, primarily driven by the adjustments to intangible assets due to the \$1 billion decrease in debt. Equity decreased from a negative \$1.933 billion to a negative \$2.029 billion.

Seventy-five percent (75%) of Midwest Cable’s assets of \$9.043 billion are \$6.802 billion of intangible assets consisting of franchise rights of \$5.561 billion and goodwill of \$1.241 billion. Since Midwest Cable was required to “pay” Comcast \$7.8 billion for the spinoff, the amount of intangible assets is a function the debt amount and needed to “balance” the financial

statements. Otherwise, the only other balancing item would have been equity and lowered equity at start-up to a negative \$8.831 billion. Midwest Cable describes its franchise rights in the S-1 as follows:

Our largest asset, our cable franchise rights, results from agreements we have with state and local governments that allow us to construct and operate a cable business within a specified geographic area. The value of a franchise is derived from the economic benefits we receive from the right to solicit new customers and to market new services, such as advanced video services and high-speed Internet and voice services, in a particular service area. The amounts recorded for cable franchise rights are primarily a result of cable system acquisitions. Typically when cable systems are acquired, the most significant asset recorded is the value of the cable franchise rights. Often these cable system acquisitions include multiple franchise areas. We currently serve approximately 950 franchise areas in the United States. The value of our cable franchise rights represents the aggregate value for the cable systems attributable to our operations, which were previously components of two of Comcast Cable Communication's divisions.

Analysis of Exhibit 6 to Form 394

The Consultants review of Exhibit 6 noted the above deficiencies. In order to present a more appropriate representation of the pro forma operations of Midwest Cable going forward, the Consultants created the financial statements included as Attachment D. We have included the balances from the S-1, S-1/A and the S-4 as reported by the companies and no adjustments were made to the Balance Sheet. For the income/expense statement, again we used the nine-month S-1/A data as of September 30, 2014. The amounts were increased to show annualized pro forma revenues and expenses. We then made adjustments to reflect:

- Charter's advertising revenue, made on a per sub basis times Midwest Cable's 2.5 million subs (because Charter, and not Comcast's advertising performance is more likely indicative of the performance of the system post-transfer);
- Charter's expenses, made on a per sub basis times Midwest Cable's 2.5 million subs;
- The decrease in the Charter service fee due to the reduction in revenues;
- Estimated amounts of Midwest Cable funded transition costs; and,
- Elimination of the Comcast shared asset costs.

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The adjustments to advertising revenue and to expenses were based on Charter's per subscriber amounts²⁷ times Midwest Cable's number of subscribers or 2.5 million. (See Attachments D and F.) Since the adjustment decreased advertising revenue, it was necessary to make a minor reduction to Charter's management fee.

The largest two components of the adjustment to reflect Charter's level of expenses were to programming expenses and other operating administrative and general. At the spin-off, Midwest Cable will be providing programming under Charter's programming contracts and paying the same fees for programming as Charter. Since these costs are more than Comcast's programming expenses an adjustment was required. The Consultants have used both the per subscriber programming costs from the trend reports and the Wall Street Consensus estimate on Exhibit D in Scenarios A and B, respectively. The increased programming costs range from approximately \$15 per subscriber per month (Scenario A) to approximately \$6 per subscriber per month (Scenario B). On a per subscriber basis, Charter's other operating administrative and general expenses are higher than Comcast's expenses. Charter will be providing these types of services and charging Midwest Cable for these services at cost. This adjustment is to reflect those costs. The Consultants have also addressed a concern raised by Comcast *et al* in their December letter that the Consultants have not eliminated the Comcast overhead included in the S-1 operating expenses of Midwest. Because the Consultants have not used any of the S-1 operating expenses (programming, other operating and advertising expenses) the Consultants have not included any legacy overhead expenses from Comcast in Exhibit D. The Consultants have also addressed the potential that the Charter trend reports include corporate overhead allocations of Charter by including an adjustment in Scenario B to reduce other operating and advertising costs by an estimated \$200 million from the amounts shown in Scenario A. The Consultants would have been able to use an amount supported by the data instead of an estimate had Comcast/Charter/Midwest provided the information requested. In addition, Midwest Cable has an executive staff under contract, for example the S-1 states Mr. Willner will receive an annual salary of \$1.5 million and be eligible for bonuses up 150% of his base or an additional \$2.25 million. No adjustment was made in the Midwest Cable's S-1 or in Charter's *pro forma* S-4 calculations to reflect the additional costs of the executive staff or any other employees of Midwest. Our income statement also excludes any adjustment regarding this in order to present a conservative analysis. As shown in Attachment D, the effect of our adjustments reduces operating income from an annualized S-1/A amount of \$907 million to between \$201 million and \$685 million, reduces annualized S-1/A net income from \$304 million to between (\$126) million and \$168 million, and reduces EBITDA from an annualized S-1/A amount of \$1.560 billion to between \$732 million and \$1,215 million.

²⁷ The per subscriber amounts were derived from Charter's 3rd Quarter Trend Reports from its website.

We have also provided a simplified cash flow statement that shows cash from the pro forma operations of (\$330 million) to (\$36 million). We have used the same projection of capital expenditures as Charter. (See the table on page 14 above.) Midwest Cable will need to increase capital expenditures in the first year of the spin-off to replace equipment and software provided by Comcast. As reported in the Charter S-4, Charter is estimating Midwest capital expenditures to be between \$753 million and \$818 million for years 2015 through 2019. It is also simplified in that we do not know additional funding sources that will be accessed by Midwest Cable in the form of lines of credit and or short term debt. None of that information has been provided by Comcast, Charter or Midwest Cable.

EBITDA

With these adjustments, we are able to estimate post-Transfer EBITDA for Midwest Cable in Attachment D. The adjustments significantly reduce EBITDA as opposed to the EBITDA figures Comcast provided based on its past performance. As part of the Transaction, Midwest is required to assume debt up to 5 times EBITDA. The S-1/A data does not reflect the costs that Midwest would be incurring if the Transaction were in place today – it reflects Comcast’s costs with some adjustments. However, Midwest’s costs (because of its agreements with Charter and Comcast) will reflect Charter’s costs plus transitional costs from Comcast. Charter’s costs alone are higher than Comcast’s. (See Attachment F.) Adjusted to reflect Charter’s costs, and reasonable assumptions with respect to costs Midwest will incur but which were not included in the S-1/A data, Midwest’s debt at \$7.8 billion will be roughly between 6.4 and 10.7 times EBITDA per Scenarios B and A, respectively, of Attachment D, exceeding normal industry parameters, which include roughly three times cash flow for Comcast, and at the higher end, five times for companies like Charter. The basis of the funding of the spin-off has been publically discussed by Comcast and Charter as 5 times the SpinCo systems’ 2014 EBITDA, presumably because any higher multiple would be inconsistent with industry metrics, and imply significantly greater risks. As noted above, the companies themselves reduced the estimated EBITDA for Midwest Cable that were revealed in the August S-4/A of Comcast and resulted in a reduction of Midwest Cable’s debt from \$8.8 billion to \$7.8 billion. But, using the announced criteria of 5 times EBITDA, our forward-looking analyses in Attachment D, Scenarios A and B, show Midwest Cable can only afford between \$3.6 billion and \$6.1 billion in debt.

Deferred Tax Liability

At spin-off, Midwest Cable has a deferred income tax liability of \$2.838 billion that has been transferred by Comcast, comprised of \$2.238 billion related to intangible assets and \$600 million associated with tangible assets. This liability recognizes that Comcast has realized income tax benefits (typically such benefits are in the form of accelerated depreciation for income purposes) associated with the assets transferred to Midwest but that Midwest Cable will be required to “pay back” those benefits in the form of higher income taxes in the future. The following table illustrates how deferred taxes are created from the timing differences of

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book depreciation and tax depreciation and how the amount is reversed over the life of the associated asset.

Table 2
Example

The following assumes a company purchases an asset on day 1 of month 1 of year 1 for \$1,000. The asset has a 5 year book life with annual depreciation of \$200. For income tax purposes, the company can depreciate the asset \$500 in year 1, \$300 in year 2 and \$200 in year 3, so that for income purposes the asset is fully depreciated at the end of year 3. For book purposes, the asset is not fully depreciated until the end of year 5. This results in an income tax benefits in years 1 and 2 and increased income tax expense in years 4 and 5 when actual taxes paid are compared to book income tax expense.

Line No.		Accounting value (a)	Accounting Depreciation (b)	Net Accounting Value (c)
1	Purchase at 01/01/Year 1	1,000		
2	Year 1		200	800
3	Year 2		200	600
4	Year 3		200	400
5	Year 4		200	200
6	Year 5		200	0
7	Year 6		0	0
8			<u>1,000</u>	
			Tax	
		Tax value	Depreciation	Net Tax Value
9	Purchase at 01/01/Year 1	1,000		
10	Year 1		500	500
11	Year 2		300	200
12	Year 3		200	0
13	Year 4		0	0
14	Year 5		0	0
15	Year 6		0	0
16			<u>1,000</u>	
		Difference		
		Accounting less Tax Depreciation	Deferred Tax @39%	Deferred Tax Asset (Liability)
17	Year 1	(300)	(117)	(117)
18	Year 2	(100)	(39)	(156)
19	Year 3	0	0	(156)
20	Year 4	200	78	(78)
21	Year 5	200	78	0
22	Year 6	0	0	0

Report on Spin-Off to Midwest Cable, Inc.

Line No.	Accounting value	Accounting Depreciation	Net Accounting Value
23	0	0	

A simple comparison of deferred incomes taxes of Comcast to net plant at December 31, 2013 yields a ratio of 1.0629 (\$31.595 billion divided by \$29.588). For Midwest Cable the same ratio at spinoff is 1.4728. (See Attachment E.) For Midwest to have the same ratio, deferred taxes would need to be reduced to \$2.048 billion.

Midwest Cable shows net plant of \$1.926 billion and annual depreciation expense of \$512 million. This yields an average book life of the net plant of 3.76 years (\$1,926 divided by \$512). Assuming the deferred income tax liability associated with tangible assets would be recovered ratably over the remaining life of the assets, Midwest Cable would have increased income tax expense of \$159.57 million per year, \$63.80 per subscriber per year. This is \$5.32 per subscriber per month in increased costs. Again, Comcast realized the benefits of accelerated depreciation, i.e., \$600 million in tax savings, but Midwest Cable will have to pay for it.

Comparison of Comcast Costs to Midwest Cable

Attachment E to this report shows comparisons of financial information of Midwest compared Comcast, Time Warner and Charter. Comcast's net property and equipment per subscriber is almost twice the amount per subscriber of Midwest - \$1,413 to \$770, respectively. However on debt supporting the investment Comcast's level is 87% of Midwest - \$2,728 per subscriber for Comcast to \$3,120 per subscriber for Midwest. As shown by the ratio of "Debt to Assets net of Franchise Rights and Goodwill", Comcast's ratio is .6971 dollars of debt per dollar of assets net of franchise rights and goodwill. Midwest's ratio is 5 times higher – 3.4806 dollars of debt per dollar of assets net of franchise rights and goodwill.

Impacts on Rates

It appears that the Wall Street Consensus has estimated the programming increases by moving the Midwest subscribers to Charter's programming cost will result in approximately \$179 million of additional programming expense to Midwest notwithstanding normal programming increases.²⁸ According to the Kagan projections provided by Comcast/Charter, video revenues for the first nine months of 2014 are approximately \$1.660 billion for Midwest. Annualized for the full 12 twelve months suggests a video revenue of approximately \$2.213 billion for Midwest. To recover the estimated impact of the \$179 million programming cost changes would require annual rate increase of approximately 8% (or approximately \$6.00 per subscriber per month), in addition to the normal rate increases the industry has seen of approximately 5% to 7% annually. This could result in a significant rate increase as a result of this transfer. It does

²⁸ See Charter S-4 and Midwest S-1.

not appear that Charter's 2015 estimated EBITDA has fully reflected this impact. It would appear logical that for Charter's estimated growth in EBITDA to occur in 2015, that Charter is estimating that they will be able to lower the operating costs of Midwest below the estimated \$300 million of Comcast overhead²⁹ currently included in the Midwest financials notwithstanding the almost \$200 million of the Charter management fee (4.25% fee) which is not logical.

As a result, the actual rate increases will have to likely be more than the recovery of the Comcast to Charter programming costs and if not implemented will result in much lower 2015 EBITDA than Charter is projecting in its S-4.

New Charter

In order to fund its portion of the Transactions, Charter, which has recently emerged from bankruptcy, is reorganizing and taking on 50% more debt, i.e., increasing its debt from \$14 billion to \$22 billion. The reorganized Charter is being referred to as "New Charter".

New Charter will have responsibility for acclimating to 2.9 million former Comcast and Time Warner subscribers (1.5 million in Swaps and 1.4 million purchased), incurring the costs of this transition, taking on the management of Midwest Cable and providing services to Midwest Cable. New Charter is also banking on Midwest Cable's ability to pay its bills. Any financial difficulty of Midwest Cable will also result in financial concerns for New Charter. New Charter will not be in a position to assist Midwest Cable financially due to its increased debt load and may not be in a position to satisfactorily perform the services under the CSA.

OTHER ISSUES

Non-compliance.

As suggested above, Midwest Cable will have little cash on hand to address any issues associated with franchise non-compliance, and may not have significant funds available to correct any current system deficiencies. This will make it important for localities to ensure that there is some mechanism in place that ensures non-compliance issues will be addressed.

Changes to the Transfer

Our report and the accompanying analyses are based on the transfer as presented in the filed FCC Form 394 with subsequent adjustments addressed in publically available documents. It is possible before the transfer actually takes place, the parameters of the deal may change. For example, the companies may realize that Midwest cannot afford such a substantial amount of

²⁹ Comcast has suggested in its December 11 letter that the \$300 million of included Comcast overhead should be removed from the calculation of EBITDA. (See Attachment G.) We disagree. Our adjustment (b) in Attachment D restates operating expenses to Charter's cost per subscriber and eliminates any pre-existing Comcast costs in operating expenses.

debt and changes will be made. It is not possible for us to contemplate or plan for such changes, so this report does not address them, and in any action taken with respect to the transfer, a locality may wish to ensure that if there are additional changes, those are also subject to local review so that the impact of the changes may be taken into account.

Conclusion / Recommendations

The Consultants have identified financial impacts that suggest Midwest Cable may be incurring debt levels that exceed the industry norm of 5 times EBITDA. As described above, financial conditions should be considered by the Participating LFAs. Also, the Participating LFAs should consider the complete lack of any financial information that was requested but refused to be provided by Comcast and Charter in reviewing this Transaction. Our analyses described above and in Attachments D, E and F are based on the straightforward adjustments to historical data of the spun-off Midwest Cable, Inc. The only pro forma adjustment made, shown in Midwest Cable's S-1/A, is for the 4.25% management fee from the CSA. No footnotes in the S-1/A explain the impacts to historical costs from adopting Charter's programming costs (only that costs will increase) or of the CSA or the TSA or of adding its own executive staff and other employees.

Neither Midwest Cable, Comcast nor Charter have provided adequate information that established Midwest Cable's financial qualifications. All information provided, publically and the very limited additional information provided in the response to a small portion of our requests, show the debt assumed in the S-1/A is high compared to EBITDA, show Midwest with no cash at start-up and with limited ability to acquire cash absent reductions in spending or increases in rates resulting in little, if any, working capital.³⁰ All of these factors point towards a stand-alone company that may experience a difficult financial future, at least in the short term, without reductions to capital expenditures, customer services, franchise obligations and other cash conserving activities and or rate increases to support its obligations under the anticipated debt load and the agreements under the CSA and TSA for management fees and cost reimbursement.

³⁰ The Consultants recognize that Midwest as a business has a revenue stream and necessary expenses and expenditures. We have not done a working capital analysis to determine if the inflow of cash is sufficient and properly timed to meet the day-to-day cash needs of the company.

The attachments to this Report were not included due to the volume of the material.

A copy of the attachments are available by contacting NDC4 staff, attention – Jodie Miller.



REPORT

Regarding the Proposed Transfer of Control of the Cable Franchise and Cable System from Comcast to Midwest Cable (GreatLand Connections Inc.)

February 4, 2015

Submitted by:

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INTRODUCTION

This report has been provided by Moss & Barnett, a Professional Association, for the purpose of evaluating a request from Comcast of St. Paul, Inc. ("Grantee"), the current holder of the Cable Franchise ("Franchise") in the Northern Dakota County Cable Communications Commission ("Commission"). The Commission is a joint powers commission which administers and regulates the operations of the Grantee under the Franchise. The Commission includes the member cities of Inver Grove Heights, Lilydale, Mendota, Mendota Heights, South St. Paul, Sunfish Lake, and West St. Paul, Minnesota (hereinafter referred to as "City"), to approve a proposed transfer of control ("Transfer") of the Franchise to Midwest Cable, Inc. (hereinafter "Midwest Cable" or "Midwest"). The Grantee currently owns, operates and maintains a cable television system ("System") in the City pursuant to the terms of the Franchise.

On February 12, 2014, Comcast Corporation ("Comcast") and Time Warner Cable Inc. ("TWC") entered into an Agreement and Plan of Merger whereby Comcast would acquire the cable systems and franchises held by TWC among other assets. On April 25, 2014, Comcast and Charter Communications, Inc. ("Charter") entered into the Comcast/Charter Transactions Agreement (the "Agreement"), pursuant to which the Grantee, through a restructuring under Comcast's ownership, will become Comcast of Minnesota, LLC ("New Grantee") and immediately thereafter will become a wholly-owned subsidiary of Midwest Cable (the "Transaction").

Note: See pages 3, 4 and 5 of this Report for diagrams of the Transaction.¹

What is happening to the Twin Cities Comcast cable systems?

Comcast's proposed acquisition of TWC will (if approved) result in the total combined number of cable subscribers to be controlled by Comcast to exceed 30 million nationwide. In an effort to reduce that number and make the Transaction more acceptable to federal regulators, Comcast voluntarily agreed to divest itself of 3.9 million cable subscribers nationwide. Part of this proposed divestiture was accomplished with the system swaps between Comcast and Charter that results in Charter acquiring an additional 1.4 million cable subscribers. The remaining 2.5 million cable subscribers to be divested by Comcast will be controlled by a new publicly traded entity, Midwest Cable. In Minnesota, Comcast's only cable subscribers exist in the Twin Cities market (and small portions of western Wisconsin). As a result, the Twin Cities market was selected, along with other markets in Michigan, Illinois, Indiana and some southern states, to be included in the divestiture transaction.

What this means is that Comcast will be leaving Minnesota and will no longer own the cable systems serving the Twin Cities or the City. Rather, the System will be owned by Midwest Cable. Because Midwest Cable is newly created, it will require third party assistance to address many operating issues such as programming agreements, customer service, billing, technical support and related issues. Charter will be assisting Midwest Cable with many of these issues via a "services agreement" that will be more fully explained in this Report.

¹ All diagrams are derived from Midwest Cable Form S-1 filed with the Securities and Exchange Commission on October 31, 2014.

What will be the name of the new cable operator serving the City?

In initial communications with the City, Comcast referred to the proposed new cable operator entity as SpinCo. Shortly thereafter the name was changed to Midwest Cable. Midwest Cable remains the name as of the date of this Report, but following close of the Transaction, the name will change to GreatLand Connections Inc. ("GreatLand"). For purposes of this report all references will be to Midwest Cable.

The Transaction initially provides for Comcast's creation of Midwest Cable and Comcast's contribution of systems (and related business assets and holdings) serving approximately 2.5 million existing Comcast subscribers to Midwest Cable. Midwest Cable is currently a wholly owned subsidiary of Comcast. Following the contribution, Comcast will spin-off the Midwest Cable stock to its public shareholders and Midwest Cable will become an independent, publicly traded corporation and its name will change to GreatLand. Approximately two-thirds (2/3) of the equity and voting shares of Midwest Cable will be held by Comcast shareholders and one-third of the equity and voting shares will be owned by Charter. *See page 5 of this Report for a diagram of the transaction.*

Timing for Action by the City

On or about June 17, 2014 the City received from Grantee, FCC Form 394 - Application for Franchise Authority Consent to Assignment or Transfer of Control of Cable Television Franchise ("Application"). Federal, state and local law, including the terms of the Franchise, provide the City with authority to consider the Application. The time period for such a review is typically one hundred twenty (120) days from the date of receipt of the Application, in this case on or before October 15, 2014. On or about August 22, 2014 Comcast and Midwest Cable agreed to extend the Application review period for sixty (60) days until December 15, 2014 to allow the City time to review additional information concerning the qualifications of Midwest Cable which was provided to the City on September 30, 2014.

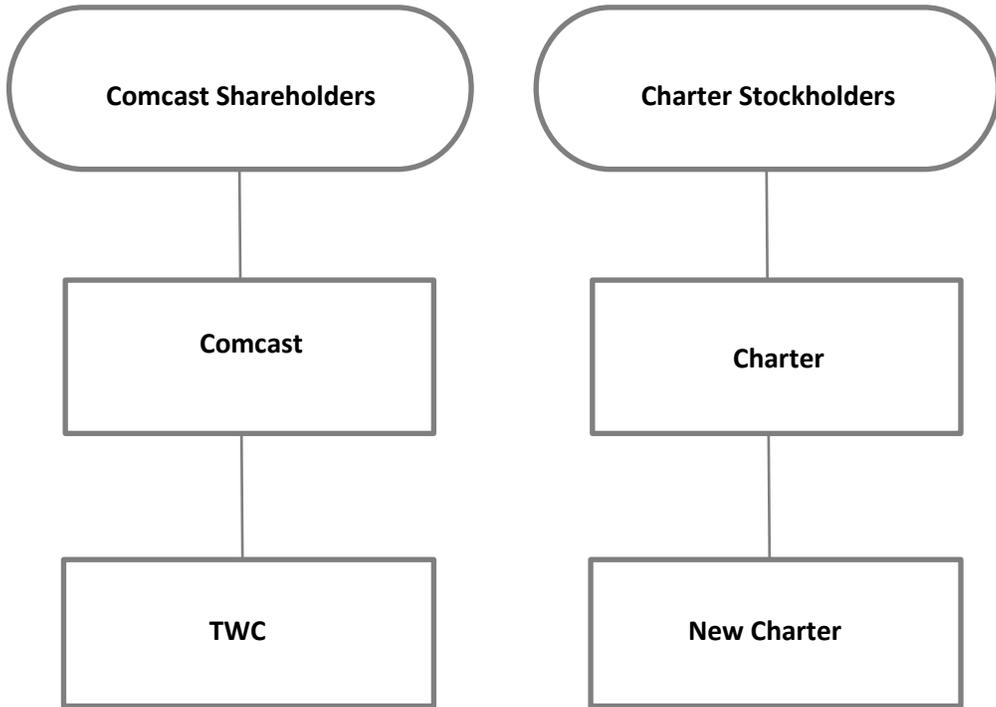
On or about September 30, 2014 Comcast and Midwest Cable agreed to a further extension of the Application review period for thirty (30) days until January 15, 2015 to allow the City to review certain service agreements related to the Transaction as well as certain SEC financial filings to be made available for review on October 31, 2014. **The current deadline for action on the Application is February 27, 2015.**

What can the City consider?

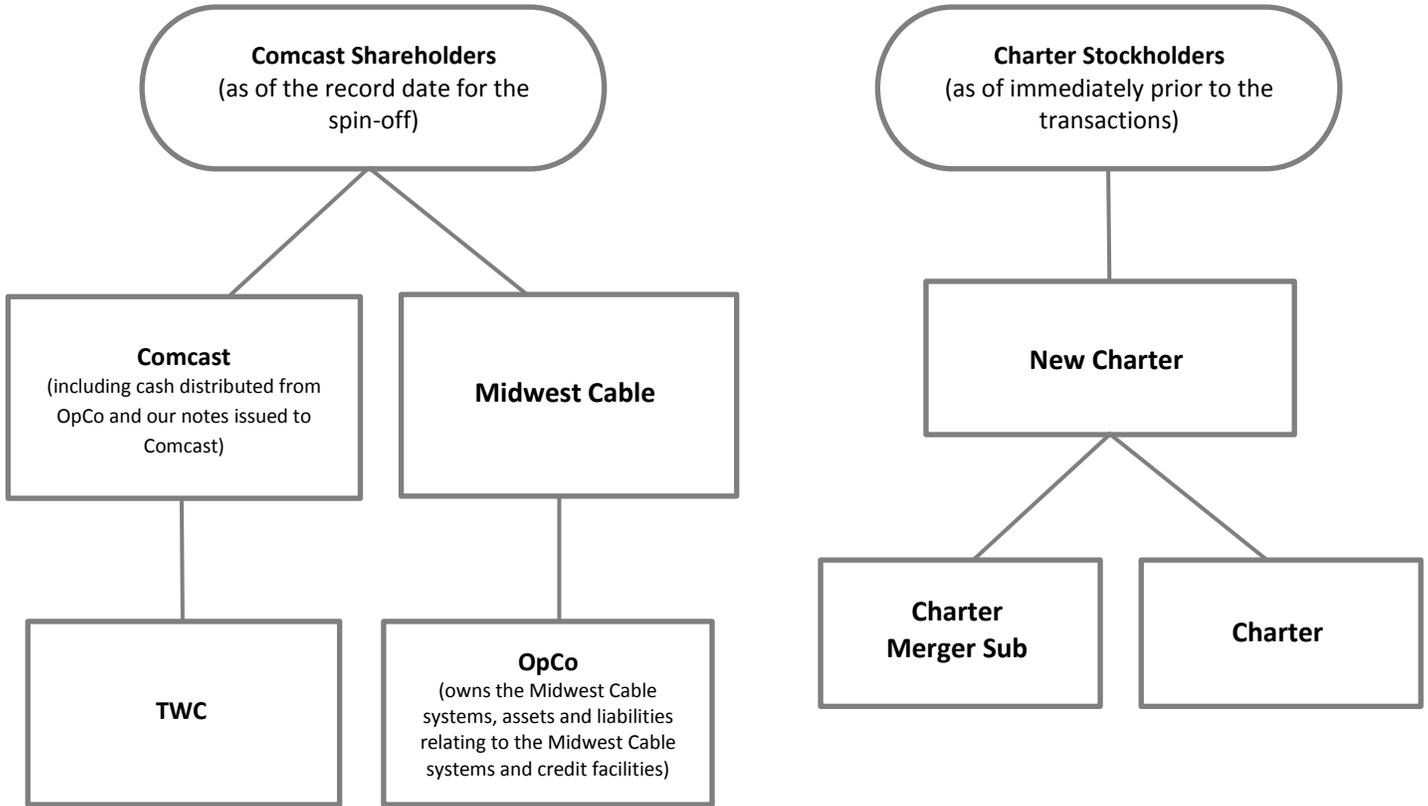
Pursuant to the City's Franchise, this proposed Transfer is prohibited without the written consent of the City. Federal, state and local law provides the City with a right to examine the legal, technical and financial qualifications of the proposed New Grantee and Midwest Cable.

Following review of the Application additional questions were sent on the City's behalf to Comcast seeking supplemental information regarding the qualifications of New Grantee and Midwest Cable. The Transaction is complicated to describe because certain operational responsibilities will be contracted for by Midwest Cable. Both Comcast and Charter will provide certain transition services and ongoing services to Midwest Cable which will be more fully described herein.

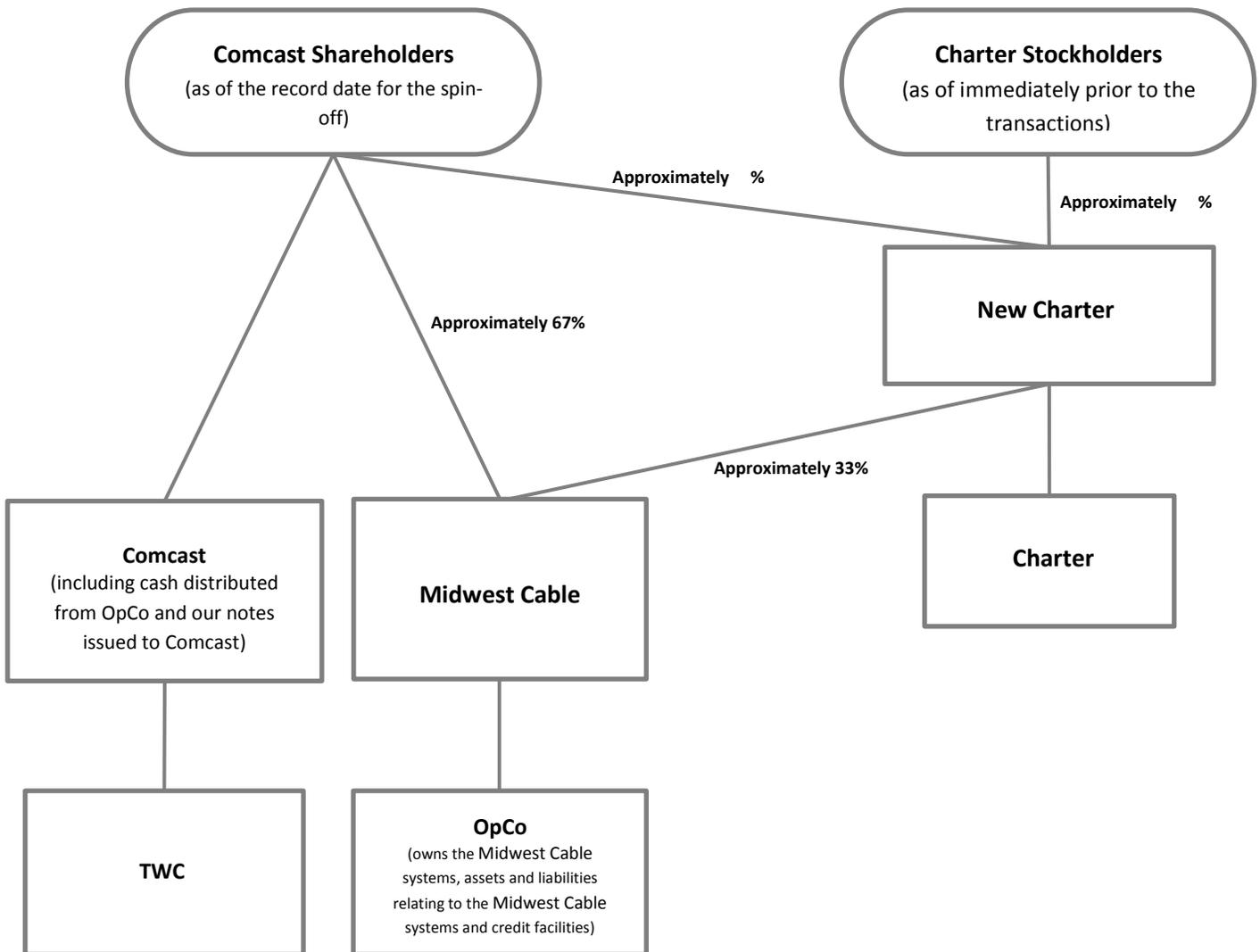
**Structure Following the Comcast/TWC Merger
but Before the Transactions**



**Structure Following the Spin-Off and the Charter Reorganization
but Before the Midwest Cable Merger**



Structure Following the Transactions



APPLICABLE LAW

In addition to the Franchise requirements which are not specially set forth herein, the following provisions of Federal law and State law govern the actions of the City in acting on the request for approval of the Transaction.

Federal Law

The Cable Communications Policy Act of 1984, as amended by the Cable Consumer Protection and Competition Act of 1992 and the Telecommunications Act of 1996 ("Cable Act"), provides at Section 617 (47 U.S.C. § 537):

Sales of Cable Systems. A franchising authority shall, if the franchise requires franchising authority approval of a sale or transfer, have 120 days to act upon any request for approval of such sale or transfer that contains or is accompanied by such information as is required in accordance with Commission regulations and by the franchising authority. If the franchising authority fails to render a final decision on the request within 120 days, such request shall be deemed granted unless the requesting party and the franchising authority agree to an extension of time.

The Cable Act also provides at Section 613(d) (47 U.S.C. § 533(d)) as follows:

(d) Regulation of ownership by States or franchising authorities. Any State or franchising authority may not prohibit the ownership or control of a cable system by any person because of such person's ownership or control of any other media of mass communications or other media interests. Nothing in this section shall be construed to prevent any State or franchising authority from prohibiting the ownership or control of a cable system in a jurisdiction by any person (1) because of such person's ownership or control of any other cable system in such jurisdiction, or (2) in circumstances in which the State or franchising authority determines that the acquisition of such a cable system may eliminate or reduce competition in the delivery of cable service in such jurisdiction.

Further, the Federal Communications Commission ("FCC") has promulgated regulations governing the sale of cable systems. Section 76.502 of the FCC's regulations (47 C.F.R. § 76.502) provides:

Time Limits Applicable to Franchise Authority Consideration of Transfer Applications.

- (a) A franchise authority shall have 120 days from the date of submission of a completed FCC Form 394, together with all exhibits, and any additional information required by the terms of the franchise agreement or applicable state or local law to act upon an application to sell, assign, or otherwise transfer controlling ownership of a cable system.*
- (b) A franchise authority that questions the accuracy of the information provided under paragraph (a) must notify the cable operator within 30 days of the filing of*

such information, or such information shall be deemed accepted, unless the cable operator has failed to provide any additional information reasonably requested by the franchise authority within 10 days of such request.

- (c) If the franchise authority fails to act upon such transfer request within 120 days, such request shall be deemed granted unless the franchise authority and the requesting party otherwise agree to an extension of time.

State Law

Minnesota Statutes Section 238.083 provides:

Sale or Transfer of Franchise.

Subd. 1. Fundamental corporate change defined. For purposes of this section, "fundamental corporate change" means the sale or transfer of a majority of a corporation's assets; merger, including a parent and its subsidiary corporation; consolidation; or creation of a subsidiary corporation.

Subd. 2. Written approval of franchising authority. A sale or transfer of a franchise, including a sale or transfer by means of a fundamental corporate change, requires the written approval of the franchising authority. The parties to the sale or transfer of a franchise shall make a written request to the franchising authority for its approval of the sale or transfer.

Subd. 3. Repealed, 2004 c 261 art 7 s 29

Subd. 4. Approval or denial of transfer request. The franchising authority shall approve or deny in writing the sale or transfer request. The approval must not be unreasonably withheld.

Subd. 5. Repealed, 2004 c 261 art 7 s 29

Subd. 6. Transfer of stock; controlling interest defined. Sale or transfer of stock in a corporation so as to create a new controlling interest in a cable communication system is subject to the requirements of this section.

The term "controlling interest" as used herein is not limited to majority stock ownership, but includes actual working control in whatever manner exercised.

TECHNICAL REVIEW

The technical qualification standard relates to the technical expertise and experience of New Grantee and Midwest Cable to own, operate and maintain the System in the City following the closing of the Transaction. In this case, since Midwest Cable will become the ultimate parent of New Grantee, our focus is on the technical qualifications of Midwest Cable. In such a review, the standard of review is that the City's consent shall not be "unreasonably withheld." Because Charter will be providing considerable support to Midwest Cable, we have also outlined below certain qualifications of Charter and have attempted to clarify which entity will provide services in the City.

Background Qualifications of Midwest Cable

Midwest Cable is a newly created entity. Midwest Cable has no operating history that the City can review nor does it have any existing franchises under its control. Midwest Cable will initially have nine board members. Midwest Cable's Executive Management Team will include the following cable and communications industry executives: 1) Michael Willner, President and CEO; 2) Leonard Baxter, Vice President, Chief Administrator Officer; 3) Matt Siegel, Executive Vice President and Chief Financial Officer; and 4) Keith Hall, Executive Vice President, Corporate Affairs. Mr. Willner, a forty year cable veteran, is the former President and CEO of Insight Communications. Many members of the Midwest Cable executive team are former Insight Communications executives that worked under Mr. Willner. Midwest Cable will employ regional managers and for certain cable systems, local area managers, who will responsible for overseeing the local cable system operations of Midwest Cable.

Responses to Supplemental Information

Comcast and Midwest Cable provided an identical letter dated September 30, 2014 to all Twin City area jurisdictions (through legal counsels for each of the jurisdictions) rather providing a response to each of the specific questions raised by the City. Below is a summary of the information provided in the Comcast/Midwest Cable correspondence dated September 30, 2014.

1. Will Midwest Cable have local Twin City employees?

All local system field operational (technical) personnel will be Midwest Cable employees. All government affairs personnel interacting with local franchising authorities will also be Midwest Cable employees. Other operational services will be provided by Charter personnel as described below.

2. What transition services will Comcast provide?

During the first year following the close of the Transaction, Comcast will provide the following "transition services" to Midwest Cable. Some of these services will transition to Midwest Cable more quickly than others.

- a. Facilities and Asset-Based: Network operating center ("NOC") for fiber and outage monitoring; national-route fiber leases; Internet Protocol TV ("IPTV") infrastructure and support; call centers and specialized customer care activities (e.g., home security monitoring).

- b. Software Platforms: Billing systems; customer websites and service portals; provisioning and telephony platforms; customer premise equipment support systems; voicemail and email platforms; network support tools; data warehouse; human resources and accounting systems.
- c. Marketing and Sales: Transition from Comcast/Xfinity branding to the Midwest Cable and Charter co-branded "Spectrum" product offering – including all of the associated market and employee-facing markings, as well as national sales channels for residential, commercial and advertising sales.
- d. Customer-Facing Transition Services: Call center support; billing systems support; provisioning of video; voice and data services; voice operations/call completion; X1 platform support; customer identity management; and email/voicemail continuity support.

3. **What services will Charter provide in the Twin Cities?**

For an initial three (3) year term (with optional one year extensions) Midwest Cable will contract with Charter to provide certain marketing and operational services. Midwest Cable will pay Charter a fee of 4.25 percent of Midwest Cable's total revenues (voice, video and data revenues) in return for these services.

Charter background - Charter currently operates cable systems throughout Minnesota in such cities as Duluth, St. Cloud, Marshall, Apple Valley, Lakeville, Rochester, Mankato, Winona and many others. Charter provides service to more than 6.1 million customers in 29 states in which it currently operates. Charter is a *Fortune 500* company and employs approximately 23,000 people.

- a. Procurement and Programming Management Services. Charter will provide programming management services to Midwest Cable including negotiating and entering into video programming agreements.

Charter will provide procurement management services to Midwest Cable. Examples of such goods and services are: product hardware, software licensing and employee cellular service.

- b. Network Operations. Charter will provide Midwest Cable: (i) telecommunications services that previously depended on Comcast in a shared service model including: network connectivity for all services including voice, video and data, Video On Demand, CPE software and provisioning management, network security and interface with law enforcement, authentication of services and network monitoring and outage detection.
- c. Engineering & IT. Charter will provide Midwest Cable the Corporate Engineering services previously provided by Comcast including: architectural design standards, product technical roadmaps and standards and technical roadmaps and standards.

Charter will provide Midwest Cable IT services including: (i) software for back office functions including managing customer transactions and provisioning of services; (ii) management information services for accounting, billing, activity

analysis, labor management, budgeting and financial analysis; and (iii) management of data centers.

- d. Voice Operations. Charter will provide origination services to Midwest Cable including processing phone subscriber orders for phone installations at the subscriber's home or business. These services include: order fulfillment and provisioning and local number management and portability.
- e. Field Operations. Charter will support Midwest Cable under by providing field operations services including: dispatch, plant database software systems, predictive network failure software and maintenance prioritization, technician activity and productivity reporting, warehouse standards and CPE handling standards, tools, requirements and standards for technician communications, plant design and construction standards and fleet management.
- f. Customer Service. Charter will support Midwest Cable by providing customer care services directly or through its vendors. These services include call center services for call answering, monitoring and dispositioning related to inbound sales, billing, repair, and retention for all products and services sold by Midwest Cable, including video, voice and data, online chat for sales, service and billing, online customer care portals for self-help and service and customer identity management.
- g. Billing & Collections. Charter will provide billing and collections services. These services include: customer billing and billing system management, collection of customer receivables and cash management and customer disconnect support.
- h. Product. Charter will provide Midwest Cable with: (i) customer facing product development definitions/standards/software and planning for all business and consumer products; (ii) change planning and project management services; and (iii) website hosting, video content management and web mail hosting. Any customer facing products bearing a Charter brand name shall be co-branded with Midwest Cable's brand name in such a manner that it is clear to the consumer of such products that Midwest Cable is the party providing services to the consumer.
- i. Marketing & Sales. Charter will support Midwest Cable by providing: (i) marketing services and database support to enable mass, direct and online marketing activities; (ii) analysis of sales channel(s) performance; and (iii) development and all customer and non-customer facing messaging.

Charter will support Midwest Cable by providing: (i) program design and management tools that maximize economic sales to nonsubscribers by door-to-door sales representatives; (ii) sales channel reporting; and (iii) program design for maximizing growth in MDU environment.

- j. Administrative and Back office Services. As requested by Midwest Cable, Midwest Cable may leverage administrative services from Charter, including leveraging the associated platforms and practices, in areas including but not limited to accounts payable, general ledger, database systems, and payroll administration.

4. Will Xfinity cable services remain available?

Cable services will eventually be transitioned from Xfinity branding to Charter's "Spectrum" brand. Midwest Cable customer invoices will identify products and services as being "Spectrum by Midwest Cable."² The products and services may also be co-branded as "Midwest Cable and Charter," in certain markets.

5. Customer E-Mail Transition.

Post-closing, customers will continue to use their Comcast email account until they migrate to a Midwest Cable email account. Comcast customers will not indefinitely retain their existing "@comcast.net" email address after migrating to the Midwest Cable service, as Comcast owns that domain. However, emails sent to the customer's former "@comcast.net" email address will be automatically forwarded to the customer's new Midwest Cable email address for an "ample period of time" that is mutually agreeable to both companies. It is not clear if the email domain will be owned by Charter or Midwest Cable.

6. Phone Number Continuity.

The Transaction will not require any change in customer phone numbers. Existing Comcast telephone customers will be able to keep their current phone numbers permanently.

7. Customer Equipment.

Customers will be able to continue to use their current premises equipment after the Transaction closes. Midwest Cable will rely initially on Comcast for transition services to support the X1 platform. Midwest Cable ultimately will deploy the Spectrum product suite developed by Charter, which will include a cloud-based user interface similar to the one X1 provides. The Spectrum guide is designed to improve significantly television search and discovery functionality. Of critical importance here, the Spectrum product is designed to accommodate current subscriber equipment (including deployed X1 boxes). Accordingly, Customers who already have X1 equipment should be able to continue using that equipment even after Midwest Cable transitions to the Spectrum offering. After the transition, Midwest Cable video customers will also have authenticated access to programming at no extra charge via the Spectrum TV App – which is compatible with the Apple iPad, iPhone, and iPod Touch running iOS6 or higher; all Amazon KindleFire devices (except for the first generation KindleFire); and all tablets and phones running Android 4.0 and above.

8. Customer Billing.

Customers will begin to see bills (at the same time of the month) from Midwest Cable and not Comcast. Approximately 15% of the customers pay online, directly from their bank (whether via recurring payments or one-time). These customers are the only customers that will be required to do anything to adjust their billing arrangements as they

² Recall that Midwest Cable's name will change to GreatLand Connections Inc. Presumably, the branding will be tied to the name GreatLand not Midwest Cable.

will be required to update their on-line banking information to direct payments to Midwest Cable rather than to Comcast. This would not occur for several months after close, and Midwest Cable will notify customers of the change – targeting customers who pay in this fashion with messaging.

9. Continuation of an Internet Access Support Program for Low Income Households.

Midwest Cable will continue to offer Internet Essentials and, over time, may make changes to properly serve this important constituency.

FINANCIAL REVIEW

Ashpaugh & Sculco, CPAs, PLC and Front Range Consulting, Inc. (the "Consultants") were retained by the City to assist the City in the financial analyses of the transfer of the cable franchise currently held by Comcast. Please refer to the Consultants' Report Regarding the Spin-off of Cable Systems to Midwest Cable, Inc., dated January 2015 provided to the City on or about January 20, 2015 and attached hereto as **Exhibit A**.

Moss & Barnett has prepared a Resolution and Guaranty approving the Transfer and provided it to the City for the City's review and consideration - attached hereto as **Exhibit B**.

EXHIBIT A

**Ashpaugh & Sculco, CPAs, PLC and Front Range Consulting, Inc.
Report Regarding the Spin-off of Cable Systems to Midwest Cable, Inc.**

EXHIBIT B

Transfer Resolution and Guaranty