

**CITY OF SHOREVIEW  
AGENDA  
REGULAR CITY COUNCIL MEETING  
NOVEMBER 3, 2014  
7:00 P.M.**

**CALL TO ORDER**

**PLEDGE OF ALLEGIANCE**

**ROLL CALL**

**APPROVAL OF AGENDA**

**PROCLAMATIONS AND RECOGNITIONS**

**CITIZENS COMMENTS** - *Individuals may address the City Council about any item not included on the regular agenda. Specific procedures that are used for Citizens Comments are available on notecards located in the rack near the entrance to the Council Chambers. Speakers are requested to come to the podium, state their name and address for the clerk's record, and limit their remarks to three minutes. Generally, the City Council will not take official action on items discussed at this time, but may typically refer the matter to staff for a future report or direct that the matter be scheduled on an upcoming agenda.*

**COUNCIL COMMENTS**

**CONSENT AGENDA** - *These items are considered routine and will be enacted by one motion. There will be no separate discussion of these items unless a Councilmember or citizen so requests, in which event the item will be removed from the Consent Agenda and placed elsewhere on the agenda.*

1. October 13, 2014 City Council Special Workshop Meeting Minutes
2. October 20, 2014 City Council Meeting Minutes
3. Receipt of Committee/Commission Minutes—
  - Environmental Quality Committee, October 27, 2014
  - Human Rights Commission, October 22, 2014
  - Economic Development Commission Minutes - October 21, 2014
4. Verified Claims
5. Purchases
6. Developer Escrow Reduction

7. Application to Conduct a Raffle at the Taste of Shoreview on February 19, 2015
8. Renewal of Insurance Agent Contract
9. Renewal of External Audit Contract with MMKR
10. Conditional Use Permit—George and Justine Greene, 5875 Kitkerry Court South
11. Approve a Change Order for Community Center movable wall Repair and Refurbishment Project
12. Adopting an Ordinance Revising Community Center Rates for 2015
13. Award of 2015 Dental Insurance

## **PUBLIC HEARING**

### **GENERAL BUSINESS**

14. Authorizing Issuance, Awarding Sale, Prescribing the Form and Details and Providing for the Payment of \$6,980,000 General Obligation Refunding Bonds, Series 2014A
15. Preliminary Plat/Planned Unit Development—Lexington Estates II Townhome Association
16. Authorize Execution of Professional Services Agreement for Engineering Services—Water Treatment Plant, CP 14-02
17. Approval of Cable Television Franchise Ordinance Amendment and Granting the Consent to the Transfer of Control of the Cable Television Franchise and System.
18. Authorizing the Mayor and City Manager to Enter into Standstill Agreement to Pursue Informal Franchise Renewal with Comcast of Minnesota, Inc.

## **STAFF AND CONSULTANT REPORTS AND RECOMMENDATIONS**

### **SPECIAL ORDER OF BUSINESS**

### **ADJOURNMENT**

**\* Denotes items that require four votes of the City Council.**

**CITY OF SHOREVIEW  
MINUTES  
CITY COUNCIL SPECIAL WORKSHOP MEETING  
October 13, 2014**

**CALL TO ORDER**

Mayor Martin called the workshop meeting of the Shoreview City Council to order at 7:00 p.m. on October 13, 2014.

**ROLL CALL**

The following attended the meeting:

City Council: Mayor Martin; Councilmembers Johnson, Quigley, Wickstrom and Withhart

Staff: Terry Schwerm, City Manager  
Rebecca Olson, Assistant to City Manager  
Fred Espe, Finance Director  
Mark Maloney, Public Works Director  
Debbie Maloney, Assistant Finance Director

**UPDATE OF CAPITAL IMPROVEMENT PROGRAM**

City Manager Terry Schwerm reviewed the Capital Improvement Program (CIP) noting updated changes.

**Collector Streets**

There are no major changes to this section. Key projects include:

- Lexington Avenue improvements at County Road F and Gramsie, scheduled for next year; the City contribution is for storm water improvements
- Rehab of Gramsie Road and Victoria Street in 2016
- Highway 49 rebuild between I-694 and Highway 96, when the Rice Street bridge is rebuilt
- The North Owasso Boulevard project may be pushed back a year from 2019 because the City has fully used the MSA funds for road reconstruction and maintenance, and there will not be sufficient MSA funds for that project.

Mr. Maloney noted that there is more concern about discharge into Lake Owasso from North Owasso Boulevard than the condition of the pavement. Further, Mr. Maloney stated that 20% of City roads are collector streets. The money received from gas tax money under MSA is often times not used for City roads but is used to pay the County when the County requires the City to pay a portion of the cost on County projects on arterial and collector roads in Shoreview.

Councilmember Wickstrom asked if having to use MSA funds for County road projects is an issue to discuss with legislators. Mr. Schwerm responded that this is common practice around the metro area. The funding formula is constitutionally established. He does not believe it should be a legislative priority.

Councilmember Wickstrom expressed concern that the gas tax funding for 20% of collector streets in Shoreview is actually going to the County. Mr. Maloney explained that the MSA funds coming to the City is the funding source used when the County requires a City contribution for road projects. Gas tax money received is then not used on City MSA roads. The issue is that more money is needed for transportation improvements.

Mayor Martin noted that from the public perspective, there is no difference. Generally, residents do not know which are County roads or City roads, but it is all the City's responsibility.

### **Street Improvements**

Mr. Schwerm stated that one new project is the Quiet Zone project for 2015. The biggest hurdle will be CP Rail scheduling its portion of improvements and bidding the work according to state requirements. Mr. Maloney added that Mn/DOT is constantly hearing about rail issues in the Twin Cities and is trying to ease the process for spending the allocated money. There are strict state protocols that need to be followed for using the state bonding money that has been allocated to Shoreview.

Next year's street project is the Turtle Lane neighborhood, which may include Schifsky Road. There may be a new development of 10 lots on Grand Avenue, which would require improvements to Grand Avenue. The developer would fund a major portion, but the City's Street Renewal Fund cannot fund the remaining portion if it is used for Schifsky Road.

### **Park Improvements**

Major improvements planned are:

- Wading pool replacement in 2015
- Wilson Park playground and shelter replacement in 2015
- McCullough Park renovation in 2017
- Shamrock Park renovation in 2019

### **Trail Rehab and Extensions**

The Lexington Avenue trail extension is being completed this year. A large part of that trail was funded through the park dedication fee received from the Pulte development.

Councilmember Withhart noted that the City built trails in County parks. He asked if they are being maintained by the County, as some are broken up with roots. Mr. Schwerm answered that the County does maintain the trails and does some plowing in the winter.

### **Municipal Buildings**

Accelerated the gymnasium roof replacement to 2014 from 2015. The project cost is \$200,000, much less than the original \$400,000 estimate. A vapor barrier is being added to help with

leaking. With the heavy snow last winter, there were many leaks in the gym area and more recently in the playground.

Mayor Martin asked if the office furniture scheduled was done recently. Mr. Schwerm explained that private office furniture was replaced. This project would be for modular furniture in Parks and Recreation Department.

A new project that was added to the CIP is to increase the number of family locker rooms in the Community Center.

Councilmember Withhart stated that he would support moving up the family locker rooms in the CIP schedule. Mr. Schwerm commented that the project will include five or six changing areas but one shared shower. Mr. Schwerm stated that the main purpose of the shower is for children to rinse off before they go into the pool. The plan is similar to how family changing areas are being done in other locations.

Mr. Schwerm stated that the Community Center addition is scheduled in 2017 at a cost of between \$2 million and \$4 million. There are several different methods of funding that can be explored. This planned expansion needs to be discussed by the Council and Park and Recreation Commission in more detail to determine priorities before more accurate costs can be established.

Councilmember Withhart noted that few people use Wilson Park compared to the Community Center. Mr. Schwerm stated that park usage varies and is determined by scheduled activities at a particular park. There are two Little League fields at Wilson, which sometimes cannot be used during the season due to the wet soils at Wilson Park.

### **Utility Improvements**

In 2015, the following improvements are scheduled:

- Water main replacement on Lexington at approximately \$350,000, as part of a County project
- Sewer line on Highway 96 will have a new lift station
- Updated cost for water treatment plant at \$11 million
- Sanitary sewer rehab lining projects that are done every four or five years
- Major equipment, such as computer, fire equipment and vehicles will not change much

Councilmember Withhart asked if the fire equipment is owned by the Fire Department. Finance Director Espe explained that fire equipment are not City assets. However, because it is such a large dollar amount, it comes out of the Fixed Asset Revolving Fund. Mr. Schwerm added that the equipment would come back to the City if the Department disbanded.

Councilmember Quigley asked if the figures for computer replacement and software upgrades are accurate.

Mayor Martin noted that the financial software is 20 years old. Staff discussed the status of the financial software and noted that significant research will need to occur before it is replaced.

Councilmember Withhart asked if the financial software has regular updates. Mr. Espe stated that the software is custom made and is updated by a Shoreview employee who is one of the only people that is currently an “expert” with the software that is being used.

## **POLICY ISSUES**

Wilson Park Playground: Mr. Schwerm stated that the playground replacement is being funded from the Fixed Asset Revolving Fund. The question is whether this replacement is a high priority. The equipment is approximately 20 years old and is functioning fine, but does need to be replaced within a few years. The Master Plan calls for a shelter that will allow parents to watch children both at the playground and on the baseball fields. The playground and hockey rink would be relocated as part of the renovation plan.

Councilmember Johnson asked if nearby residents are contacted regarding feedback on desired changes at the park. If the equipment is 20 years old and there is not enough money, would there be consideration to taking out everything and let it sit for a year or two. Mr. Schwerm stated the City does seek neighborhood feedback prior to any park renovation. The City has never taken all the playground equipment out of a park and left it empty.

Mayor Martin suggested that Parks and Recreation Commission members spend time observing parks near their neighborhoods to provide the City with accurate usage information. Mr. Schwerm stated that maintenance workers can also be asked about usage observed when maintenance work is being done.

### **Family Locker Rooms**

Mr. Schwerm stated that this project means taking the current family locker rooms out of commission for two or three months to construct a new family changing area, which is estimated at \$400,000. Mayor Martin suggested making this part of the Community Center expansion, which is scheduled in a year or two.

Councilmember Wickstrom stated that there will be more options if the family locker rooms were included in the expansion and would provide added justification for an expansion.

Councilmember Withhart agreed and added that a better bid price for the work would be obtained through being part of a bigger project.

### **Outdoor Wading Pool**

The study done on this feature identified a cost of \$1 million to \$1.2 million for this project. Mr. Schwerm indicated that based on discussions he has had with manufacturers this cost seems high. However, a more detailed design is needed to obtain an accurate cost estimate.

Councilmember Quigley asked the value of adding the wading pool feature.

Mayor Martin stated she sees the wading pool as a potential revenue generator. In summer, people can be outside instead of having to be inside to use the pool. A zero depth pool would create a space that would be very busy with toddlers and parents.

Councilmember Withhart questioned whether there are enough warm summer days to justify an outdoor wading pool.

Mr. Schwerm stated that one thing missing from the water park is a zero depth water area with various splashing/dumping water features. It would generate more revenue if it could be built as an indoor/outdoor feature. Then there would be revenue all year.

Councilmember Johnson stated that she would like to see more data about features that members and visitors would like to have. It is difficult to justify the expenditure without good data. Mr. Schwerm stated that when the Community Center expansion was constructed, membership revenue was projected to be \$450,000; currently, revenue is at \$1.1 million. This next expansion will not be able to generate a significant increase in revenue, but will focus more on maintaining membership and enhancing facilities and programs. The two things that would yield the largest increase in revenue would be an indoor expansion to the water park and expansion to the indoor playground.

Mayor Martin stated that the Community Center has been transformed with demand. Demand and transformation both happen at the same time. She goes to water parks with grandchildren, and it is wonderful to have an outdoor play area. A zero depth pool allows toddlers to play on their own.

Councilmember Withhart stated that when improvements are made, there is an uptick in usage. Improvements keep the current base of users and adds more. People want to come to a clean updated facility.

Mayor Martin suggested that because the wading pool is in an isolated area, it could be done before the expansion. Then there would be pool usage activity while other areas of the building are closed during an expansion.

Councilmember Quigley asked about the turnover at the Community Center. Mr. Schwerm responded approximately 80% of members are retained, which is better than other health clubs. He believes there is a high retention rate because it is a community based facility with reasonable membership rates.

### **Community Center Expansion**

Mr. Schwerm referred to an expansion study done earlier in the year. The plan with the most support was the expansion off the gym area designed to expand the indoor play area and add multi-purpose rooms for increased recreation and fitness programming. Daily admissions would increase because the playground would enhance birthday party revenue. A second story could further increase recreation programs, adding drama, music, senior programs, art, etc. A second floor could also provide additional space for community meetings and community groups, such

as the band or Historical Society. A second story would be approximately 7500 square feet at a cost of about \$1.0 million above the lower level expansion. Mr. Schwerm briefly discussed the financing of the project from the Community Investment Fund and indicated that more fiscal analysis needs to be done before proceeding.

Mr. Schwerm stated that other cities are creating civic center parks and veterans' memorials. He would like to see an updated Commons Master Plan that incorporates some of these new features.

Mayor Martin stated that she would like to address park needs and expansions aggressively. She suggested Councilmembers tour other recreational facilities in other cities.

There was consensus of the Council for a tour to see other facilities before deciding on details for the Community Center expansion. The Council would then work with the Parks and Recreation Commission on detailed plans.

### **Library**

Mayor Martin stated that the City has approved the purchase of a residential property for the library to build a new regional library. The current library land was sold to the County for \$1.00. That property has become very valuable, and she believes the City should be fully reimbursed for the new purchase.

Councilmember Johnson suggested the City possibly purchase the old library back.

Mr. Schwerm stated that buying the old library would be approximately \$4 million, and then there would be \$2 million to \$3 million in renovation costs. The building would then have to be staffed. It would likely be more cost effective to expand the Community Center.

Mayor Martin called a short break and then reconvened the meeting.

### **COMCAST**

Mr. Schwerm reported that the City has sent its letter of withdrawal to the North Suburban Communications Commission (NSCC) by the end of the year. The City has been working with legal counsel on a new franchise agreement with Comcast. The first negotiating session focused on the need for airing and rebroadcasting of Council and Planning Commission meetings. Issues yet to be worked out include the number of public, education and government access channels. One is needed for each school district, one for City government and one public access channel. Some programs could be aired on both the government and public access channels, such as the Environmental Quality Committee (EQC) speaker series.

Councilmember Wickstrom stated that she sees primary use of the government channel first and then growing to expand into other public uses. She suggested possibly starting with a YouTube channel.

Councilmember Quigley stated that he sees public access use as very fluid. He would like to know what programs of other cities look like after a year of broadcasting. Mr. Schwerm reported that staff visited Coon Rapids. Coon Rapids has local origination programs that are considered a benefit to the community and are different from public access programs, such as local school sports, community events and a weekly news show. Their programming has become another method of communicating with residents.

Mr. Schwerm stated that the PEG revenues, according to Comcast, are only to be used for capital equipment. There may be a capital grant available for the equipment needed by the City. Currently the PEG fee is \$4.15 and scheduled to increase to \$4.35 in 2015. One of the advantages of opting out of the NSCC is that additional franchise revenue could provide funding to hire communications staff to coordinate community programs.

Mayor Martin stated that Comcast did come to agreement with the NSCC with similar terms to what was in the prior franchise agreement.

Mr. Schwerm listed the advantages and disadvantages of membership in the NSCC:

**Advantages for Membership:**

- NSCC is more knowledgeable in establishing administration of cable network - this could be important in working with a new group, Charter, when that company takes over from Comcast
- Has a public access programming presence
- Collaborative with other cities
- NSCC has staff to troubleshoot issues
- Would require less staff time for local programming
- CTV provides local programming assistance to cities
- The City would continue to be able to influence a new vision for NSCC
- Better bargaining power as part of a larger group

**Disadvantages of Membership:**

- NSCC has not demonstrated strong interest in changing the status quo
- The franchise fee contribution to NSCC may increase to fund public access programming
- NSCC is not positioned well for the current changes facing public access and television
- Higher PEG fees for subscribers

Councilmember Wickstrom stated that the NSCC is positioning itself for HD TV. She does not see broadcasting of public meetings on HD TV.

Councilmember Withhart stated HD TV does not matter because no one knows where this technology is going. Mr. Schwerm stated that the reason to convert to HD TV is for viewership because most households only watch programs that are in HD.

**Advantages for Withdrawal**

- City gains control of all franchise fees
- City defines the level of public access programming

- City could do more community based programming with the money saved in franchise fees by hiring a communications staff person with needed skills
- City would receive all PEG fees to update technology equipment
- Subscribers would pay less in PEG fees
- Better relationship with franchise provider
- Reduction in legal fees

Councilmember Withhart stated that local programming could provide better coverage on Shoreview events without membership in the NSCC.

#### **Disadvantages for Withdrawal**

- Increase in staff time and potential need to add staff for increased public access programming
- Will be more costly to operate alone

It was the consensus of the Council to continue negotiations on its own for a franchise agreement.

Councilmember Wickstrom stated that the memorandum of understanding agreement negotiated by NSCC obtains the PEG fee for operations. It puts legal matters on hold until either party can re-initiate the formal process or until the company transfer takes place, or in July 2015.

Mayor Martin stated that the City is taking a huge risk in leaving the NSCC, but she supports the withdrawal and wants to make sure the City gets a good agreement.

Councilmember Quigley expressed his strong faith in staff's ability to administer the franchise agreement as competently as everything else that is done in the City.

#### **OTHER ISSUES**

Mr. Schwerm stated that a special meeting will be held on November 10, 2014, before the regular workshop meeting to canvas the votes from the election. Ms. Olson noted that statute requires the special meeting occur three days after the election. Staff will check the requirements and notify Councilmembers.

Mayor Martin noted the lighting ceremony was changed to Thursday, November 20<sup>th</sup> because Monday, November 24<sup>th</sup> is a day when schools are out. Ms. Olson stated that the choir from Turtle Lake School will provide music. There was further discussion about obtaining risers and microphones for the children who sing.

The meeting adjourned at 10:00 p.m.



**CITY OF SHOREVIEW  
MINUTES  
REGULAR CITY COUNCIL MEETING  
October 20, 2014**

**CALL TO ORDER**

Mayor Martin called the regular meeting of the Shoreview City Council to order at 7:00 p.m. on October 20, 2014.

**PLEDGE OF ALLEGIANCE**

The meeting opened with the Pledge of Allegiance.

**ROLL CALL**

The following members were present: Mayor Martin; Councilmembers Quigley, Wickstrom and Withhart.

Councilmember Johnson was absent.

**APPROVAL OF AGENDA**

MOTION: by Councilmember Wickstrom, seconded by Councilmember Withhart to approve the October 20, 2014 agenda as submitted.

VOTE:                   Ayes - 4                   Nays - 0

**PROCLAMATIONS AND RECOGNITIONS**

There were none.

**CITIZEN COMMENTS**

There were none.

**COUNCIL COMMENTS**

**Mayor Martin:**

Announced that Ramsey County Commissioner Blake Huffman asked that residents be reminded of a program at the Community Center Monday, October 27, 2014, at 6:00 to 7:30 p.m. on *Domestic Violence and How Men Can Play A Key Role in Prevention*. Ramsey County Attorney John Choi, a representative from the Sheriff's Department and someone who will offer a personal story will be present. The program is open to the public.

The Human Rights Commission is holding an anti-bullying dialogue on Thursday, November 6, 2014. It is also open to the public. There is a dinner. Anyone interested in attending the dinner should make a reservation. Detailed information is on the City website.

There will be a Volunteer Recognition Dinner on Thursday, November 13, 2014. At that event the Citizen of the Year will be announced.

**Councilmember Wickstrom:**

The election is soon. Absentee ballots are being accepted. City Hall will be open for extended hours October 27 through October 30, 2014, until 7:00 p.m. and on Saturday November 1, 2014 from 10:00 a.m. to 3:00 p.m. for absentee voting.

The Shoreview Northern Lights Variety Band will hold its Holiday Concert on Saturday, December 13, 2014, at Bethel College. Carriage rides will be provided, and the concert begins at 7:30 p.m.

**Councilmember Withhart:**

The Annual Tree Lighting Ceremony will be at the Community Center on Thursday, November 20, 2014. All are invited. Children from Turtle Lake and Valentine Hills Schools will provide music.

**Councilmember Quigley:**

The Shoreview Northern Lights Variety Band is celebrating its 20th Anniversary on Saturday, November 8, 2014, at 6:15 p.m. at the Community Center for a social hour and dinner at 7:15 p.m. The cost is \$25.

Noted the recent fall edition of *Business Matters* published by the City, which was very interesting and cited activities of local businesses. It is posted on the website.

The final report for the *Playground for Everyone* has been received. This is an inclusive playground that is accessible to all. The website is [turtlelakeschool@wheelbe.com](mailto:turtlelakeschool@wheelbe.com).

**CONSENT AGENDA**

MOTION: by Councilmember Withhart, seconded by Councilmember Wickstrom to adopt the Consent Agenda for October 20, 2014, and all relevant resolutions for item Nos. 1 through 13:

1. October 6, 2014 City Council Meeting Minutes
2. Receipt of Committee/Commission Minutes:
  - Economic Development Commission, September 16, 2014
  - Planning Commission, September 23, 2014
  - Economic Development Authority, October 6, 2014
3. Monthly Reports:
  - Administration
  - Community Development

- Finance
- Public Works
- Park and Recreation
- 4. Verified Claims in the Amount of \$975,100.89
- 5. Purchases
- 6. Approval of Special Event Intoxicating Liquor License - St. Odilia
- 7. Approval of Application for Exempt Permit - St. Odilia
- 8. Approval of Agreement with Ramsey County - GIS User Group Joint Powers Agreement
- 9. Developer Escrow Reductions
- 10. Establish Parking Restrictions - Robinhood and Nottingham
- 11. Change Order #1 - Hanson Road/Oakridge Avenue, CP 14-01
- 12. Payment #5 (Final) - 2013 Street Rehabilitation and Gaston/Grove/St. Albans Water Main Extension, CP 13-02 and 13-03
- 13. Approval of Change Order for Community Center Roof Replacement Project

VOTE: Ayes - 4 Nays - 0

**PUBLIC HEARINGS**

There were none.

**GENERAL BUSINESS**

There was none.

**ADJOURNMENT**

MOTION: by Councilmember Withhart, seconded by Councilmember Quigley to adjourn the meeting at 7:12 p.m.

VOTE: Ayes - 4 Nays - 0

Mayor Martin declared the meeting adjourned.

THESE MINUTES APPROVED BY COUNCIL ON THE \_\_\_ DAY OF \_\_\_\_\_ 2014.

\_\_\_\_\_  
Terry Schwerm  
City Manager

**Minutes**  
**ENVIRONMENTAL QUALITY COMMITTEE**  
**October 27<sup>th</sup>, 2014 7:00 PM**

**1. CALL TO ORDER**

The meeting was called to order at 7:00pm.

**2. ROLL CALL**

Members present: Tim Pratt, Lisa Shaffer-Schrieber, Susan Rengstorf, Lynn Holt, Dan Westerman, John Suzukida

Members absent: Paige Ahlborg

Staff present: Jessica Schaum

**3. APPROVAL OF AGENDA**

The agenda was approved with the suggestion of discussing Workplan Tasks A.b. before A. a.

**4. APPROVAL OF MEETING MINUTES – September 22nd, 2014**

The minutes were approved with no changes.

**5. BUSINESS**

**A. Workplan Tasks**

**a. 2015 Spring Speaker Series planning**

a. Jan 21<sup>st</sup> – Jean Buckley, Ramsey County Environmental Health – Organics recycling – the next frontier on reducing your waste

b. Feb 18<sup>th</sup> – Marc Sloom, Sala Architects – Improve your home through green remodeling

c. March 18<sup>th</sup> – Carole Gernes, Ramsey County Cooperative Weed Management Area – invasive species

d. April 15<sup>th</sup> – Heather Holm, Author – What you can do for pollinators

1. The poster promotion for the series will be included in the Jan/Feb 2015 issue for the best advertising. The Series is also televised live on CTV and recorded for future playbacks.

b. Goal setting – The Committee reviewed the compiled goal rankings to determine the cutoff point for priorities. These rankings were brainstormed at the previous meeting and members voted for their top 5 priorities by email. Much of the discussion involved members in favor of continuing the core programs of the Speaker Series and Awards program, as well as educating on the most timely issues through writing articles.

The Committee uses these platforms to elevate the discussion centered on what the average person can do to help, whether it's for helping pollinators or conserving groundwater. Tim will create a draft work plan for 2015 for the Committee to review at the November meeting. The EQC is interested in discussing new initiatives with the City Council in a workshop setting in early 2015.

c. Review award application – The Committee reviewed the 2014 Green Community Awards application and made minor edits to include “other” as a category and to rephrase the question about sharing their experience. Jessica will revise the document and circulate for final approval.

**B. Newsletter Topics**

a. Jan/Feb 2015 issue: Deadline would be Oct. 31st - it is a City Newsletter (no park and rec catalog)

a. Ideas: Speaker Series advertising, energy audits, homeowner salt reduction strategies, compost sites open every weekend, and BizRecycling

C. Public Works Update

- a. Jessica updated the Committee on the Lexington Avenue trail project and oak wilt or forestry updates. The safe period to trim or remove oaks begins November 1<sup>st</sup>, so many residents with diseased trees will soon be removing them.
- b. There are 2 vacancies on the Committee currently being advertised for – we haven't received any applications to date.

D. Other

- a. Volunteer dinner – Thursday, November 13<sup>th</sup>, 5:30pm
- b. Next regular meeting – **November 24<sup>th</sup>, 2014**
- c. **The December 22<sup>nd</sup> meeting will be cancelled due to the holidays.**

E. Adjournment

- a. The Committee adjourned at approximately 8:20pm.

**HUMAN RIGHTS COMMISSION  
MEETING MINUTES  
October 22, 2014**

**CALL TO ORDER**

Co-Chair Minton called the meeting to order at 7:00 pm with the following members present:

Richard Bokovoy  
Elaine Carnahan  
Mary Yee Johnson  
Bob Minton  
Cory Springhorn  
Lisa Wedell Ueki

**Excused:**

Samuel Abdullai  
Mark Hodgkinson  
Julie B. Williams

Also present was Rebecca Olson, Assistant to the City Manager

**APPROVAL OF MINUTES**

Commissioner Springhorn moved the Minutes of September 24, 2014, Commissioner Bokovoy seconded the motion. The motion was adopted unanimously and the minutes were approved.

**COMMUNITY DIALOGUE**

Ms. Olson indicated that she had sent out the invitations via email. She stated that there were a total of 226 emails that were sent out. However, currently she had only received 4 RSVPs. She mentioned that if anyone wanted to take a flyer and hang it up in the community she had copies.

- a. Speaker Conference Call – Ms. Olson explained that she had been in contact with Commissioner Williams regarding the panelists and the information for their bios and introductions. She stated that she would be emailing the panelists again to touch base with them since not all of them had attended the planning meeting. Then Commissioner Williams would be in contact with them to get the information she needed to introduce them.
- b. Table Questions- The Commission agreed that the list of questions that was included in the packet would be good starting points for the table conversations. Ms. Olson will format them and send them out to the Commission one final time before the Dialogue.
- c. Feedback Form – Ms. Olson mentioned that the feedback form in the packet was the one that was used in the previous year. The Commission discussed the questions and agreed that it was useful to include this form at the end of the evening again. The basic questions were good; however Ms. Olson will reformat questions number

#2, and #5 to make them relevant to the current dialogue topic. This form will also be sent out to the Commission via email prior to the Dialogue for any revisions.

### **STUDENT REPRESENTATIVE VACANCY**

The Commission discussed the process for interviewing any candidates for the opening on the Human Rights Commission for a student representative. In the past the vacancy has been kind of “passed on” from one student to another. This year the position was advertised along with the other openings on City Commissions/Committees. To date, one application had been received. The consensus was to interview candidates at the November meeting (November 19) and make a recommendation to Council.

### **POSTER CONTEST TIMELINE**

Ms. Olson indicated that she had included a tentative timeline for the Annual Poster Contest. She requested clarification from the Commission as to whether or not the Poster Contest was done at the same time as the State Essay Contest. The Commission indicated that they were very close in time, but they were not done together. The Poster Contest timeline that was agreed upon is as follows:

<b>Date</b>	<b>Description</b>
November 3	Olson will contact teachers about their interest in participating in the HRC Poster Contest
January 2	Deadline for teachers to respond to Olson
January 5	Olson will deliver posters to schools
January 16	Students deadline to turn in posters
January 19	Olson will pick up posters
January 21	HRC will judge the posters
January 26 – Feb 6	School presentations
February 16	Winners will be recognized at the City Council meeting
February – March	Posters displayed at City Hall/Community Center

The State Essay contest deadline is February 28, 2015. The Commission agreed that the essays would be judged at the regular meeting on February 25<sup>th</sup> and then the next day the winner would be submitted to the State.

### **TOPICS FOR ANNUAL REPORT**

Ms. Olson explained that in the past an annual report had been submitted to the City Council. Due to staff changes last year, an annual report had not been done. Ms. Olson said she would work on putting one together with the following highlights:

- Slice of Shoreview
- Immigrant Project
- Essay Contest
- Poster Contest
- Community Dialogue
- Caring Youth Award

### **2015 Work Plan**

Olson mentioned that the City Council was updating their Committee/Commission handbook and as part of that discussion they indicated they would like to encourage committees/commissions to put together work plans for the upcoming year and present them to the Council. Consensus was to begin working on this at the December meeting.

### **OTHER**

Ms. Olson reminded the Commission that the Minnesota League of Human Rights Annual Meeting is scheduled for October 25<sup>th</sup>.

The Commission set the next meeting date for Wednesday, November 19 – a week prior to the regularly scheduled meeting due to the Thanksgiving holiday.

The December meeting will be held on Wednesday, December 17 – due to the Christmas holiday.

### **ADJOURNMENT**

There being no further business before the Commission, Commissioner Springhorn moved, seconded by Wedell Ueki, that the meeting be adjourned at 7:56 pm.

## **SHOREVIEW ECONOMIC DEVELOPMENT COMMISSION**

### **Meeting Minutes**

**October 21, 2014**

*Special Location – Hummingbird Floral and Gifts – 4001 Rice Street*

### **ROLL CALL**

Chair Josh Wing called the meeting to order at 7:30 a.m. with the following members present: Sue Denkinger, Jim Gardner, Mike Tarvin, Jeff Washburn, Jonathan Weinhagen, and Kirk VanBlaircom. Members Dave Kroona and Jason Schaller had excused absences.

Also attending were Assistant City Manager/Community Development Director Tom Simonson, and Economic Development and Planning Technician Niki Hill.

### **WELCOME NEW MEMBERS**

Chair Wing took a moment to introduce and welcome the two new members to the EDC, Mike Tarvin and Kirk VanBlaircom. We are very excited and happy to have them on our team.

### **ACCEPTANCE OF AGENDA**

Chair Wing noted that the EDC will have an abbreviated regular business agenda and they meet with our hosts from Hummingbird Floral.

Commissioner Denkinger, seconded by Commissioner Washburn, moved to accept the agenda, as presented.

**Vote: 7 AYES 0 NAYS**

### **APPROVAL OF MINUTES**

Commissioner Washburn, seconded by Commissioner Denkinger, moved to approve the minutes of September 16, 2014 with the correction of Gene Marsh's name in the Roll Call from "March" to "Marsh".

**Vote: 7 AYES 0 NAYS**

### **INFORMATION EXCHANGE**

#### **A. MEMBER SHARING**

Chair Wing noted that there is still a lot of interest in the Rainbow site and adding a grocery store back in the community. The most recent rumors are around HyVee coming to the area. He has been contacted by residents asking about it. Jonathan stated he has also been contacted to see if the rumors were true. Simonson stated that he has also been contacted and his response is that HvVee has some interest but there are challenges to that location. HyVee has been here to look at the site and at this point we do not have any solid updates on the site nor have we heard anything from developers.

Chair Wing said the other thing he has heard from residents is that “they do not want it to be a big secret like Trader Joes was.” Commissioner Weinhagen said many times companies do not want information they may be exploring a site or community out in the public. Simonson added that it was specifically requested by both the developer and Trader Joe’s not be identified until they were ready to formally pursue a development. The group did reach the consensus that Trader Joes was not a “big secret” from a City standpoint, with their approvals going on the normal track.

Commissioner Weinhagen stated that the Lakeview Terrace ribbon cutting went very well. He has also received a lot of good feedback from people. Commissioner Tarvin asked about the protesters/sign in front of the building. Simonson stated it is relating to the contractor and owners using some non-union laborers. This is similar to the protest after TCF Bank was opened and the demonstrators are on public property and have not caused any issues. Weinhagen stated that the one thing he has heard is that Lakeview Terrace has had to get the word out that they are not a senior housing project.

## **B. STAFF INFORMATION**

### ***Economic Gardening***

Simonson stated that Ramsey County is soliciting for the next round of Economic Gardening. The City has sent out a flyer to the key businesses which we believe would qualify for the program and it is also featured in the Fall issue of our Business Matters newsletter. Simonson did ask the County if a business could participate twice in the program and the answer was no but they are looking at creating some type of on-going alumni program for business leaders to still get together, and they are also holding a CEO-Roundtable session for past participants so they could continue. Commissioner Tarvin stated that he had been informed about the roundtable but there was a cost to participate.

### ***Recent City Council and Planning Commission Action***

Simonson stated that the recent City Council and Planning Commission actions were mostly residential in nature and there was nothing new to report on business related issues.

### ***Business Matters***

Simonson stated that the Fall Issue of Business Matters had been sent out. The cover story promotes Economic Gardening and the Business Spotlight features Promet International. Commissioner Washburn asked how to choose a business to be spotlighted. Simonson stated that we encourage businesses to sign up to be spotlighted but we also are sensitive to featuring a certain type of business over another as we do not want to seem like we are favoring or promoting a specific business, especially in the retail area. He noted that when the City welcomed some new restaurants on Facebook we were criticized by an existing local business.

### ***Small Business Workshop***

Simonson stated that the first EDC-hosted Small Business Workshop is scheduled for November 6<sup>th</sup> from 7:30 a.m. to 9:00 a.m. Deluxe Corporation marketing representatives will be putting on the

presentation. They have changed their focus from just check printing to a focus on small business media and marketing. They have worked with the Chamber before and have had good results.

### ***EDA Update***

The special authority granted under our TIF legislation for the BRE fund lends the question of where the seed money will be coming from. There are the different choices of TIF 1, TIF 2, the MIF funds, etc. Staff and the City's consultant are drafting proposed guidelines. If TIF funds are re-directed then they cannot be moved back to the TIF fund where they originated. The Rainbow property (TIF #2) has \$400,000 in it that we can use for the new BRE fund, but there may be to defer that transfer until the Rainbow site use can be determined.

Chair Wing asked what kind of overhead would be needed. Simonson stated that there would be little administrative resources need to manage the business loan program since the City would be in a secondary position of providing gap financing. A bank or other financial institution would be the main financing authority for conducting due diligence, while the City will have some restrictions on loan amounts and percentage of the overall project cost.

Commissioner VanBlaircom asked how many TIF districts in Shoreview? Simonson stated that the City has created a total of 9 overall, with 2 having expired and 2 more expiring in the next year. They City has always had a policy of using "pay as you go" tax increment financing to limit the risk of issuing bonds and providing upfront money to developers.

Hill noted that at a recent visit to Trader Joe's, the Shoreview store was celebrating their first anniversary on October 15<sup>th</sup>. Simonson noted that the City and County Credit Union is still under construction and Raising Cane's will likely start construction in early spring.

### **GENERAL BUSINESS**

#### ***HyVee / Rainbow Site***

The HyVee store to the Rainbow site is still on the table. Simonson said the company remains very interested in the site but it does provide some challenges. He is aware that HyVee is exploring other sites in the north metro area including the TCAAP development, but that may not be a good fit for the retail area in the concept plan given the amount of acreage needed (10 -15 acres) and a 90,000 square foot building footprint.

Chair Wing asked what "Plan B" would be if the HyVee does not come to fruition. It seems like there are a lot of challenges involved with this site. Simonson replied that he has been told by the property owner of the Rainbow site, Sidal Realty, they want to pursue the HyVee prospect before they turn their attention back to other potential grocers. He added that the City's position for now is that there appears to be considerable interest in the community for another grocer and that should be the first priority if a quality grocer can be secured. If not, then the City has also expressed concerns about the big box building being re-purposed for discount retail or other less desirable uses. The City has already explored

several concepts for a full redevelopment of the site, and has indicated a willingness to assist financially in getting a quality grocer or supporting a quality redevelopment.

Commissioner Gardner talked about how a grocer would still be a preferred tenant for the space. Wing asked if we have looked at the possibility of multi-level store for HyVee. Simonson stated that we had looked at the possibility of a mixed-use multi-level in the concepts that were drawn up but a grocer is still preferred. He is not aware if a two-story design would be considered by HyVee, although there are other retailers that use that design for restricted site layouts.

### ***Shoreview Corporate Center***

We have been working with CBRE on a tenant for potential lease of 60,000 square feet at the 4000 Lexington Avenue building. Parking is a challenge in the business park as it was originally built specifically for the needs of Deluxe. A significant amount of the parking has been directed for Land O' Lakes and Hill-Rom, which further reduces parking availability for the buildings along Gramsie Road. The City did work with the property managers recently and agreed to allow for informal business permitted parking along the east side of the campus on Chatsworth Street during Monday-Friday business hours. A similar request was sought last year for permitted parking on Gramsie, but the City did not support since the hotels and restaurants use Gramsie for overflow parking. It has been our observation that there is very little public parking along Chatsworth so this should not be an issue and will allow for the property to lease out empty space in their buildings. The company looking to relocate is Ally Financial, with a need for about 350 parking spaces for up to 400 employees being moved from Tampa, Wichita, Bloomington, and Roseville.

The negative to the business campus is that the 1050 Gramsie building is still vacant and requires significant improvements or tear-down. The City has also heard that Land O'Lakes could be looking for a brand new corporate campus, which would have a huge impact on the Shoreview Corporate Center as they have about 850 employees in Shoreview. It appears they are considering a new upscale campus to consolidate their operations to one location and to better position them to attract and recruit talent in the competitive job market. Member Gardner asked if the Children's Hospital Property was an option. Simonson replied that the Children's Hospital Property is likely too small of a site – 18 acres – when they are looking for 30-35 acres. Member Denkinger asked if they have looked into buying their existing Shoreview buildings. Simonson stated that yes, they have been offered before from the property owners but felt the price is too high. He said staff will continue to monitor this matter and continue efforts to explore options with Land O' Lakes.

### **ADJOURNMENT**

Commissioner Weinhausen, seconded by Commissioner Denkinger, moved to adjourn at 8:00 a.m.

**Vote: 7 AYES      0 NAYS**

(Upon adjournment of the regular business meeting, the EDC met with the owner and operator of Hummingbird Floral and Gifts, Lugene Olson, and was provided a tour of their new store in Shoreview.)

# Purchase Voucher

City of Shoreview  
 4600 Victoria Street North  
 Shoreview MN 55126

Voucher Number	45,047
Vendor number	01276 1 <span style="float: right;">2014</span>
Vendor name	HEALTH PARTNERS
Address	NW 3600 PO BOX 1450 MPLS MN 55485-3600

Date	Comment line on check	Invoice number	Amount
10-09-14	HEALTH INSURANCE: NOV 2014	52374969	\$55,760.16

THIS IS AN EARLY CHECK, PLACE VOUCHER IN EARLY CHECK FILE

*This Purchase Voucher is more than \$25,000.00; was the state's cooperative venture considered before purchasing through another source?*

Purchase was made through the state's cooperative purchasing venture.

Purchase was made through another source. The state's cooperative purchasing venture was considered.

Cooperative purchasing venture consideration requirement does not apply.

Return to: \_\_\_\_\_

Account Coding	Amount
101 20410	\$55,760.16
101 20411	

Is sales tax included on invoice?	Not Taxable
If no, amount subject to sales use tax	\$

Reviewed by: J. Kuschel  
 (signature required) Jodee Kuschel

Approved by: Terry Schwerm  
 (signature required) Terry Schwerm

Two quotes must be attached to purchase voucher for all purchases between \$10,000 and \$50,000. If no quote is received, explain below:

Quote 1	
Quote 2	
Explanation if no quote received	

# Purchase Voucher

City of Shoreview  
 4600 Victoria Street North  
 Shoreview MN 55126

Voucher Number	45,140	Please return check to Gen
Vendor number	02589 1	2014
Vendor name	NORTH VALLEY INC	
Address	20015 IGUANA STREET NW SUITE 100 NOWTHEN, MN 55330	

Date	Comment line on check	Invoice number	Amount
10-22-14	2013 REHAB, CP13-02,03 PYMNT 5 FINAL	1	\$33,023.58

THIS IS AN EARLY CHECK, PLACE VOUCHER IN EARLY CHECK FILE

This Purchase Voucher is more than \$25,000.00; was the state's cooperative venture considered before purchasing through another source?

Purchase was made through the state's cooperative purchasing venture.

Purchase was made through another source. The state's cooperative purchasing venture was considered.

Cooperative purchasing venture consideration requirement does not apply.

Return to: Glen

Account Coding	Amount
575 47000 5900	\$33,023.58

Is sales tax included on invoice?	Not Taxable
If no, amount subject to sales use tax	\$

Reviewed by: Glen Hoffard  
 (signature required) Glen Hoffard

Approved by: Terry Schwerm  
 (signature required) Terry Schwerm

Two quotes must be attached to purchase voucher for all purchases between \$10,000 and \$50,000. If no quote is received, explain below:

Quote 1	
Quote 2	
Explanation if no quote received	

# Purchase Voucher

City of Shoreview  
 4600 Victoria Street North  
 Shoreview MN 55126

Voucher Number	45,230	Please Return Check to Glen
Vendor number	00054 1	2014
Vendor name	ARNT CONSTRUCTION CO INC	
Address	PO BOX 549 HUGO, MN 55038	

Date	Comment line on check	Invoice number	Amount
10-28-14	HANSON/OAKRIDGE CP14-01 PAYMENT #3	1	\$380,395.28

THIS IS AN EARLY CHECK, PLACE VOUCHER IN EARLY CHECK FILE

This Purchase Voucher is more than \$25,000.00; was the state's cooperative venture considered before purchasing through another source?

Purchase was made through the state's cooperative purchasing venture.

Purchase was made through another source. The state's cooperative purchasing venture was considered.

Cooperative purchasing venture consideration requirement does not apply.

Return to: Glen

Account Coding	Amount
576 47000 5900	\$380,395.28

Is sales tax included on invoice?	Not Taxable
If no, amount subject to sales use tax	\$

Reviewed by: *Glen Hoffard*  
 (signature required) Glen Hoffard

Approved by: *Terry Schwerm*  
 (signature required) Terry Schwerm

Two quotes must be attached to purchase voucher for all purchases between \$10,000 and \$50,000. If no quote is received, explain below:

Quote 1	
Quote 2	
Explanation if no quote received	

## MOTION SHEET

MOVED BY COUNCILMEMBER \_\_\_\_\_

SECONDED BY COUNCILMEMBER \_\_\_\_\_

To approve the following payment of bills as presented by the finance department.

Date	Description	
10/20/14	Accounts payable	\$107,692.58
10/23/14	Accounts payable	\$65,613.61
10/27/14	Accounts payable	\$22,728.22
10/28/14	Accounts payable	\$395,616.70
10/30/14	Accounts payable	\$27,031.59
11/03/14	Accounts payable	\$47,636.20
	<b>Sub-total Accounts Payable</b>	<b>\$ 666,318.90</b>
10/31/14	Payroll 127382 to 127424 969574 to 969761	\$164,851.90
	<b>Sub-total Payroll</b>	
	<b>TOTAL</b>	<b>\$ 831,170.80</b>

ROLL CALL:	AYES	NAYS
Johnson		
Quigley		
Wickstrom		
Withhart		
Martin		

11/03/14

COUNCIL REPORT

Vendor Name	Description	FF	GG	OO	AA	CC	Line	Amount	Invoice Amt
ABLE HOSE & RUBBER INC.	AIR COMPRESSOR HOSE	701	46500	2400		006		\$65.17	\$65.17
ATHLETIC OUTFITTERS	KLOOZ/JACKET EMBROIDERY	101	42200	3970		001		\$5.90	\$11.80
		603	45850	3970		001		\$5.90	
BOLT & HOFER PA	KEEPING THE CABIN INSTRUCTOR FEES	225	43590	3174		003		\$147.00	\$147.00
CORPORATE CONNECTION	JACKETS SHAUGHNESSY/KLOOZ	101	42200	3970		001		\$53.69	\$214.78
		603	45850	3970		001		\$53.70	
		101	42200	3970		002		\$53.69	
		603	45850	3970		002		\$53.70	
FINANCE & COMMERCE, INC.	SUBSCRIPTION RENEWAL	240	44400	4330				\$249.00	
GRANDMA'S BAKERY	BAKERY FOR RESALE - WAVE CAFE	220	43800	2590		001		\$16.28	\$16.28
GRANDMA'S BAKERY	BAKERY FOR RESALE - WAVE CAFE	220	43800	2590		001		\$16.27	\$16.27
GRANDMA'S BAKERY	BAKERY FOR RESALE - WAVE CAFE	220	43800	2590		001		\$17.22	\$17.22
GRANDMA'S BAKERY	BAKERY FOR RESALE - WAVE CAFE	220	43800	2590		001		\$17.23	\$17.23
GRANDMA'S BAKERY	BAKERY FOR RESALE - WAVE CAFE	220	43800	2590		001		\$16.22	\$16.22
GRANDMA'S BAKERY	BAKERY FOR RESALE - WAVE CAFE	220	43800	2590		001		\$16.25	\$16.25
GRANDMA'S BAKERY	BIRTHDAY CAKES FOR RESALE	220	43800	2591		001		\$19.99	\$19.99
GRANDMA'S BAKERY	BIRTHDAY CAKES FOR RESALE	220	43800	2591		001		\$19.99	\$19.99
GRANDMA'S BAKERY	BIRTHDAY CAKES FOR RESALE	220	43800	2591		001		\$19.99	\$19.99
GREEN MILL	DEPOSIT FOR VOLUNTEER DINNER	101	40100	4890				\$250.00	\$250.00
HAWKINS, INC.	CHEMICAL ORDER	220	43800	2160		001		\$101.90	\$101.90
HEALTH PARTNERS	HEALTH INSURANCE: NOV 2014	101	20410					\$55,760.16	\$55,760.16
MATHESON TRI-GAS INC	CO2	220	43800	2160		002		\$95.73	\$95.73
MENARDS CASHWAY LUMBER **FRIDL	REPAIR SUPPLIES CC	220	43800	2240		001		\$8.43	\$8.43
METROPOLITAN COUNCIL ENVIRONME	SAC CHARGES FOR SEPTEMBER 2014	602	20840					\$7,455.00	\$7,380.45
		602	34060					-\$74.55	
MINNESOTA DEPARTMENT OF REVENUE	Sales Use Tax: September 2014	101	40200	4890		001		\$ .53	\$12,043.00
		101	40550	2010		003		-\$3.99	
		101	40550	2180		001		\$2.85	
		101	44100	2010				-\$3.38	
		220	21810					-\$15.39	
		220	43800	2140				-\$94.40	
		220	43800	2160		002		-\$4.32	
		220	43800	2180		004		-\$33.88	
		220	43800	2200		004		-\$28.60	
		220	43800	3190		001		\$ .76	
		220	43800	3190		007		-\$6.05	
		220	43800	3610				\$15.49	
		225	43510	2170		007		\$ .33	
		225	43535	2170		002		-\$4.95	
		225	43535	2170		004		-\$8.83	
		225	43590	2174				-\$2.77	
		225	43590	2174		001		\$ .12	
		225	43590	2174		002		-\$ .07	
		270	40250	2180		003		-\$5.62	
		270	40250	3950		004		-\$22.83	
		270	40250	3950		005		-\$92.15	
		270	40250	3950		006		-\$220.52	
		270	40250	3950		007		\$1.79	
		270	40250	4890		002		-\$55.42	
		601	45050	2280		001		-\$2.70	
		220	21810					\$7,967.75	

COUNCIL REPORT

Vendor Name	Description	FF	GG	OO	AA	CC	Line	Amount	Invoice Amt
		701	46500	2120		003		\$135.43	
		601	21810					\$4,523.82	
MOUNDS VIEW PUBLIC SCHOOLS	GYM FEE-FLAG FOOTBALL & SOCCER PIC NIGHT	225	43510	3190		007		\$38.25	\$76.50
		225	43510	3190		018		\$38.25	
MOUNDS VIEW PUBLIC SCHOOLS	FIELD FEE - FLAG FOOTBALL	225	43510	3190		015		\$1,240.00	
NAPA AUTO PARTS	OIL FOR POOL PRESSURE WASHER	220	43800	3890				\$3.99	
ODESSA II CONSTRUCTION	DRAIN TILE EXPANSION BUCHER PARK	101	43710	3190				\$1,065.00	\$1,065.00
ORKIN EXTERMINATING CO INC.	PEST CONTROL LARSON HOUSE	101	40800	3190				\$81.33	\$81.33
PRECISION LANDSCAPE & TREE, IN	PUBLIC STUMP REMOVALS W014-41	101	43900	3190		002		\$420.75	
ROCK GARDENS, INC	RIP RAP FOR STORM SEWER REPAIR	603	45850	2180		001		\$384.05	\$384.05
ROYAL CONCRETE PIPE	STORM SEWER PARTS	603	45850	2180		003		\$372.00	\$372.00
SCHARBER & SONS	UNIT GATOR 2 BALL JOINT	701	46500	2220		002		\$23.16	\$23.16
SIGNCAD SYSTEMS, INC.	SIGN TRACK APPLICATION/LICENSING	701	46500	5800				\$4,600.00	\$4,600.00
T.A. SCHIFSKY & SONS, INCORPOR	PATCHING ASPHALT	101	42200	2180		002		\$908.48	\$908.48
TOTAL TOOL SUPPLY INC	SAW BLADE	701	46500	2400		006		\$13.10	\$13.10
XCEL ENERGY	COMMUNITY CENTER: GAS/ELECTRIC	220	43800	2140				\$4,118.91	\$21,389.92
		220	43800	3610				\$17,271.01	
XCEL ENERGY	STREET LIGHT: ELECTRIC	604	42600	3610				\$17.94	
XCEL ENERGY	TRAFFIC SIGNALS: ELECTRIC	101	42200	3610				\$609.50	\$609.50
Total of all invoices:								\$107,692.58	

COUNCIL REPORT

Vendor Name	Description	FF	GG	OO	AA	CC	Line	Amount	Invoice Amt
HOME DEPOT, THE	HANSON/OAKRIDGE CP 14-01 MAILBOX POSTS	576	47000	5950				-\$45.71	-\$45.71
A & L SUPERIOR SOD, INC	SOD FOR WALL ON VICTORIA ST	101	43450	2250		001		\$48.40	\$48.40
AARP C/O RICHARD KEY	AARP SMART DRIVER CLASS (10/21)	225	43590	3174		003		\$605.00	\$605.00
AMERICAN PLANNING ASSOCIATION	APA YEARLY MEMBERSHIP	101	44100	4330				\$106.00	\$106.00
AMSAN BRISSMAN KENNEDY	BATH TISSUE/CAN LINERS/FOAM SOAP	220	43800	2110				\$230.17	\$230.17
ANCHOR PAPER COMPANY	COPY PAPER/COLORED PAPER	101	40200	2010		001		\$1,098.67	\$1,121.62
			101	42050	2010			\$22.95	
ANDERSON, TAMMY	FACILITY REFUND	220	22040					\$25.00	\$25.00
ARM OF MN	CONCRETE FIELD RECERTIFICATION CLASS	101	42050	4500				\$400.00	
ARNOLD, JULIA	TERRIFIC TURKEYS	220	22040					\$18.00	\$18.00
ASSURANT ADMINISTRATIVE OFFICE	LONG TERM DISABILITY: NOVEMBER 2014	101	20412					\$1,950.37	\$1,950.37
ATWAL, "GURPAL ""GARRY""	FACILITY REFUND	220	22040					\$100.00	\$100.00
BAUER BUILT TIRE AND BATTERY I	UNIT 210 TIRES	701	46500	2220		001		\$1,992.04	\$1,992.04
C & E HARDWARE	PAINT FOR FUEL PUMPS	701	46500	2180		001		\$15.98	\$15.98
CERTIFIED LABORATORIES	LUSTER GUARD	220	43800	2110				\$347.07	\$347.07
COMCAST	CC CABLE	220	43800	3190		001		\$153.17	\$153.17
DYNAMEX	DELIVERY TO EAGAN POST OFFICE - 9/29/14	601	45050	3220		001		\$18.45	\$36.90
			602	45550	3220			\$18.45	
FACTORY MOTOR PARTS COMPANY	UNIT 605 BATTERY	701	46500	2220		001		\$40.84	
FACTORY MOTOR PARTS COMPANY	UNIT 601 TIRE PRESSURE SENSOR	701	46500	2220		001		\$111.42	\$111.42
FULLER, SUE	FACILITY REFUND	220	22040					\$25.00	\$25.00
GAO, HUI	PASS REFUND	220	22040					\$73.84	\$73.84
GHILARDI, KIM	FACILITY REFUND	220	22040					\$25.00	\$25.00
GRAINGER, INC.	COAT RACK/DISP. GLOVES	220	43800	2240		001		\$322.50	\$322.50
GRANICUS, INC	EQUIPMENT FOR STREAMING/ARCHIVE VIDEO	230	40900	5800				\$4,500.00	\$4,500.00
HALL, CRETIN-DERHAM	FACILITY REFUND	220	22040					\$300.00	\$300.00
HALVERSON, JENNIFER	FACILITY REFUND	220	22040					\$25.00	\$25.00
HEALTH PARTNERS	HEALTH INSURANCE: NOV 2014	101	20411					\$509.88	\$509.88
HILL, NICOLE	EDC MEETING SUPPLIES	240	44400	2180				\$52.00	\$52.00
HOAG, ISABELLE	HALLOWEEN SPOOKTACUL	220	22040					\$10.00	\$10.00
HOME DEPOT CREDIT SERVICES	HANSON/OAKRIDGE CP 14-01 MAILBOX POSTS	576	47000	5950				\$45.71	\$45.71
HOPPE, JAY	EROSION RED 707 SCHIFSKY RD RES 14-92	101	22030					\$500.00	\$500.00
JOHNSON, LIZ	FACILITY REFUND	220	22040					\$25.00	\$25.00
KIDS - MARCY OPEN, MINNEAPOLIS	FACILITY REFUND	220	22040					\$21.40	\$21.40
KIMMES, JOHN	FACILITY REFUND	220	22040					\$300.00	\$300.00
KUMAR, RAJESH	FACILITY REFUND	220	22040					\$50.00	\$50.00
KUSCHEL, JODEE	APA ANNUAL CONFERENCE-10/09-10/10	101	40500	4500		004		\$20.16	\$20.16
LHB INC.	REGIONAL INDICATORS 2013 DATA	101	42050	3190				\$500.00	\$500.00
LIFEGUARD STORE, THE	NEW VACUUM/PACE CLOCK	220	43800	2200		002		\$351.00	\$3,116.25
			225	43520	2170			\$365.25	
			220	43800	2400			\$2,400.00	
MACKEY, JENNY	SF 1 & 2	220	22040					\$43.00	\$43.00
MATHESON TRI-GAS INC	CO2	220	43800	2160		002		\$95.73	
MBITI, JOSEPHINE	FACILITY REFUND	220	22040					\$550.00	\$550.00
MCCAREN DESIGNS INC	MONTHLY HORTICULTURE SERVICES	220	43800	3190		007		\$1,196.00	\$1,196.00
MCMASTER CARR SUPPLY CO	OVAL THREADED CONNECTOR	220	43800	2240		003		\$810.48	\$810.48
MOUNDS VIEW PUBLIC SCHOOLS	CHIP RENTAL DURING SHUTDOWN	220	43800	2200		004		\$92.25	\$92.25
NORTH VALLEY INC	2013 REHAB, CP13-02,03 PYMNT 5 FINAL	575	47000	5900				\$33,023.58	\$33,023.58
NORTHERN ELECTRICAL CONTRACTOR	INSURANCE CLAIM: FIRE	260	47400	4340				\$650.00	\$650.00
NUSTAD, JORDAN LISA HOFFMANN	YOUTH SOCCER REF OCT 11	225	43510	3190		007		\$60.00	
OLIN, TOM	REFUND CLOSING OVRPYMT-4765 LORINDA DR	601	36190			003		\$8.72	\$8.72

COUNCIL REPORT

Vendor Name	Description	FF	GG	OO	AA	CC	Line	Amount	Invoice Amt
ORIENTAL TRADING COMPANY	HALLOWEEN SPOOKTACULAR SUPPLIES	225	43580	2172		001		\$76.11	\$76.11
PARTY AMERICA CORPORATE OFFICE	HALLOWEEN/AL FAIR/HOLIDAY SUPPLIES	225	43580	2172		001		\$26.28	\$149.36
		225	43590	2174		002		\$25.51	
		101	40210	4890		003		\$97.57	
PERUSSE, THOMAS OR SUSAN	REFUND CLOSING OVRPYMT - 990 HILL COURT	601	36190			003		\$6.46	\$6.46
PETERSON, SHANNON	FACILITY REFUND	220	22040					\$25.00	\$25.00
POLGREEN, DAVID OR LYNDA	REFUND CLOSING OVRPYMT-1056 GLENHILL RD	601	36190			003		\$177.32	\$177.32
POPP, CASSANDRA	FACILITY REFUND	220	22040					\$662.65	\$662.65
PUBLISHING, BALFOUR	FACILITY REFUND	220	22040					\$50.00	\$50.00
RAMSEY COUNTY PARKS & REC.	ICE RENTAL TIME - SKATING LESSONS	225	43580	3171				\$3,037.50	\$3,037.50
SAHA, SHATANIK	FACILITY REFUND	220	22040					\$50.00	\$50.00
SHERETTE, DELINA	ACTIVITY REFUND	220	22040					\$5.00	\$5.00
ST. PAUL STAMP WORKS, INCORPOR	EDA AND EDC NAME BADGES	240	44400	2180				\$39.16	\$39.16
ST. PAUL, CITY OF	RIVERPRINT: PAYROLL ENVELOPES	101	40500	2010		003		\$372.52	
STRATTON, JESSE	LANDSCAPE RED 448 TANGLEWOOD DR RES14-92	101	22020					\$250.00	\$250.00
SUNDSETH, KATHERINE	FACILITY REFUND	220	22040					\$25.00	\$25.00
TELL, JENNIFER	FACILITY REFUND	220	22040					\$25.00	\$25.00
TRUENORTH STEEL	CULVERT PIPE EASEMENT NO OF RICHMOND	603	45850	2180		003		\$416.00	\$416.00
VL TWO LLC	EMERGENCY WATER REPAIR 408 HORSESHOE	601	45050	3190		004		\$984.08	\$984.08
WANG, LINDA	FACILITY REFUND	220	22040					\$25.00	\$25.00
WILS - WOMEN IN LEISURE SERVIC	WILS MEMBERSHIP - SOLA/RILEY/SCHUTTA	101	43400	4500				\$75.00	
WURZINGER, MARY	FACILITY REFUND	220	22040					\$50.00	\$50.00
XCEL ENERGY	WATER TOWERS: ELECTRIC	601	45050	3610				\$63.50	\$63.50
XCEL ENERGY	WELLS: ELECTRIC/GAS	601	45050	3610				\$4,297.53	\$4,508.40
		601	45050	2140				\$210.87	
YALE MECHANICAL INC	REPAIRED DUCTWORK OVER WHIRLPOOL	220	43800	3810		007		\$307.78	\$307.78
YOUSIF, KHALID	FACILITY REFUND	220	22040					\$25.00	\$25.00
Total of all invoices:									\$65,613.61

COUNCIL REPORT

Vendor Name	Description	FF	GG	OO	AA	CC	Line	Amount	Invoice Amt
BEISSWENGERS HARDWARE	REPAIR SUPPLIES CC	220	43800	2240		001		\$36.12	\$36.12
COCA COLA REFRESHMENTS	WAVE CAFE BEVERAGE FOR RESALE	220	43800	2590		001		\$312.94	\$312.94
DEBORAH A. SORENSON, D.C.	STAFF DEVELOPMENT	101	40500	4500		010		\$100.00	\$100.00
GRANDMA'S BAKERY	BAKERY FOR RESALE - WAVE CAFE	220	43800	2590		001		\$16.25	\$16.25
GRANDMA'S BAKERY	BAKERY FOR RESALE - WAVE CAFE	220	43800	2590		001		\$16.25	\$16.25
GRANDMA'S BAKERY	BAKERY FOR RESALE - WAVE CAFE	220	43800	2590		001		\$17.21	\$17.21
GRANDMA'S BAKERY	BAKERY FOR RESALE - WAVE CAFE	220	43800	2590		001		\$17.18	\$17.18
GRANDMA'S BAKERY	BAKERY FOR RESALE - WAVE CAFE	220	43800	2590		001		\$16.22	\$16.22
GRANDMA'S BAKERY	BAKERY FOR RESALE - WAVE CAFE	220	43800	2590		001		\$16.22	\$16.22
GRANDMA'S BAKERY	BAKERY FOR RESALE - WAVE CAFE	220	43800	2590		001		\$16.20	\$16.20
GRANDMA'S BAKERY	BAKERY FOR RESALE - WAVE CAFE	220	43800	2590		001		\$16.23	\$16.23
GRANDMA'S BAKERY	BIRTHDAY CAKES FOR RESALE	220	43800	2591		001		\$19.99	\$19.99
HEGGIE'S PIZZA LLC	WAVE CAFE FOOD FOR RESALE	220	43800	2590		001		\$138.70	\$138.70
L'ALLIER CONCRETE, INC	CONCRETE DRIVEWAY & CURB 3461 CHURCHILL	601	45050	3190		004		\$5,100.00	\$5,100.00
MINNESOTA FARMERS MARKET ASSOC	MFMA FOOD LICENSING TRAINING	101	43400	4500				\$10.00	\$10.00
NORTHLAND CAPITAL FINANCIAL SE	FITNESS EQUIPMENT LEASE-OCTOBER 2014	220	43800	3960		005		\$1,388.62	\$1,388.62
PLUG'N PAY TECHNOLOGIES INC.	SEPT 2014/RETAIL/CC FEES	220	43800	4890		002		\$112.09	\$161.70
		225	43400	4890				\$49.61	
PLUG'N PAY TECHNOLOGIES INC.	SEPT 2014/ECOMM/CC FEES	220	43800	4890		002		\$2.72	
		225	43400	4890				\$20.68	\$23.40
RAMSEY CONSERVATION DISTRICT	EROSION AND SEDIMENT CONTROL INSPECTION	603	45850	3190				\$1,703.20	\$1,703.20
RAMSEY COUNTY PROPERTY RECORDS	ADMIN CHARGES FOR 2013 RECYCLING	210	42750	3190				\$4,721.00	\$4,721.00
SAM'S CLUB DIRECT	HALLOWEEN PARTY SUPPLIES	225	43580	2172		001		\$44.31	\$44.31
SAM'S CLUB DIRECT	FARMERS MARKET SPECIAL EVENT-SALES TAX	225	43590	2174		001		\$3.09	
SCHAUM, JESSICA	MILEAGE AND EXPENSE REIMBURSEMENT	101	42050	3270				\$87.79	
THE RETROFIT COMPANIES INC	FALL CLEANUP DAY WASTE	210	42750	3640				\$1,380.00	\$1,380.00
U S BANK CREDIT CARD FEES	SEPT 2014 CREDIT CARD FEES	220	43800	4890		002		\$2,131.17	\$3,664.99
		225	43400	4890				\$1,533.82	
WATSON COMPANY	WAVE CAFE FOOD FOR RESALE	220	43800	2590		001		\$654.51	\$747.89
		101	40800	2180				\$93.38	
WATSON COMPANY	WAVE CAFE FOOD FOR RESALE	220	43800	2590		001		\$116.16	
WATSON COMPANY	COFFEE SERVICE	220	43800	2591		003		\$70.02	\$70.02
WATSON COMPANY	WAVE CAFE FOOD FOR RESALE	220	43800	2590		001		\$901.23	\$901.23
WATSON COMPANY	BREAK ROOM SUPPLIES	101	40800	2180				\$308.46	\$308.46
WATSON COMPANY	WAVE CAFE FOOD FOR RESALE	220	43800	2590		001		\$131.31	\$131.31
WATSON COMPANY	WAVE CAFE FOOD FOR RESALE	220	43800	2590		001		\$51.69	\$51.69
WATSON COMPANY	WAVE CAFE FOOD FOR RESALE	220	43800	2590		001		\$1,170.67	\$1,313.85
		101	40800	2180				\$93.38	
		220	43800	2591		003		\$49.80	
WIMACTEL INC.	PAYPHONE TELEPHONE	101	40200	3210		001		\$60.00	

Total of all invoices: \$22,728.22

COUNCIL REPORT

Vendor Name	Description	FF	GG	OO	AA	CC	Line	Amount	Invoice Amt
MASLANSKY-TAKAHASHI, ANN MARIE	TOWING REIMBURSEMENT	101	41500	4890				-\$40.00	-\$40.00
WATSON, SHELLEY	REFUND OPTIONS PROGRAM	225	34530					-\$30.00	-\$30.00
CUB SCOUT PACK 625	REFUND DAMAGE DEPOSIT	220	22055					-\$100.00	-\$100.00
DATA SCIENCES INTERNATIONAL	REFUND COFFEE SERVICE FEE	220	34705					-\$13.00	-\$13.00
GUTHRIE, KELLY	REFUND SPORTS PROGRAM	225	34580					-\$5.00	-\$5.00
CRA INC	REFUND DAMAGE DEPOSIT	220	22055					-\$50.00	-\$50.00
GIRL SCOUT TROOP #786	REFUND DAMAGE DEPOSIT	220	22055					-\$25.00	-\$25.00
PUBLIC SAFETY, DEPARTMENT OF	BICYCLE REGISTRATION	101	32900					-\$27.00	-\$27.00
KAULS, RUTH	REFUND TRACK PROGRAM	225	34580					-\$2.00	-\$2.00
DIMMEL, LYNETTE	REFUND SOCCER PROGRAM	225	34580					-\$4.00	-\$4.00
POSSEHL, KIRK	REFUND BALANCE OF ACCOUNT	225	34520					-\$6.75	-\$6.75
LANDVIK, ADAM	REFUND BALANCE OF ACCOUNT	225	34580					-\$25.50	-\$25.50
ROBBINS, THERESE	REFUND BALANCE OF ACCOUNT	225	34580					-\$5.00	-\$5.00
BETKER, STEVE	ELECTION JUDGE SERVICES	101	40300	1050				-\$129.38	-\$129.38
BOLLINGER, MICHAEL	BLUE CROSS BLUE SHIELD REIMBURSEMENT	220	22041					-\$100.00	-\$100.00
ROBBINS, THERESE	REFUND TENNIS PROGRAM	225	34515					-\$6.67	-\$6.67
MN DEPARTMENT OF HUMAN RIGHTS	CONFERENCE - MARK FREY	101	40110	4500				-\$200.00	-\$200.00
GETTING, ROSE	REFUND DAMAGE DEPOSIT	220	22055					-\$25.00	-\$25.00
FLYAWAYS BOOSTER CLUB	REFUND OVERPAID POOL PARTY - 5/4/08	220	34731			032		-\$68.53	-\$68.53
MORRIS LAW GROUP	REFUND OVERPYMT ON UTL ACCT 222927	601	36190					-\$32.19	-\$32.19
CHAPMAN, LOIS	REFUND REC PRGM FEE-S. CROIX-TURTLE LAKE	220	22040					-\$5.00	-\$5.00
DOODY, CARRIE	REFUND INSURANCE REIMBURSEMENT	220	22040					-\$160.00	-\$160.00
FURCHNER, ERIC	REFUND OVPYMT AT CLOSING-442 MAJESTIC CT	601	36190					-\$9.52	-\$9.52
PUCHALSKI, MARY	REFUND ART FAIR/Slice OF SV 2009	270	34900			306		-\$80.00	-\$80.00
KLINE, KEVIN	REFUND LIFE INSURANCE DEDUCTION	101	20414					-\$1.25	-\$1.25
FLEIGLE, MATTHEW	DODGEBALL REF MARCH 3	225	43510	3190				-\$30.00	-\$30.00
GUENTHNER, BETH	REFUND INSURANCE CREDITS	220	22040					-\$20.00	-\$20.00
HER, KA	REFUND SEASONAL STALL	220	22040					-\$250.00	-\$250.00
ENESTVEDT, PAUL	REFUND INSURANCE CREDITS	220	22040					-\$20.00	-\$20.00
HAFEMAN, TRACY	REFUND BASEBALL PROGRAM - PARENT COACH	220	22040					-\$55.00	-\$55.00
GRAUSNICK, ALEX	SOCCER REF JULY 7	225	43580	3190				-\$30.00	-\$30.00
THAO, YANG SENG	REFUND-MEMBERSHIP	220	22040					-\$5.54	-\$5.54
GUNASEELAN, SUGANYA	REFUND DAMAGE DEPOSIT	220	22040					-\$50.00	-\$50.00
PACK #626, CUB SCOUT	FACILITY REFUND	220	22040					-\$100.00	-\$100.00
WISNESKI, KENNETH	REFUND CLOSING OVRPMT-1025 TANGLEWOOD DR	601	36190					-\$18.49	-\$18.49
YANG, PA	FACILITY REFUND	220	22040					-\$25.00	-\$25.00
PKU FOUNDATION	FACILITY REFUND	220	22040					-\$100.00	-\$100.00
ABLEMAN CLOTHING CO	UNIFORM SHIRTS	101	43710	3970				\$137.46	\$137.46
ARNT CONSTRUCTION CO INC	HANSON/OAKRIDGE CP14-01 PAYMENT #3	576	47000	5900				\$380,395.28	\$380,395.28
COCA COLA REFRESHMENTS	WAVE CAFE BEVERAGES FOR RESALE	220	43800	2590		001		\$500.47	
CUB FOODS	PRESCHOOL SUPPLIES - HALLOWEEN COOKIES	225	43555	2170				\$49.76	\$49.76
DELTA DENTAL	DENTAL COVERAGE:NOV 2014	101	20415					\$6,683.33	\$7,000.18
		101	20411					\$316.85	
DUNNS DEER REMOVAL LLC	DEER REMOVAL	101	42200	3190		003		\$100.00	
ENGBRETSON, DAN	WRESTLING CLASSES (ISLAND & TURTLE LAKE)	225	43510	3190		006		\$672.00	\$672.00
GETTING, ROSE	REFUND DAMAGE DEPOSIT	220	22055					\$25.00	\$25.00
GRAINGER, INC.	BATTERIES/DIGITAL POCKET THERMOMETER	220	43800	2240		001		\$148.38	\$148.38
GREEN LIGHTS RECYCLING INC	LAMP RECYCLING CC & PUBLIC WORKS	220	43800	3810		003		\$502.52	\$572.22
		604	42600	2180				\$69.70	
HAWKINS, INC.	CHEMICAL ORDER	220	43800	2160		001		\$535.90	\$535.90
HORIZON COMMERCIAL POOL SUPPLY	POOL CHEMICALS	220	43800	2160		001		\$123.40	\$123.40

COUNCIL REPORT

Vendor Name	Description	FF	GG	OO	AA	CC	Line	Amount	Invoice Amt
JEFF ELLIS & ASSOCIATES, INC	LICENSE TRANSFER	220	43800	3190		007		\$47.00	\$47.00
LIFEGUARD STORE, THE	VACUUM HEAD	220	43800	2200		002		\$72.00	\$72.00
LIFEGUARD STORE, THE	VACUUM HOSE	220	43800	2200		002		\$50.00	\$50.00
MATHESON TRI-GAS INC	CO2	220	43800	2160		002		\$95.73	\$95.73
MINNESOTA DEPARTMENT OF COMMER	2014 UNCLAIMED PROPERTY	101	20412					\$1.25	
		101	32900					\$27.00	\$1,824.82
		101	40110	4500				\$200.00	
		101	40300	1050				\$129.38	
		101	41500	4890				\$40.00	
		220	22040					\$785.54	
		220	22041					\$100.00	
		220	22055					\$175.00	
		220	34750					\$13.00	
		220	34731					\$68.53	
		225	34515					\$6.67	
		225	34520					\$6.75	
		225	34530					\$30.00	
		225	34580					\$41.50	
		225	43510	3190				\$30.00	
		225	43580	3190				\$30.00	
		270	34900					\$80.00	
		601	36190					\$60.20	
MINNESOTA SOCIETY OF ARBORICUL	BUCKET TRUCK WORKSHOP/KLOOZ/BOYER/ADAM R	101	42200	4500		001		\$195.00	
ORIENTAL TRADING COMPANY	NEW YEARS EVE PARTY- CRAFT/NOISE MAKERS	225	43580	2172		002		\$210.49	\$210.49
PARTSMASTER	CT HOLE SAW	701	46500	2400		006		\$149.09	\$149.09
REINDERS, INC.	REPLACEMENT HOLIDAY LIGHTS	101	43710	2240				\$2,481.57	\$2,481.57
T.A. SCHIFSKY & SONS, INCORPOR	PATCHING ASPHALT	101	42200	2180		002		\$1,874.84	\$1,874.84
TARGET COMMERCIAL INVOICE	REMAINDER FROM INV#423142	225	43555	2170				\$.60	\$.60
TESSMAN SEED CO	BUCKTHORN KILLER	701	46500	2180		001		\$205.33	\$205.33
Total of all invoices:								\$395,616.70	

COUNCIL REPORT

Vendor Name	Description	FF	GG	OO	AA	CC	Line	Amount	Invoice Amt
ZACKS INC.	SHOP SUPPLIES	701	46500	2183		001		-\$675.66	-\$675.66
MULTICARE ASSOCIATES TWIN CITI	RESPIRATOR FITTING/NEW EE TESTING	101	40210	3190				-\$170.00	-\$319.00
		101	40210	3190		006		-\$149.00	
ABLE HOSE & RUBBER INC.	HYDRANT FILL HOSE	701	46500	2180		001		\$81.84	
ALLEN, DEANNE	MINUTES - 10/13 CC, 10/20 CC	101	40200	3190		001		\$400.00	\$400.00
ALMEN, BRADLEY	FACILITY REFUND	220	22040					\$25.00	\$25.00
BARNES, LISA	ACTIVITY REFUND	220	22040					\$391.20	\$391.20
BEISSWENGERS HARDWARE	REPAIR SUPPLIES CC	220	43800	2240		001		\$49.80	\$49.80
C & E HARDWARE	PAINTING SUPPLIES	701	46500	2180		001		\$30.98	\$30.98
COMMISSIONER OF REVENUE- WH TA	WITHHOLDING TAX -- PAYDATE 10-31-14	101	21720					\$9,245.06	\$9,245.06
COMMUNITY HEALTH CHARITIES - M	WEEK OF GIVING DONATIONS	101	22079		320			\$235.00	\$235.00
DUSTY'S DRAIN CLEANING	VIEW 893 SHIRLEE	601	45050	3190		001		\$175.00	\$175.00
GENESIS EMPLOYEE BENEFITS, INC	FLEX - MED/DEPENDENT CARE 10-31-14	101	20431					\$505.12	\$505.12
HUGO FEED MILL	GRASS SEED	603	45900	2280		001		\$119.90	\$119.90
I-STATE TRUCK CENTER	UNIT 204 FRONT SPRING BUSHINGS	701	46500	2220		001		\$21.95	\$21.95
ICMA/VANTAGEPOINT TRANSFER-300	EMPLOYEE CONTRIBUTIONS PAYDATE:10-31-14	101	21750					\$5,444.64	\$5,444.64
ICMA/VANTAGEPOINT TRANSFER-705	ROTH CONTRIBUTIONS:10-31-14	101	20430					\$640.00	\$640.00
JENSEN, AILI	ICE SKATING PRE-SNOP	220	22040					\$113.00	\$113.00
KOHLER, REBECCA	ACTIVITY REFUND	220	22040					\$234.00	\$234.00
L T G POWER EQUIPMENT	CHAIN SAW CHAINS	101	42200	2180		001		\$41.01	\$41.01
MINNESOTA ENVIRONMENTAL FUND	WEEK OF GIVING DONATIONS	101	22079		320			\$235.00	\$235.00
NCPERS MINNESOTA	PERA LIFE INSURANCE:NOV 2014	101	20413					\$208.00	\$208.00
NORTHERN ELECTRICAL CONTRACTOR	INSURANCE CLAIM: MCCULLOUGH PARK	260	47400	4340				\$5,070.00	\$5,070.00
NORTHSTAR INSPECTION SERVICE I	INSPECTION SERVICES	101	44300	3190				\$975.00	\$975.00
RICOH USA INC.	MAINTENANCE: RICOH COPIERS	101	40200	3850		002		\$210.73	\$210.73
SIEGEL GARCIA, BETSY	CPR/AED REVIEW	220	22040					\$85.00	\$85.00
TURNER, SHAWNA	FACILITY REFUND	220	22040					\$110.40	\$110.40
UNITED WAY - GREATER TWIN CITI	WEEK OF GIVING DONATIONS	101	22079		320			\$335.00	
WATER CONSERVATION SERVICE, IN	LOCATE 555 HARRIET	601	45050	3190		004		\$266.80	\$266.80
XCEL ENERGY	LIFT STATIONS: ELECTRIC	602	45550	3610				\$694.80	\$694.80
XCEL ENERGY	PARKS: ELECTRIC/GAS	101	43710	3610				\$1,152.33	\$1,406.36
		101	43710	2140				\$254.03	
ZACKS INC.	SHOP SUPPLIES	701	46500	2183		001		\$675.66	

Total of all invoices: \$27,031.59

COUNCIL REPORT

Vendor Name	Description	FF	GG	OO	AA	CC	Line	Amount	Invoice Amt
ABELMAN CO	CARHARTT JACKETS AND BIB	101	43710	3970				\$695.94	\$695.94
AID ELECTRIC CORPORATION	CHLORINE DOOR AND VENT LIGHT	601	45050	2280		005		\$208.86	
		601	45050	3190		005		\$894.40	
AWARDS BY HAMMOND INC	CITIZEN OF THE YEAR-CARING YOUTH AWARDS	101	40100	4890				\$261.75	\$261.75
BEISSWENGERS HARDWARE	NUTS AND BOLTS TO INSTALL SIGNS	101	43710	2240				\$33.98	
BEISSWENGERS HARDWARE	ANTI FREEZE/TWIST TIES	101	43710	2240				\$36.92	\$36.92
BIFF'S, INCORPORATED	BUCHER PARK UNITS	101	43710	3950				\$363.50	\$363.50
BIFF'S, INCORPORATED	COMMONS PARK UNITS	101	43710	3950				\$363.50	\$363.50
BIFF'S, INCORPORATED	LAKE JUDY PARK UNIT	101	43710	3950				\$166.00	\$166.00
BIFF'S, INCORPORATED	MCCULLOUGH PARK UNITS	101	43710	3950				\$266.00	\$266.00
BIFF'S, INCORPORATED	RICE CREEK FIELDS UNIT	101	43710	3950				\$68.50	\$68.50
BIFF'S, INCORPORATED	SITZER PARK UNITS	101	43710	3950				\$363.50	\$363.50
BIFF'S, INCORPORATED	SHAMROCK PARK UNITS	101	43710	3950				\$496.50	\$496.50
BIFF'S, INCORPORATED	THEISEN PARK UNIT	101	43710	3950				\$166.00	\$166.00
BIFF'S, INCORPORATED	WILSON PARK UNITS	101	43710	3950				\$363.50	\$363.50
BIFF'S, INCORPORATED	SNAIL LAKE SCHOOL UNIT	101	43710	3950				\$68.50	\$68.50
CBIZ FINANCIAL SOLUTIONS, INC	QUARTERLY FEE	101	40210	3190		013		\$85.99	\$85.99
CDW GOVERNMENT, INC	MOUNT FOR POS STATION	101	40550	2010		001		\$35.61	\$35.61
CDW GOVERNMENT, INC	HANDHELD LABELER	101	40550	2010		003		\$134.40	\$134.40
CDW GOVERNMENT, INC	MONITOR ADDITONS FOR PARKS	422	40550	5800		001		\$399.52	\$399.52
CDW GOVERNMENT, INC	WIRLESS MICE\KEYBOARDS	101	40550	2180		001		\$57.74	\$57.74
CDW GOVERNMENT, INC	APC POWER STRIPS	101	40550	2010		001		\$137.84	\$137.84
CDW GOVERNMENT, INC	SIT-STAND STATION EXTENSIONS	101	40550	2010		004		\$96.24	\$96.24
COMMERCIAL DOOR SYSTEMS, INC	INSURANCE CLAIM: DOOR MCCULLOUGH PARK	260	47400	4340				\$757.00	\$757.00
ENGINEERING UNLIMITED INC	KEYS FOR STREET LIGHT LOCKS	604	42600	2180				\$18.24	\$18.24
GRAINGER, INC.	LIFTING MAGNET AND BATTERIES	601	45050	2280		001		\$11.00	\$921.35
		701	46500	5800				\$910.35	
GREENHAVEN PRINTING	VOLUNTEER DINNER INVITATIONS	101	40100	4890				\$263.00	
LILLIE SUBURBAN NEWSPAPERS INC	POOL COORDINATOR AD	101	40210	3360		001		\$516.00	
LILLIE SUBURBAN NEWSPAPERS INC	WINTER JOBS BULLET LIST - 2 WKS	101	40210	3360		001		\$1,032.00	\$1,032.00
MENARDS CASHWAY LUMBER **FRIDL	WOOD LATH TO MARK TRAILS	101	43710	2240				\$44.94	\$44.94
MENARDS CASHWAY LUMBER *MAPLEW	EDGING FOR EAGLE SCOUT PROJECT	101	43710	2240				\$149.06	\$149.06
MINNESOTA DEPARTMENT OF AGRICU	2015 FM MINNESOTA GROWN LICENSE	225	43590	3174		001		\$60.00	\$60.00
MINNESOTA RECREATION & PARK AS	FITNESS COORDINATOR POSITION	101	40210	3360		001		\$100.00	\$100.00
NORTHERN ELECTRICAL CONTRACTOR	REPAIRS TO OUTSIDE WATERSLIDE LIGHTS	220	43800	3810		007		\$605.00	\$605.00
O'DAY EQUIPMENT, LLC	ANNUAL TESTING AND SERVICE FOR FUEL TANK	701	46500	3196				\$1,101.00	\$1,101.00
OFFICE DEPOT	GENERAL OFFICE SUPPLIES	101	40200	2010		002		\$121.01	\$136.21
		101	43400	2010				\$15.20	
OFFICE DEPOT	SECURE STAMP	101	40500	2010		008		\$19.99	\$19.99
OFFICE DEPOT	GENERAL OFFICE SUPPLIES	101	40550	2010		003		\$1.94	\$72.84
		101	40300	2180				\$70.90	
OFFICE DEPOT	GENERAL OFFICE SUPPLIES	101	40550	2010		003		\$24.60	
OFFICE DEPOT	GENERAL OFFICE SUPPLIES	225	43580	2170		001		\$22.40	\$124.66
		101	43400	2010				\$19.10	
		101	43400	2010				\$83.16	
OFFICE DEPOT	HP38 TONER	101	40550	2010		002		\$199.98	
PRAIRIE EQUIPMENT COMPANY LLC	INVERTERS	601	45050	2280		001		\$254.00	\$508.00
		602	45550	2280		001		\$254.00	
PRESS PUBLICATIONS	POOL COORDINATOR AD	101	40210	3360		001		\$224.00	\$224.00
SAFE-FAST INC	HIGH VISION UNIFORM JACKETS	101	43710	3970				\$401.12	\$436.08
		101	42200	3970	001			\$17.48	

COUNCIL REPORT

Vendor Name	Description	FF	GG	OO	AA	CC	Line Amount	Invoice Amt
		603	45850	3970	001		\$17.48	
SCHREIBER MULLANEY CONSTRCT CO	REPAIRS TO FLOOR DRAINS	405	43800	2180			\$14,435.00	\$14,435.00
SCHREIBER MULLANEY CONSTRCT CO	PLASTER REPAIR ON POOL COLUMNS	220	43800	3810		007	\$3,870.00	\$3,870.00
SCHREIBER MULLANEY CONSTRCT CO	INSURANCE CLAIM: POOL DECK DRAINS	260	47400	4340			\$10,705.80	
SHORT ELLIOTT HENDRICKSON, INC	CONSULTANT ENGINEERING FEE	571	47000	5910			\$194.76	\$194.76
SIGNATURE LIGHTING INC	STREET LIGHT REPAIR 1334 SUNVIEW DR	604	42600	3810		002	\$864.13	\$864.13
ST. PAUL, CITY OF	RIVERPRINT: BUSINESS CARDS ECONOMIC DEV	101	40100	2180			\$104.05	\$104.05
ST. PAUL, CITY OF	RIVERPRINT:BUSINESS CARDS:SHAUGHN/SCHAUM	701	46500	2180			\$33.00	\$66.00
		101	42050	2010			\$33.00	
TARGET COMMERCIAL INVOICE	WEEK OF GIVING CARDS	101	40210	4890		009	\$35.00	\$35.00
UNI FIRST CORPORATION	PARK MAINT UNIFORM RENTAL	101	43710	3970			\$61.00	\$61.00
UNI FIRST CORPORATION	COMM CNTR UNIFORM RENTAL	220	43800	3970			\$46.25	\$46.25
UNI FIRST CORPORATION	UNIFORM RENTAL	101	42200	3970		001	\$39.08	\$156.34
		601	45050	3970		001	\$39.08	
		602	45550	3970		001	\$39.08	
		603	45850	3970		001	\$19.55	
		701	46500	3970		001	\$19.55	
UNI FIRST CORPORATION	UNIFORM RENTAL	101	42200	3970		001	\$41.06	
		601	45050	3970		001	\$41.06	\$164.24
		602	45550	3970		001	\$41.06	
		603	45850	3970		001	\$20.53	
		701	46500	3970		001	\$20.53	
UNIFIRST CORPORATION	UNIFORM RENTAL PARKS	101	43710	3970			\$61.00	\$61.00
UNIFIRST CORPORATION	UNIFORM RENTAL CC	220	43800	3970			\$46.25	\$46.25
VERIZON WIRELESS	CELL PHONE SERVICE-10/11-11/10	101	44300	3190			\$35.00	
		601	45050	3190			\$366.00	
		101	40200	3210		002	\$405.37	
VERMONT SYSTEMS, INC	CARD ID PRINTER FOR MEMBERSHIPS	422	40550	5800		020	\$2,460.35	
YALE MECHANICAL INC	REPAIR GAS LINE AT LARSON HOUSE	101	43710	3190			\$481.02	\$481.02
							Total of all invoices:	\$47,636.20



TO: MAYOR, CITY COUNCIL, CITY MANAGER  
FROM: THOMAS L. HAMMITT  
SENIOR ENGINEERING TECHNICIAN  
DATE: OCTOBER 30, 2014  
SUBJECT: DEVELOPER ESCROW REDUCTIONS

INTRODUCTION

The following escrow reductions have been prepared and are presented to the City Council for approval.

BACKGROUND

The property owners/builders listed below have completed all or portions of the erosion control and turf establishment, landscaping or other construction in the right of way as required in the development contracts or building permits.

1223 Bucher Ave	Grading Certification completed
689 Arbogast St	Erosion Control completed
5964 Parkwood Ave	Erosion Control completed
3494 Victoria St N	Landscaping completed

RECOMMENDATION

It is recommended that the City Council approve releasing all or portions of the escrows for the following properties in the amounts listed below:

1223 Bucher Ave	Pulte Homes	\$ 1,000.00
689 Arbogast St	Neutgens Excavating	\$ 1,000.00
5964 Parkwood Ave	Michael Lee Inc	\$ 500.00
3494 Victoria St N	St Oldilia Church	\$21,875.00

**\*PROPOSED\***

**EXTRACT OF MINUTES OF MEETING OF THE  
CITY COUNCIL OF SHOREVIEW, MINNESOTA**

**HELD NOVEMBER 3, 2014**

\* \* \* \* \*

Pursuant to due call and notice thereof, a meeting of the City Council of the City of Shoreview, Minnesota was duly called and held at the Shoreview City Hall in said City on November 3, 2014 at 7:00 p.m. The following members were present:

and the following members were absent:

Member introduced the following resolution and moved its adoption.

**RESOLUTION NO. 14-101**

**RESOLUTION ORDERING ESCROW REDUCTIONS  
AT VARIOUS LOCATIONS IN THE CITY**

WHEREAS, various builders and developers have submitted cash escrows for erosion control, grading certificates, landscaping and other improvements, and

WHEREAS, City staff have reviewed the sites and developments and is recommending the escrows be returned.

NOW, THEREFORE, BE IT RESOLVED by the City Council of Shoreview, Minnesota, as follows:

The Shoreview Finance Department is authorized to reduce the cash deposit in the amounts listed below:

1223 Bucher Ave	Pulte Homes	\$ 1,000.00
689 Arbogast St	Neutgens Excavating	\$ 1,000.00
5964 Parkwood Ave	Michael Lee Inc	\$ 500.00
3494 Victoria St N	St Oldilia Church	\$21,875.00

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

and the following voted against the same:

WHEREUPON, said resolution was declared duly passed and adopted this 3<sup>rd</sup> day of November, 2014.



**PROPOSED MOTION**

**MOVED BY COUNCILMEMBER** \_\_\_\_\_

**SECONDED BY COUNCILMEMBER** \_\_\_\_\_

To approve the attached Application for Exempt Permit from the Shoreview Einhausen Sister City Association to conduct a raffle at the Taste of Shoreview on February 19<sup>th</sup>, 2015

ROLL CALL:      AYES                      \_\_\_\_\_ NAYS \_\_\_\_\_

JOHNSON    \_\_\_\_\_

QUIGLEY     \_\_\_\_\_

WICKSTROM                                        \_\_\_\_\_

WITHHART                                         \_\_\_\_\_

MARTIN    \_\_\_\_\_

To: MAYOR AND COUNCILMEMBERS

FROM: JESSICA RILEY  
COMMUNITY CENTER MANAGER

DATE: NOVEMBER 3, 2014

SUBJECT: APPLICATION FOR EXEMPT PERMIT

The Slice of Shoreview Day's Committee and Shoreview Einhausen Sister City Association are working together to plan the Taste of Shoreview event being held on February 19<sup>th</sup>, 2015. Attached is a copy of the application from Shoreview Einhausen Sister City Association to conduct a raffle at the Taste of Shoreview event. This event includes sampling of foods from Shoreview area restaurants, wine tasting, raffles, a silent auction, and a preview of the 2015 Slice of Shoreview Days. Proceeds from the Taste of Shoreview help cover many costs involved in putting the Slice of Shoreview Days together each year.

It is recommended that the City Council approve this request from the Shoreview Einhausen Sister City Association to conduct a raffle at the Taste of Shoreview event on February 19<sup>th</sup>, 2015.

### LG220 Application for Exempt Permit

<p>An exempt permit may be issued to a nonprofit organization that:</p> <ul style="list-style-type: none"> <li>• conducts lawful gambling on five or fewer days, and</li> <li>• awards less than \$50,000 in prizes during a calendar year.</li> </ul> <p>If total prize value for the year will be \$1,500 or less, contact the Licensing Specialist assigned to your county.</p>	<p><b>Application fee (nonrefundable)</b> If the application is postmarked or received 30 days or more before the event, the application fee is <b>\$50</b>; otherwise the fee is <b>\$100</b>.</p>
--	---

#### Organization Information

Organization Name: <u>Shoreview Einhausen Sister City Association</u>	Previous Gambling Permit Number: <u>X-33756-14-003</u>
Minnesota Tax ID Number, if any:	Federal Employer ID Number (FEIN), if any: <u>41-2026313</u>

**Type of Nonprofit Organization (check one):**

Fraternal    
 Religious    
 Veterans    
 Other Nonprofit Organization

Mailing Address: 4600 Victoria St. N     City: Shoreview     State and Zip: MN 55126     County: Ramsey

Name of Chief Executive Officer (CEO): William Kiehnbaum     Daytime Phone: 651-357-4428     Email: wkiehnbaum@gmail.com

#### Nonprofit Status

**Attach a copy of ONE of the following for proof of nonprofit status:**

**Nonprofit Articles of Incorporation OR a current Certificate of Good Standing.**  
Don't have a copy? This certificate must be obtained each year from:  
Minnesota Secretary of State  
Business Services Division  
60 Empire Drive, Suite 100  
St. Paul, MN 55103  
Phone: 651-296-2803

**IRS income tax exemption (501(c)) letter in your organization's name.**  
Don't have a copy? To obtain a copy of your federal income tax exempt letter, have an organization officer contact the IRS at 877-829-5500.

**IRS - Affiliate of national, statewide, or international parent nonprofit organization (charter).**  
If your organization falls under a parent organization, attach copies of **both** of the following:  
a. an IRS letter showing your parent organization is a nonprofit 501(c) organization with a group ruling, and  
b. the charter or letter from your parent organization recognizing your organization as a subordinate.

#### Gambling Premises Information

Name of premises where the gambling event will be conducted (for raffles, list the site where the drawing will take place):  
Shoreview Community Center

Address (do not use PO box): 4580 Victoria St N     City or Township: Shoreview     Zip Code: 55126     County: Ramsey

Date(s) of activity (for raffles, indicate the date of the drawing):  
Feb. 19th, 2015

Check each type of gambling activity that your organization will conduct:

Bingo\*    
 Paddlewheels\*    
 Pull-Tabs\*    
 Tipboards\*

Raffle (total value of raffle prizes awarded for the year: \$ 5,000)

\***Gambling equipment** for bingo paper, paddlewheels, pull-tabs, and tipboards must be obtained from a distributor licensed by the Minnesota Gambling Control Board. EXCEPTION: Bingo hard cards and bingo number selection devices may be borrowed from another organization authorized to conduct bingo.

To find a licensed distributor, go to [www.mn.gov/gcb](http://www.mn.gov/gcb) and click on **Distributors** under the **LIST OF LICENSEES**, or call 651-539-1900.

**Local Unit of Government Acknowledgment**

**CITY APPROVAL  
for a gambling premises  
located within city limits**

- The application is acknowledged with no waiting period.
- The application is acknowledged with a 30-day waiting period, and allows the Board to issue a permit after 30 days (60 days for a 1st class city).
- The application is denied.

Print City Name: \_\_\_\_\_

Signature of City Personnel: \_\_\_\_\_

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

**Local unit of government must sign.**

**COUNTY APPROVAL  
for a gambling premises  
located in a township**

- The application is acknowledged with no waiting period.
- The application is acknowledged with a 30-day waiting period, and allows the Board to issue a permit after 30 days.
- The application is denied.

Print County Name: \_\_\_\_\_

Signature of County Personnel: \_\_\_\_\_

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

**TOWNSHIP (if required by the county).**

On behalf of the township, I acknowledge that the organization is applying for exempted gambling activity within the township limits. (A township has no statutory authority to approve or deny an application, per Minn. Statutes, section 349.166.)

Print Township Name: \_\_\_\_\_

Signature of Township Officer: \_\_\_\_\_

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

**Chief Executive Officer's Signature**

The information provided in this application is complete and accurate to the best of my knowledge. I acknowledge that the financial report will be completed and returned to the Board within 30 days of the event date.

Chief Executive Officer's Signature: William Kiehlbaum Date: 10/23/2014

Print Name: WILLIAM KIEHLBAUM

**Requirements**

**Complete a separate application for:**

- all gambling conducted on two or more consecutive days, or
- all gambling conducted on one day.

Only one application is required if one or more raffle drawings are conducted on the same day.

**Send application with:**

- \_\_\_\_\_ a copy of your proof of nonprofit status, and
- \_\_\_\_\_ application fee (nonrefundable). If the application is postmarked or received 30 days or more before the event, the application fee is \$50; otherwise the fee is \$100. Make check payable to **State of Minnesota**.

**To:** Gambling Control Board  
1711 West County Road B, Suite 300 South  
Roseville, MN 55113

**Financial report and recordkeeping required.**

A financial report form and instructions will be sent with your permit, or use the online fill-in form available at [www.mn.gov/gcb](http://www.mn.gov/gcb).

Within 30 days of the event date, complete and return the financial report form to the Gambling Control Board. Your organization must keep all exempt raffle records and reports for 3-1/2 years (Minn. Statutes, section 349.166, subd. 2(f)).

**Questions?**

Call the Licensing Section of the Gambling Control Board at 651-539-1900.

This form will be made available in alternative format (i.e. large print, Braille) upon request.

Data privacy notice: The information requested on this form (and any attachments) will be used by the Gambling Control Board (Board) to determine your organization's qualifications to be involved in lawful gambling activities in Minnesota. Your organization has the right to refuse to supply the information; however, if your organization refuses to supply this information, the Board may not be able to determine your organization's qualifications and, as a consequence, may refuse to issue a permit. If your organization supplies the information requested, the Board will be able to process the

application. Your organization's name and address will be public information when received by the Board. All other information provided will be private data about your organization until the Board issues the permit. When the Board issues the permit, all information provided will become public. If the Board does not issue a permit, all information provided remains private, with the exception of your organization's name and address which will remain public. Private data about your organization are available to Board members, Board staff whose work requires access to the information; Minnesota's Depart-

ment of Public Safety; Attorney General; Commissioners of Administration, Minnesota Management & Budget, and Revenue; Legislative Auditor, national and international gambling regulatory agencies; anyone pursuant to court order; other individuals and agencies specifically authorized by state or federal law to have access to the information; individuals and agencies for which law or legal order authorizes a new use or sharing of information after this notice was given; and anyone with your written consent.

INTERNAL REVENUE SERVICE  
P. O. BOX 2508  
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date **MAR 14 2006**

SHOREVIEW EINHAUSEN SISTER CITY  
ASSOCIATION  
C/O SHOREVIEW CITY HALL  
4600 VICTORIA ST  
SHOREVIEW, MN 55126-5817

Employer Identification Number:  
41-2020313  
DLN:  
17053042706096  
Contact Person: SHAREN J LOCKLEAR ID# 31209  
Contact Telephone Number:  
(877) 829-5500

Public Charity Status:  
170(b)(1)(A)(vi)

Dear Applicant:

Our letter dated MAY 2002, stated you would be exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code, and you would be treated as a public charity, rather than as a private foundation, during an advance ruling period.

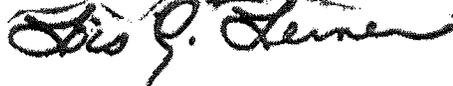
Based on the information you submitted, you are classified as a public charity under the Code section listed in the heading of this letter. Since your exempt status was not under consideration, you continue to be classified as an organization exempt from Federal income tax under section 501(c)(3) of the Code.

Publication 557, Tax-Exempt Status for Your Organization, provides detailed information about your rights and responsibilities as an exempt organization. You may request a copy by calling the toll-free number for forms, (800) 829-3676. Information is also available on our Internet Web Site at [www.irs.gov](http://www.irs.gov).

If you have general questions about exempt organizations, please call our toll-free number shown in the heading.

Please keep this letter in your permanent records.

Sincerely yours,



Lois G. Lerner  
Director, Exempt Organizations  
Rulings and Agreements

Letter 1050 (DO/CG)

**PROPOSED MOTION**

Moved By Councilmember \_\_\_\_\_

Supported By Councilmember \_\_\_\_\_

to authorize the Mayor and City Manager to renew the open-ended minimum three year agreement with Bearence Management Group as the City's and Economic Development Authority's insurance agent of record.

ROLL CALL:	AYES	NAYS
Johnson	_____	_____
Quigley	_____	_____
Withhart	_____	_____
Wickstrom	_____	_____
Martin	_____	_____

Deborah Maloney  
Assistant Finance Director  
Regular Council Meeting  
November 4, 2014

TO: Terry Schwerm, City Manager  
FROM: Deborah Maloney, Assistant Finance Director  
DATE: October 27, 2014  
SUBJECT: Renewal of Contract with Insurance Agent of Record

## **INTRODUCTION**

The City and Economic Development Authority purchase insurance through the League of Minnesota Cities Insurance Trust (League) which requires that all cities appoint an insurance agent of record. In 2011 the City Council approved a three-year contract with Bearence Management Group.

## **DISCUSSION**

We have received excellent service from Bearence Management Group since the contract was awarded. They have a very proactive approach to insurance, have continued to keep staff advised of changes in the insurance industry and suggest new coverages that could benefit the City. The staff at Bearence Management Group has been responsive to our requests for information, and is consistently working with staff to minimize losses and improve safety in the workplace.

Bearence Management Group represents a number of municipal clients. The staff at Bearence Management Group has extensive insurance backgrounds and is familiar with the City's property, policies, and procedures as they relate to insurance. In addition to the quality of service and satisfaction received from Bearence Management Group, they have not increased their fee over the previous three-year contract period in spite of increased operating costs and inflation.

The current contract with Bearence Management Group expired on September 1 of this year. Staff is requesting approval to continue the contract at this time since it takes approximately 60 days to process the renewal of the City's annual insurance coverage. Bearence Management Group is proposing to continue services for a minimum of an additional three years for \$11,000 per year, which is the same annual cost of their previous three-year contract rate. The new contract is open-ended, but can be terminated by either party on September 1 of any subsequent year.

Renewing the agreement with Bearence Management Group would provide continuity in the administration of the City's insurance program and avoid having to familiarize a new agent with the City, its properties, and exposure.

## **RECOMMENDATION**

Staff recommends approval of the attached contract with Bearence Management Group for a minimum three-year term beginning September 1, 2014. The City will continue to have the option of canceling this contract at any time.

**PROPOSED MOTION**

Moved by Council member \_\_\_\_\_

Seconded by Council member \_\_\_\_\_

To approve a three-year audit contract with the firm Malloy, Montague, Karnowski, Radosevich & Co., PA. and authorize the Mayor and City Manager to execute the appropriate contract document.

ROLL CALL:	AYES	NAYS
Johnson	_____	_____
Quigley	_____	_____
Withhart	_____	_____
Wickstrom	_____	_____
Martin	_____	_____

Deborah Maloney  
Assistant Finance Director  
November 03, 2014  
Council Meeting

TO: Terry Schwerm, City Manager

FROM: Deborah Maloney, Assistant Finance Director

DATE: October 27, 2014

RE: Renewal of audit contract

In 2011 the City Council approved a three-year contract with Malloy, Montague, Karnowski, Radosevich & Co., PA. (MMKR) for auditing services. The contract included an option to extend the contract for an additional three years.

**BACKGROUND**

During the past 9 years staff has been consistently pleased with the experience and knowledge of the audit staff, as well as the quality of information we receive from MMKR throughout the year. Members of the firm assigned to Shoreview’s audit bring:

- Experience in auditing local governments
- Knowledge of governmental accounting and financial reporting requirements
- Familiarity with the City and its operations
- Continuity at a time of significant departmental staffing changes

Staff has been impressed with the mix of auditor experience assigned to the City’s audit. Staff and auditors work together efficiently because staff does not need to educate the MMKR audit staff about generally accepted governmental accounting policies, or Shoreview procedures and policies. This allows staff and the auditors to focus on the areas of greatest interest and importance, which helps staff in our efforts toward continued improvement.

The table below provides a schedule of actual and proposed billings for the twelve-year period. Over the past nine years actual audit costs have not exceeded contract amounts.

<b>Audit Year</b>	<b>Contract Amount</b>	<b>Increase</b>	<b>Percent Increase</b>
<b>Actual:</b>			
<b>2005</b>	<b>34,875</b>	<b>0</b>	<b>0.00%</b>
<b>2006</b>	<b>35,800</b>	<b>925</b>	<b>2.65%</b>
<b>2007</b>	<b>36,925</b>	<b>1,125</b>	<b>3.14%</b>
<b>2008</b>	<b>38,200</b>	<b>1,275</b>	<b>3.45%</b>
<b>2009</b>	<b>39,550</b>	<b>1,350</b>	<b>3.53%</b>
<b>2010</b>	<b>40,950</b>	<b>1,400</b>	<b>3.54%</b>
<b>2011</b>	<b>41,765</b>	<b>815</b>	<b>2.00%</b>
<b>2012</b>	<b>42,600</b>	<b>835</b>	<b>2.00%</b>
<b>2013</b>	<b>43,450</b>	<b>850</b>	<b>2.00%</b>
<b>Proposed</b>			
<b>2014</b>	<b>44,320</b>	<b>870</b>	<b>2.00%</b>
<b>2015</b>	<b>45,205</b>	<b>885</b>	<b>2.00%</b>
<b>2016</b>	<b>46,110</b>	<b>905</b>	<b>2.00%</b>

## **RECOMMENDATION**

Staff recommends approval of the attached contract with the firm of Malloy, Montague, Karnowski, Radosevich & Co., PA. for a period of three years. The contract includes an option to cancel after any given year, allowing the City to change auditors at any time.

**MOTION**

**MOVED BY COUNCIL MEMBER \_\_\_\_\_**

**SECONDED BY COUNCIL MEMBER \_\_\_\_\_**

To adopt Resolution # 14-99 approving the Conditional Use Permit submitted by George and Justine Greene, to construct a new detached accessory structure, a 168 sq. ft. pool house, authorizing 288 sq. ft. total floor area for two detached accessory structures on the property at 5875 Kitkerry Court South, subject to the following conditions:

1. The project must be completed in accordance with the plans submitted with the applications. Any significant changes to these plans, as determined by the City Planner, will require review and approval by the Planning Commission.
2. The exterior design of the addition shall be consistent with the plans submitted and complement the home on the property.
3. The applicant shall obtain a building permit for the structure. The structure shall comply with the Building Code standards.

The structure shall not be used in any way for commercial purposes.

Said approval is based on the following findings of fact:

1. The proposed accessory structure will maintain the residential use and character of the property and is therefore in harmony with the general purposes and intent of the Development Ordinance.
2. The primary use of the property will remain residential and is in harmony with the policies of the Comprehensive Guide Plan.
3. The conditional use permit standards as detailed in the Development Ordinance for a residential accessory are met.
4. The structure and/or land use conform to the Land Use Chapter of the Comprehensive Guide Plan and are compatible with the existing neighborhood.

**ROLL CALL: AYES \_\_\_\_\_ NAYS \_\_\_\_\_**

Johnson	_____	_____
Quigley	_____	_____

Wickstrom

Withhart

Martin

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

***Regular City Council Meeting***

November 3, 2014

**TO:** Mayor, City Council, City Manager  
**FROM:** Niki Hill, Planning and Economic Development Technician  
**DATE:** October 31, 2014  
**SUBJECT:** File No. 2547-14-37 – Conditional Use Permit – 5875 Kitkerry Court S., George and Justine Greene

## **INTRODUCTION**

George and Justine Greene propose to construct a 168 square foot detached accessory structure (Pool House) on their property. The proposal requires a Conditional Use Permit since the total of all detached accessory structures will exceed 150 square feet. The intent of the Conditional Use Permit process is to review the proposal in terms of the Development Code standards and consistency with the Comprehensive Plan.

## **PROJECT DESCRIPTION**

The property is located on the corner of Bucher Ave and Kitkerry Court S in the R1, Detached Residential District as are the surrounding properties. According to tax records, the lot has an area of 18,295 square feet. The lot has a trapezoid shape with a front lot line width of 100 feet along Kitkerry Court, rear width of 131 ft and lot depth of 159 ft feet. The property is developed with a single family home that has a foundation area of 1,308 square feet with a 528 square foot attached garage. In 2008 the applicants constructed a 10 by 12 foot (120 square foot) shed in the rear yard. The shed will remain.

The applicants plan to construct a 12' x 14', 168 square foot pool house in their rear yard. Please see the attached plans.

## **DEVELOPMENT CODE**

The accessory structure regulations were revised in 2006, adopting standards to ensure the compatibility of these structures with surrounding residential uses. In the R-1 District, two detached accessory structures are permitted. On parcels with an area less than 1 acre, accessory structure floor areas that are greater than 150 square feet but not exceeding 288 square feet require a Conditional Use Permit. The Conditional Use Permit process enables the City to review the proposed use for compliance to the Development Code standards and ensure compatibility with nearby land uses through a public hearing. The combined area of all accessory structures cannot exceed 90% of the dwelling unit foundation area or 1,200 square feet, whichever is more restrictive.

Accessory structures must be setback a minimum of 5 feet from a side lot line and 10 feet from a rear lot line, except when a Conditional Use Permit is required the minimum setback increases to 10 feet from all property lines. The maximum height permitted for detached accessory structures

is 18 feet as measured from the roof peak to the lowest finished grade; however in no case shall the height of the structure exceed the height of the dwelling unit. In addition, sidewalls cannot exceed 10 feet and interior storage areas above the main floor cannot exceed an interior height of 6 feet.

The exterior design of the structure must be compatible with the dwelling and be similar in appearance from an aesthetic, building material and architectural standpoint. The proposed design, scale, height and other aspects related to the accessory structure are evaluated to determine the impact on the surrounding area. Building permits may be issued upon the finding that the appearance of the structure is compatible with the structures and properties in the surrounding area and does not detract from the area. The intent of these regulations and the City's Comprehensive Plan's policies is to ensure that the residential character of the property and neighborhood is maintained and that dwelling unit remains the primary feature and use of the property.

### ***Conditional Use Permit***

Attachment A summarizes the standards which must be met for the Conditional Use Permit to be granted. These standards address location, structure setbacks, screening, and exterior design. In addition, a Conditional Use Permit can only be granted upon the finding that the proposed use is in harmony with and conforms to the Comprehensive Plan policies and Development Code standards.

### **APPLICANT'S STATEMENT**

The applicant states that the detached accessory building (pool house) will be used for a changing room and backyard retreat. The structure will have a rear minimum setback of 20 feet and a 40 foot setback from the north property line, parallel to Bucher Avenue. The structure will be screened from view on all sides by trees, shrubs, and the existing house. The structure is to be purchased from Tuff Shed of Arden Hills, and will be assembled on-site. It will be of similar construction and color scheme as the house and the existing 10 x 12 storage shed. See attached statement and plans.

### **STAFF REVIEW**

The proposal was reviewed in accordance with the Conditional Use Permit standards identified in the Development Code. The proposed structure complies with the City's standards regarding setback, height, and exterior design.

Staff believes that the size, separation between the two structures, fencing on the south property line and existing vegetation reduces the need for adding additional screening from adjoining properties. Screening for the pool house is provided primarily by the location, well setback from other nearby lots. The pool pump equipment is on the south side of the pool and will not be affected by the structure.

The following table reviews the proposal in terms of the adopted standards.

	Existing	Proposed	Development Code Standard
<b>Area</b>			
Pool House		168 sf	
Shed	120 sf		
Total detached area	120 sf	288 sf	150 sf to 288 sf for the two detached structures
Attached Garage	528 sf		
All Accessory Structures	648 sf <i>*49.5% of dfa</i>	816 sf <i>*62.3% of dfa</i>	1,200 sf or 90% of the dwelling unit foundation area ( <b>1,177.2 sf</b> ) – whichever is more restrictive
<b>Setback</b>			
Side Lot Line			
Shed	14ft		
Pool House		40.00	5 feet from side lot line. 32.5 ft (Setback of the existing house on a corner lot)
Rear Lot Line			
Shed	10 ft		
Pool House		20.00	10 feet required from rear lot line.
<b>Height</b>			
Roof Peak		14 ft	18 ft
Sidewall		10 ft	10 ft
<b>Exterior Design</b>		Match Existing House / Shed	Compatible with the residence and be similar in appearance
<b>Screening</b>		Existing shrubs, trees and fence.	Structure shall be screened from view of public streets and adjoining properties with landscaping, berming or fencing

In Staff's opinion, the proposed pool house is in harmony with general purpose of the Development Code and Comprehensive Plan policies. The overall size of this structure when combined with all other accessory structures is less than 90% of the dwelling unit foundation area, therefore, the dwelling unit will remain the primary feature and use of the property. The use of the structure is incidental to the primary residential use of the property and will enhance the appearance and use of the backyard. The intended use of the structure is for passive leisure or recreational use. This use is consistent with the residential use of the property and neighborhood.

**PUBLIC COMMENT**

Property owners within 350' of the property were notified of the application. Any comments received are attached.

## **PLANNING COMMISSION**

The Planning Commission reviewed the application and held the required Public Hearing at their meeting October 28, 2014. No testimony was given at the Public Hearing and the Commissioners discussion identified that two detached accessory structures are permitted in the R-1 District, and that the CUP is required since the pool house and shed exceed the threshold of 150 square feet. The Commission forwarded the application to the City Council with a unanimous (6-0) recommendation for approval.

## **RECOMMENDATION**

The applicant's proposal is consistent with the Conditional Use Permit criteria and standards for detached accessory structures. The residential use of the proposed pool house is in harmony with the general purposes and intent of the Development Code and Comprehensive Plan. The structure/land use conforms to the Comprehensive Plan and is compatible with the residential neighborhood. The existing home will remain the primary feature and use of the property.

Staff is recommending the Planning Commission recommend the City Council approve the Conditional Use Permit, subject to the following:

1. The project must be completed in accordance with the plans submitted with the applications. Any significant changes to these plans, as determined by the City Planner, will require review and approval by the Planning Commission.
2. The exterior design of the addition shall be consistent with the plans submitted and complement the home on the property.
3. The applicant shall obtain a building permit for the structure. The structure shall comply with the Building Code standards.
4. The structure shall not be used in any way for commercial purposes.

### Attachments:

1. Attachment A – Conditional Use Permit, Standards for Detached Accessory Structures
2. Aerial Photo
3. Applicant's Statement and submitted plans
4. Comments received
5. Resolution 14-99
6. Motion Sheet

# ATTACHMENT A

- (1) The accessory structure shall be located in the rear yard of the property except as otherwise permitted by this ordinance.
- (2) The accessory structure shall be setback a minimum of 10 feet from the side property line and 10 feet from the rear property line; however, the City may require greater setbacks to mitigate impacts on adjoining properties.
- (3) For parcels 1 acre or larger in size, the lot shall have a minimum area of 1 acre above the ordinary high water line of a lake, ponding area or wetland on the property.
- (4) The accessory structure shall be screened from view of adjacent properties and public streets through the use of landscaping, berming, fencing or a combination thereof.
- (5) The structure shall comply with the standards of Section 205.082(D) (5) of this ordinance.

## ***Conditional Use Permit Criteria***

Certain land uses are designated as a conditional use because they may not be suitable in a particular zoning district unless conditions are attached. In those circumstances, conditions may be imposed to protect the health, safety and welfare and to insure harmony with the Comprehensive Plan.

In addition to the standards identified above, the City Council must find that the use complies with the following criteria.

- (1) The use is in harmony with the general purposes and intent of the Development Ordinance.
- (2) The use is in harmony with the policies of the Comprehensive Guide Plan.
- (3) Certain conditions as detailed in the Development Ordinance exist.
- (4) The structure and/or land use conform to the Land Use Chapter of the Comprehensive Guide Plan and are compatible with the existing neighborhood.



George (Ed) and Justine Greene  
5875 Kitkerry Court South  
Shoreview, MN 55126  
612-209-4394

Department of Community Development  
City of Shoreview  
4600 Victoria Street North  
Shoreview, MN 55126

Dear Members of the Shoreview Planning Commission and City Council:

The attached request for a Conditional Use Permit is submitted for your review.

We are seeking approval to build a 12 X 14 foot pool house in the rear yard of our property in compliance with all Performance Standards as described in Sec. 205.082 of the Development Ordinance. The intended use of the structure is as a changing room and backyard retreat area. The structure will have a rear minimum setback of 20 feet and a 40 foot setback from the north property line, parallel to Bucher Avenue. The structure will be screened from view on all sides by trees and shrubs. The structure is to be purchased from Tuff Shed of Arden Hills, and will be assembled on-site. It will be of similar construction and color scheme as the house and the existing 10 X 12 storage shed (also from Tuff Shed) on the same property.

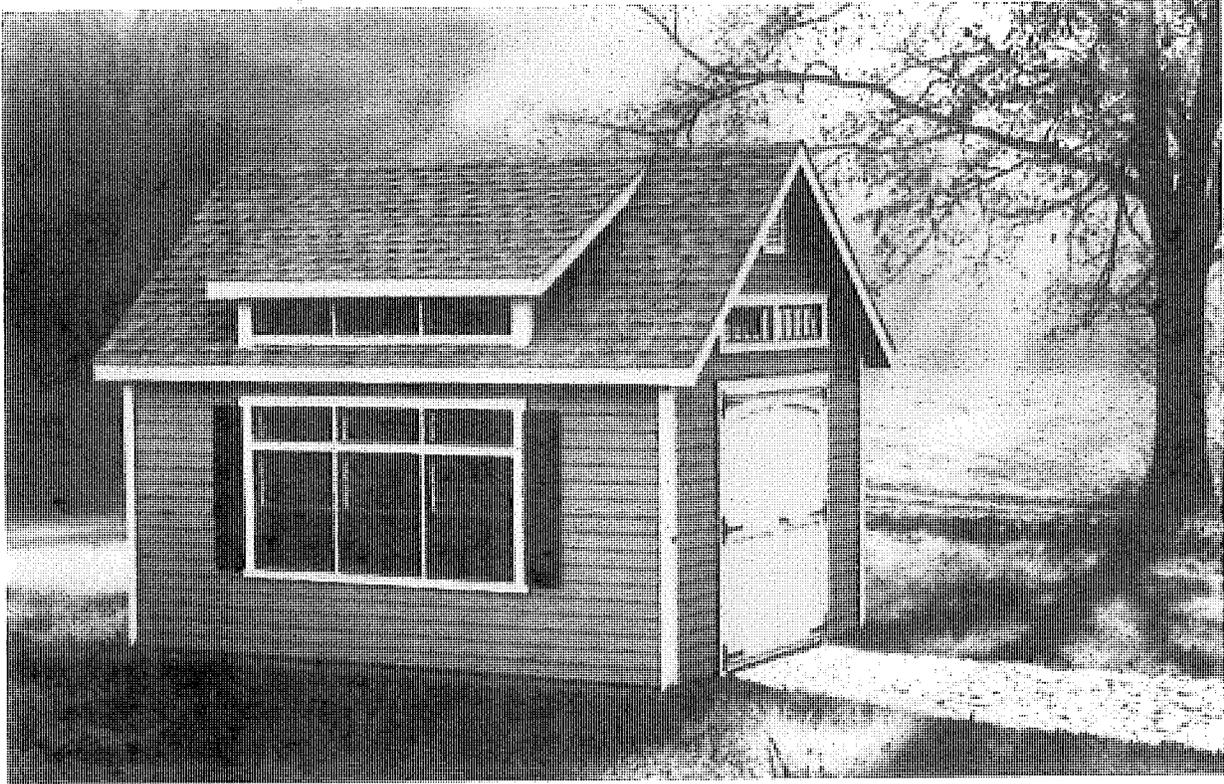
Attached are all filing requirements, as obtained from Ms. Niki Hill on September 16, 2014, for review at the October Planning Commission meeting.

Very Truly,

Justine Greene

5875 KITKERRY COURT SOUTH  
SHOREVIEW, MN 55126

ED & JUSTINE  
GREENE  
(612) 209-4394



- 12 X 14 FLOOR
- ROOF EAVE (OVERHANG) TO EXTEND 4'
- 10' SIDEWALLS
- SURROUNDED BY LANDSCAPING, TREES & SHRUBS



City Council:  
Sandy Martin, Mayor  
Emy Johnson  
Terry Quigley  
Ady Wickstrom  
Ben Withhart



City of Shoreview  
4600 Victoria Street North  
Shoreview, MN 55126  
651-490-4600 phone  
651-490-4699 fax  
www.shoreviewmn.gov

October 7, 2014

**REQUEST FOR COMMENT**

Dear Shoreview Property Owner:

Please be advised that on **Tuesday, October 28<sup>th</sup> at 7:00 p.m.**, the Shoreview Planning Commission will hold a public hearing for a Conditional Use Permit application submitted by George and Justine Greene to construct a 168 square foot detached accessory structure (pool-house) in the rear yard of their property at **5875 Kitkerry Court S.**

On parcels less than 1 acre in size, 2 detached accessory structures with a total floor area greater than 150 square feet up to 288 square feet are permitted with a Conditional Use Permit. The Conditional Use Permit process enables the City to review the proposed use through a public hearing for compliance to the Development Code standards and ensure compatibility with nearby land uses. Please see the attached plan.

You are encouraged to fill out the bottom portion of this form and return it if you have any comments or concerns. You may also send your comments to me via email. Comments received by **October 23<sup>rd</sup>** will be distributed to the Planning Commission with their agenda packet. Comments received after that date but before the meeting will be distributed to the Commission that night. You are also welcome to attend the meeting which will be held in the **City Council Chambers, Shoreview City Hall, 4600 North Victoria Street.** The agenda and staff report to the Planning Commission will be available on the City website by October 24<sup>th</sup>. Please use this weblink to review details of the project and City standards after that date:  
[www.shoreviewmn.gov/pc/documents](http://www.shoreviewmn.gov/pc/documents).

If you would like more information or have any questions, please call me at 651-490-4658 between 8:00 a.m. and 4:30 p.m., Monday through Friday. You may leave a voice mail message at any time. Comments or questions can also be submitted via e-mail to me at [nhill@shoreviewmn.gov](mailto:nhill@shoreviewmn.gov).

Sincerely,

Niki Hill  
Planning and Economic Development Technician

Comments:

*I would like to express my concern. This neighbor has a two car garage but always has at least three cars in the drive way. They have a shed but have a boat and garbage containers on the side of the house. Building a pool house will add a building to the property but not solve the mess on the property. I think living in a neighborhood we should be respectful of what our neighbors need to look at. Sometimes people out grow their home and need to move to a larger homes or more property. I donot approve of another*

Name: Dawn Sunitala-King  
Address: 5855 Kitkerry Ct. South

*in neighbors need to look at. Sometimes people out grow their home and need to move to a larger homes or more property. I donot approve of another*



# 5875 Kitkerry Court S



200.0 0 100.00 200.0 Feet

NAD\_1983\_HARN\_Adj\_MIN\_Ramsey\_Feet  
© Ramsey County Enterprise GIS

This map is a user generated static output from an Internet mapping site and is for reference only. Data layers that appear on this map may or may not be accurate, current, or otherwise reliable.  
THIS MAP IS NOT TO BE USED FOR NAVIGATION

1:1,200



building added to their property. I do not want to look at it!  
Thank you

**EXTRACT OF MINUTES OF MEETING OF THE  
CITY COUNCIL OF SHOREVIEW, MINNESOTA  
HELD NOVEMBER 3, 2014**

\* \* \* \* \*

Pursuant to due call and notice thereof, a meeting of the City Council of the City of Shoreview, Minnesota was duly called and held at the Shoreview City Hall in said City at 7:00 PM.

The following members were present:

And the following members were absent:

Member \_\_\_\_\_ introduced the following resolution and moved its adoption.

**RESOLUTION NO. 14-99  
CONDITIONAL USE PERMIT**

**WHEREAS**, Rick and Catherine Schuett, applied for a conditional use permit to construct a detached accessory structure (gazebo) on their property, legally described as:

Lot 1, Block 6, Evergreen Shores

*(This property is commonly known as 5875 Kitkerry Court South, Shoreview, Minnesota.)*

**WHEREAS**, in accordance with the Development Code, on lots less than one acre, detached accessory structures may exceed the maximum allowable square footage permitted as a Conditional Use Permit provided certain standards are met and,

**WHEREAS**, the maximum floor area permitted for all detached accessory structures is 150 square feet, unless a Conditional Use Permit is issued. The combined area of all accessory structures cannot exceed 90% of the dwelling unit foundation area or 1,200 square feet, whichever is more restrictive; and,

**WHEREAS**, the applicants are requesting a conditional use permit to construct a 168 square foot detached pool house on their property, 5875 Kitkerry Court South, which is in the R1, Detached Residential Zoning District and has a lot area of approximately 18,295 square feet; and

**WHEREAS**, the property is currently developed with: 528 square foot attached garage and an 120 square foot detached accessory (a shed); and

**WHEREAS**, the detached accessory structure (pool house) will have a floor area of 168 square feet, increasing the total floor area of the two detached accessory buildings to 288 square feet, as detailed in the submitted plans; and

**WHEREAS**, the Planning Commission held a public hearing on the proposal and determined that the proposed use was consistent with the Comprehensive Plan and that the proposed use would not have a detrimental effect on the character and development of the neighborhood; and

**WHEREAS**, the City Council is authorized by state law and the City of Shoreview Development Code to make final decisions on conditional use permit requests.

**NOW, THEREFORE, BE IT RESOLVED BY THE SHOREVIEW CITY COUNCIL**, that the above-described conditional use permit be approved on the basis of the following findings of fact:

1. The proposed accessory structure will maintain the residential use and character of the property and is therefore in harmony with the general purposes and intent of the Development Ordinance.
2. The primary use of the property will remain residential and is in harmony with the policies of the Comprehensive Guide Plan.
3. The conditional use permit standards as detailed in the Development Ordinance for a residential accessory are met.
4. The structure and/or land use conform to the Land Use Chapter of the Comprehensive Guide Plan and are compatible with the existing neighborhood.

**NOW, THEREFORE, BE IT FURTHER RESOLVED BY THE SHOREVIEW CITY COUNCIL** that a Conditional Use Permit allowing a total floor area of 288 square feet for the two detached accessory structures is hereby approved, subject to the following conditions:

1. The project must be completed in accordance with the plans submitted with the applications. Any significant changes to these plans, as determined by the City Planner, will require review and approval by the Planning Commission.
2. The exterior design of the addition shall be consistent with the plans submitted and complement the home on the property.
3. The applicant shall obtain a building permit for the structure. The structure shall comply with the Building Code standards.
4. The structure shall not be used in any way for commercial purposes.

The motion was duly seconded by Council Member \_\_\_\_\_ and upon a vote

being taken thereon, the following voted in favor thereof:

And the following voted against the same: None

Adopted this 3rd day of November, 2014.

---

Sandra C. Martin, Mayor  
Shoreview City Council

ACCEPTANCE OF CONDITIONS:

---

George Greene, Jr

---

Justine Greene



City Council:  
Sandy Martin, Mayor  
Emy Johnson  
Terry Quigley  
Ady Wickstrom  
Ben Withhart



City of Shoreview  
4600 Victoria Street North  
Shoreview, MN 55126  
651-490-4600 phone  
651-490-4699 fax  
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October 7, 2014

## REQUEST FOR COMMENT

Dear Shoreview Property Owner:

Please be advised that on **Tuesday, October 28<sup>th</sup> at 7:00 p.m.**, the Shoreview Planning Commission will hold a public hearing for a Conditional Use Permit application submitted by George and Justine Greene to construct a 168 square foot detached accessory structure (pool-house) in the rear yard of their property at **5875 Kitkerry Court S.**

On parcels less than 1 acre in size, 2 detached accessory structures with a total floor area greater than 150 square feet up to 288 square feet are permitted with a Conditional Use Permit. The Conditional Use Permit process enables the City to review the proposed use through a public hearing for compliance to the Development Code standards and ensure compatibility with nearby land uses. Please see the attached plan.

You are encouraged to fill out the bottom portion of this form and return it if you have any comments or concerns. You may also send your comments to me via email. Comments received by **October 23<sup>rd</sup>** will be distributed to the Planning Commission with their agenda packet. Comments received after that date but before the meeting will be distributed to the Commission that night. You are also welcome to attend the meeting which will be held in the **City Council Chambers, Shoreview City Hall, 4600 North Victoria Street.** The agenda and staff report to the Planning Commission will be available on the City website by October 24<sup>th</sup>. Please use this weblink to review details of the project and City standards after that date:  
[www.shoreviewmn.gov/pc/documents](http://www.shoreviewmn.gov/pc/documents).

If you would like more information or have any questions, please call me at 651-490-4658 between 8:00 a.m. and 4:30 p.m., Monday through Friday. You may leave a voice mail message at any time. Comments or questions can also be submitted via e-mail to me at [nhill@shoreviewmn.gov](mailto:nhill@shoreviewmn.gov).

Sincerely,

Niki Hill

Planning and Economic Development Technician

Comments:

I would like to express my concern. This neighbor has a two car garage but always has at least three cars in the drive way. They have a shed but have a boat and garbage containers on the side of the house. Building a pool house will add a building to the property but not solve the mess on the property. I think living in a neighborhood we should be respectful of what

Name: Dawn Suttall-King  
Address: 5855 Kitkerry Ct. South

T:\2014 Planning Case files\2547-14-37 5875 Kitkerry Ct S. - Greene Jr\neighborhoodsurvey.docx

in neighbors need to look at. Sometimes people out grow their home and need to move to a larger home or more property. I do not approve of another:

**PROPOSED MOTION**

**MOVED BY COUNCILMEMBER** \_\_\_\_\_

**SECONDED BY COUNCILMEMBER** \_\_\_\_\_

To approve Change Order No. 1 for the Community Center movable wall repair and refurbishment project in the amount of \$6,915.

ROLL CALL:	AYES _____	NAYS _____
JOHNSON	_____	_____
QUIGLEY	_____	_____
WICKSTROM	_____	_____
WITHHART	_____	_____
MARTIN	_____	_____

Regular Council Meeting  
November 3, 2014

**TO: MAYOR AND COUNCILMEMBERS**

**FROM: TERRY SCHWERM  
CITY MANAGER**

**DATE: OCTOBER 29, 2014**

**SUBJECT: CHANGE ORDER 1—REPLACEMENT OF MOVABLE WALLS**

**INTRODUCTION**

The City Council is being asked to approve Change Order No. 1 for the replacement and refurbishment of the movable walls in the Community Center.

**BACKGROUND**

At its August 4, 2014 meeting, the City Council awarded the quote for the replacement refurbishment of the movable walls in the Wedell Room and in the meeting rooms to Haldeman Homme in the amount of \$43,522.00. When the contractor was working on the walls in the Wedell Room, they discovered a significant amount of extra work would be necessary to perform repairs to the walls. In addition, the wallpaper that was selected to best match the wallpaper in the room was slightly more expensive than the wallpaper that had been included in the specifications for the project.

The increased cost of the necessary repair work and the wallpaper upgrade is \$6,915. The Council is being asked to approve Change Order No. 1 for this project to cover the cost of these modifications. This change will bring the total project cost to 450,437, still well within the original capital improvement program estimate of \$90,000 for this project.

**RECOMMENDATION**

Based on the foregoing information it is recommended that the City Council approve Change Order No. 1 in the amount of \$6,915 for the replacement and refurbishment of the Community Center movable walls.



# HALDEMAN HOMME, INC.

430 Industrial Blvd, Minneapolis, MN 55413  
Tel: 612-331-4880 Fax: 612-378-2236

SERVING EDUCATION, HEALTH CARE, AND INDUSTRY SINCE 1924

"Exceeding  
Customer  
Expectations  
Since 1924"

## CHANGE ORDER PROPOSAL HHS6430

To: Gary Chapman                      Date: 10/21/14  
City of Shorewood                      Project: Operable Partition Replacement  
4600 Victoria Street North              Location: Community Center  
Shorewood MN 55126                      Architect: BWBR  
651-470-3704

### SERVICES

- Construction
- Consulting / Training
- Service & Maintenance
- Layout & Design
- Project Management

We propose to furnish the following as manufactured by Advanced Equipment using standard design, materials, construction sizes and colors.

### Specification Section: 102226 Operable Partitions

#### Change order cost includes:

1. Increased cost of wall paper \$ 1,697.00
2. Attic stock and extra labor \$ 5,218.00

### PRODUCTS

- Athletic & Wood Flooring
- Athletic Equipment
- Auditorium Seating
- Bleachers
- Casework
- Clean Rooms
- Divider Walls
- Laboratory Equipment
- Laboratory Furniture
- Library & File Systems
- Lockers
- School Equipment
- Storage Systems
- Tracks
- Turf Fields

#### Qualifications:

1. Lead time on operable partition is 8-10 weeks after approved drawings and color selections.
2. Our bid includes Tax
3. Includes dumpsters

#### Excludes:

1. Any Liquidated, Consequential and/or Actual Damages clauses.
2. Charges for vertical transportation, Mechanical utilities and connections, Electrical utilities and connections, In-wall backing/blocking.
3. Note: Clean-up to be limited to removing all debris, dirt and rubbish accumulated as a result of our installation, leaving the premises broom clean and orderly.

#### SEE PAGE 2 for Terms & Conditions

This proposal is based upon usage of the AGC/ASA/ASC "Standard Form Construction Subcontract", 1996 Edition or a subcontract form otherwise acceptable to Haldeман-Homme, Inc.

TERMS: Net 30 Days

ACCEPTED: Company

RESPECTFULLY,

Name

**HALDEMAN-HOMME, INC.**

Date

By

Ken Villone 612-465-7175

Note: This quotation is offered for acceptance within 30 days and is subject to revision beyond that time.

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

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

The Haldeман  
Homme Family  
of Companies:  
▪ Academic

Arkansas - Colorado - Idaho - Illinois - Indiana - Iowa - Kansas - Michigan - Minnesota - Montana - Nebraska -  
New Mexico - North Dakota - Oklahoma - South Dakota - Texas - Utah - Wisconsin - Wyoming



# HALDEMAN HOMME, INC.

430 Industrial Blvd, Minneapolis, MN 55413  
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SERVING EDUCATION, HEALTH CARE, AND INDUSTRY SINCE 1924

"Exceeding  
Customer  
Expectations  
Since 1924"

## PROPOSAL HH85430

### Haldeman-Homme, Inc. Terms and Conditions

Academic Specialties, Inc. / Academic Specialties TX / Anderson Ladd Inc. / Iowa Direct Equipment & Appraisal

#### SERVICES

- Construction
- Consulting / Training
- Service & Maintenance
- Layout & Design
- Project Management

#### PRODUCTS

- Athletic & Wood Flooring
- Athletic Equipment
- Auditorium Seating
- Bleachers
- Casework
- Clean Rooms
- Divider Walls
- Laboratory Equipment
- Laboratory Furniture
- Library & File Systems
- Lockers
- School Equipment
- Storage Systems
- Tracks
- Turf Fields

#### General

These terms and conditions are a component part of the attached proposal and constitute the entire agreement between Haldeman-Homme, Inc. and any of its subsidiaries. By signing the proposal, Customer acknowledges that they understand and accept the proposal and the following terms and conditions. All work shall be done in accordance with the attached proposal unless otherwise provided for in writing and signed by Haldeman-Homme, Inc. Applicable sales, excise and use taxes are not included unless otherwise stated in the proposal. Tax exempt entities hereby agree to furnish tax exemption certificates when requested on non-taxable materials. Material Only Contracts: Responsibility for the unloading, handling, storage and installation of material transfers to the Customer upon shipment from the factory. Customer is responsible for receiving, unloading and inspecting materials and filing freight claim for any shortage or damage of materials. Delivery and freight charges are not included unless otherwise stated in the proposal.

#### Site Conditions

A smooth, level and clean sub-floor shall be provided or as required by Haldeman-Homme, Inc. Maintain environment at proper temperature (55-80 degrees F.) and humidity (35-50%) before, during and 30 days following installation. Delays due to circumstances beyond the control of Haldeman-Homme, Inc. shall entitle Haldeman-Homme, Inc. to an equitable adjustment of time and contract price.

#### Acceptance

This proposal may be accepted within 30 days subject to credit approval. Haldeman-Homme, Inc. reserves the right to revoke this offer prior to acceptance by customer. Customer agrees that, by signing, grant authority to credit bureaus to release credit history information for the purpose of establishing credit with Haldeman-Homme, Inc. and its subsidiaries. Haldeman-Homme, Inc. and its subsidiaries may, at its sole discretion, require a credit application, joint check agreement with the property owner/end user if the property owner/end user is a separate entity from the Customer, a copy of the Customer's payment bond, a personal guarantee, or a combination of said documents as a condition of credit approval.

#### Installation

This proposal assumes unloading and elevator use shall be conducted during normal business hours. This proposal is based on completing the work during normal business hours. Overtime, evening and weekend work is available at additional charge. Customer agrees to provide Haldeman-Homme, Inc. with sufficient and timely unloading facilities, dock and elevator access as needed at no additional cost to Haldeman-Homme, Inc. Customer shall provide temporary, secure storage for materials prior to installation. Customer shall provide adequate electrical power, lighting, water and restroom facilities during installation. Customer shall provide area that is free and clear and prepared for installation.

#### Engineering

All engineering, proposal drawings, specifications shall represent Haldeman-Homme, Inc.'s investment in engineering skill and development and remain the property of Haldeman-Homme, Inc. Such are submitted with the understanding that the information will not be disclosed or used in any way detrimental to Haldeman-Homme, Inc.'s interests.

#### Changes

Any requests for changes to the scope of work shall be made in writing with signed acceptance by authorized personnel from Haldeman-Homme, Inc. and Customer.

#### Liability

Haldeman-Homme, Inc. shall not be liable for damages in any form or any other claim arising out of strikes, floods, fire, accidents, or any other causes beyond our control. Haldeman-Homme, Inc. shall not be liable for liquidated, consequential or any other damages or penalties of any kind for delays in completion of work. Haldeman-Homme, Inc. indemnity obligations to the Customer and owner are limited to the liability created by the gross negligence of Haldeman-Homme, Inc., its employees or subcontractors. In the event the terms of this agreement conflicts with the Customer's proposal or purchase order the parties acknowledge and agree the terms of this agreement shall control.

#### Payment

Payment in full will be due and payable thirty (30) days from invoice date. Customer agrees to pay progress-billing invoices during the course of the project reflecting partial shipment of material and/or partial completion of labor work performed. Where materials are stored or staged temporarily at the job site or in offsite or bonded warehouse, customer shall pay for materials and reasonable storage charges. The failure of the Customer to make payments within contract terms shall entitle Haldeman-Homme, Inc., in addition to all other rights, to suspend all work and shipments and shall further entitle Haldeman-Homme, Inc. to an extension of time of performance of the work. No payments shall be withheld from or penalties assessed against Haldeman-Homme, Inc. due to causes for which Haldeman-Homme, Inc. is not responsible.

Customer agrees that, if the billed amount is not paid within terms, a service charge will be charged on the overdue balance at a percentage rate of 1.5% (18% ANNUAL PERCENTAGE RATE) for all accounts. If the customer fails to pay the entire unpaid balance on the account when due Haldeman-Homme, Inc. may without further notice or demand, exercise all rights and remedies available by law for the collection of the balance due on the account. Haldeman-Homme, Inc. reserves the option to exercise its lien rights at all times in accordance with applicable law to secure collection of amounts due. Applicant will be liable for all expenses of collection with or without suit, including all court costs and reasonable attorney's fees to the extent under applicable state law. Venue shall be the State District Court of Minnesota.

#### Disputes

Customer and Haldeman-Homme, Inc. hereby agree that disputes between the parties which cannot be settled amicably, shall be settled through the State District Court of Minnesota.

#### Cancellation

An officer of Haldeman-Homme, Inc. must approve cancellation requests in writing. In order to compensate Haldeman-Homme, Inc. for its investment in engineering, time, processing and administrative work, approved cancellations shall be subject to cancellation charge of 25% of the contract amount plus the cost of materials produced or in production, labor or other services performed, freight, taxes and any other out of pocket expenses incurred by Haldeman-Homme, Inc.

#### Warranty

THE MANUFACTURER EXPRESS WARRANTY IS PROVIDED IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED. THE WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE ARE HEREBY DISCLAIMED BY HH/HAL.

#### Insurance

Haldeman-Homme, Inc. maintains insurance and will provide certificates of insurance if requested on coverage and limits as provided by its insurance policy. No other insurance coverage is provided including waiver of subrogation or additional named insureds.

#### Codes

Customer, architect and/or contractor shall be responsible for all local, state and federal agency code compliance, permits, fees, design, engineering and testing. Haldeman-Homme, Inc. does not provide professional liability insurance for any of these services. Costs for any and all such services are not included in this proposal.

Signature:

Name:  
(Please Print)

Date:

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

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

The Haldeman  
Arkansas -  
Homme family  
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Academic

Colorado -- Idaho -- Illinois -- Indiana -- Iowa -- Kansas -- Michigan -- Minnesota -- Montana -- Nebraska --  
New Mexico -- North Dakota -- Oklahoma -- South Dakota -- Texas -- Utah -- Wisconsin -- Wyoming

**PROPOSED MOTION**

**MOVED BY COUNCILMEMBER** \_\_\_\_\_

**SECONDED BY COUNCILMEMBER** \_\_\_\_\_

To approve Ordinance No. 924 adopting the revised Community Center rates for 2015.

ROLL CALL:    AYES            \_\_\_\_\_ NAYS \_\_\_\_\_

   JOHNSON            \_\_\_\_\_            \_\_\_\_\_

   QUIGLEY            \_\_\_\_\_            \_\_\_\_\_

   WICKTROM            \_\_\_\_\_            \_\_\_\_\_

   WITHHART            \_\_\_\_\_            \_\_\_\_\_

   MARTIN            \_\_\_\_\_            \_\_\_\_\_

Regular City Council Meeting  
November 3, 2014

STATE OF MINNESOTA  
COUNTY OF RAMSEY  
CITY OF SHOREVIEW

ORDINANCE NO. 924

AN ORDINANCE DETERMINING A COMMUNITY CENTER RATE  
SCHEDULE

THE CITY COUNCIL OF THE CITY OF SHOREVIEW ORDAINS:

Pursuant to Minnesota Law and the Shoreview City Code, a fee schedule for Community Center fees is hereby adopted.

**Community Center Fee Schedule**

- (a) The Code of the City of Shoreview establishes that certain rates and fees be set from time to time by the Shoreview City Council.
- (b) City staff has reviewed the Community Center rate schedule and is hereby recommending that Exhibit D be adopted.
- (c) Upon consideration and review of the Shoreview City Council, the Community Center Rate Schedule, hereto attached as Exhibit D, is hereby adopted, and shall be effective January 1, 2015.

**Adoption Date:** Passed by the City Council of the City of Shoreview on the 3<sup>rd</sup> day of November, 2014.

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Sandra C. Martin, Mayor

**Publication Date:** Published on the \_\_ day of November, 2014.

**EXHIBIT D**  
**COMMUNITY CENTER RATE SCHEDULE**  
**CITY OF SHOREVIEW, MINNESOTA**

**Daily Admission**

Adult-Regular	\$ 9.95
Adult-Resident	\$ 8.50
Youth/Senior-Regular	\$ 8.95
Youth/Senior-Resident	\$ 7.40
Family-Regular	\$ 34.75
Family-Resident	\$ 28.00
Playground	\$ 5.00

**Coupon Books – 10 Visits**

Adult-Regular	\$ 89.55
Adult-Resident	\$ 76.50
Youth/Senior-Reg	\$ 80.55
Youth/Senior-Resident	\$ 66.60
Playground	\$ 47.24

**Track (Senior)**

Daily-Regular	\$ 4.55
Daily-Resident	\$ 3.45
10 Visit-Regular	\$ 40.00
10 Visit-Resident	\$ 31.00

**Annual Memberships**

Adult-Regular	\$ 453.00
Adult-Resident	\$ 351.00
Youth/Senior-Regular	\$ 362.00
Youth/Senior-Resident	\$ 287.00
Dual-Regular	\$ 677.00
Dual-Resident	\$ 540.00
Family-Regular	\$ 771.00
Family-Resident	\$ 609.00

**Seasonal Memberships – 3 months**

Adult-Regular	\$ 195.00
Adult-Resident	\$ 149.00
Youth/Senior-Regular	\$ 149.00
Youth/Senior-Resident	\$ 120.00
Dual-Regular	\$ 276.00
Dual-Resident	\$ 218.00
Family-Regular	\$ 299.00
Family-Resident	\$ 241.00

**Monthly Membership Rates (requires 1 year contract)**

Adult-Regular	\$ 43.00
Adult-Resident	\$ 35.00
Youth/Senior-Regular	\$ 37.00
Youth/Senior-Resident	\$ 29.00
Dual-Regular	\$ 61.50
Dual-Resident	\$ 52.50
Family-Regular	\$ 71.00
Family-Resident	\$ 58.00

All prices listed above include Sales Tax of 7.125%

Revised 10/22/14

## Proposed Motion

MOVED BY COUNCILMEMBER \_\_\_\_\_

SECONDED BY COUNCILMEMBER \_\_\_\_\_

awarding the group dental insurance policy to Delta Millennium Choice represented by A.T. Group effective January 1, 2015 as recommended in the attached staff report.

ROLL CALL: AYES \_\_\_\_\_ NAYS \_\_\_\_\_

JOHNSON	_____	_____
QUIGLEY	_____	_____
WICKSTROM	_____	_____
WITHHART	_____	_____
MARTIN	_____	_____

Regular Council Meeting  
November 3, 2014

## Memorandum

Date: October 30, 2014

To: MAYOR AND CITY COUNCIL

From: Laurie D. Elliott, Human Resources Director *L. Elliott*

Re: Award of 2015 Dental Insurance

### Background

The City currently provides group dental coverage for our regular, full-time employees through Delta Dental of MN. (Part-time, regular employees have the choice to purchase dental insurance at their own expense.) This plan includes preventative coverage at 100%, basic procedures at 80% and major procedures at 50%. Our current rates with Delta are \$42.74 for single coverage, \$91.37 for single +1 coverage, and \$129.87 for family coverage. Delta has proposed a 0% increase for 2015. Employees can choose between two networks. One larger network with a \$1000 annual plan maximum, or a smaller network with a \$2000 annual plan maximum.

State law requires that we solicit proposals for insurance a minimum of every five years and 2014 marks the end of our current five-year cycle. Staff worked with Bill Singer at A.T. Group, our dental insurance agent, to solicit proposals along with our renewal quote.

### Discussion

RFPs were sent to 11 companies and five companies responded with viable proposals. Proposals were reviewed based on their rates, plan designs, targeted loss ratios, pooling, history of increases, network size, and the usual & customary percentage. None of the proposed plan designs matched our current plan. Rates, the size of the network, the history of increases (trend), targeted loss ratios, and pooling became the most important factors in the review process.

*Size of Network:* Dental networks help to control plan costs because dentists in the network agree to charge certain rates for procedures. A larger network also boosts the chances that an employee will find their current dentist within the network. Changing dentists is disruptive and stressful for employees and their families.

*History:* A review of a company's history of increases is an indicator of what to expect for future premiums and points to whether the first year premium will be followed by a large increase in year two or three.

*Targeted Loss Ratio:* The loss ratio is the percentage of premiums a company is willing to pay toward claims. If claims are higher than the targeted loss ratio, then the group will receive a higher than usual renewal rate. The higher the loss ratio, the better the chance a group has of staying under the target. An 80% targeted loss ratio gives a group an extra 10% over a 70% targeted loss ratio plan, and will result in a lower renewal rate.

*Pooling:* Pooling of our claims with other groups can stabilize future rate increases. Our current plan is 100% pooled.

Below is a review and analysis of the proposals received.

### **1. Ameritas**

*Current Plan Match:* Did not match the dual plan offering of current carrier.

*Proposed Plan:* Proposed a plan that covered all employees up to the \$2,000 annual maximum.

*Initial premiums:* EE – \$38.84; E+1 – \$81.12; Family - \$145.16. This is a one year rate.

The Employee and E+1 rates are lower than our existing plan but the family rate is considerably higher.

*Analysis Summary:* While this proposal offers an increase in benefits for all employees, eventually an increase in benefits results in higher premiums. We would not be pooled, and the targeted loss ratio is 70% with an annual trend of 7.5%. We would expect significant premium increases over the next few years due to the lower targeted loss ratio, increases based solely on Shoreview employee usage, and their current trend of premium increases.

### **2. Dearborn National**

*Current Plan Match:* Did not match the dual plan offering of current carrier.

*Proposed Plan:* Proposed a plan that covers all employees up to the \$1,000 annual maximum.

*Initial premiums:* Employee – \$44.84, E+1 – \$85.12, Family - \$141.40. This is a one year rate.

*Analysis Summary:* With our current plan approximately 65% of our employees have a \$2,000 annual benefit through the Delta PPO network. This means that most employees would see a significant decrease in benefits. Combined with the fact that the overall premiums paid for Dearborn National would be higher than our current plan with Delta, this is not the best choice.

### **3. Guardian**

*Current Plan Match:* Did not match the dual plan offering of current carrier.

*Proposed Plan:* Proposed a plan that covered all employees up to the \$2,000 annual maximum.

*Initial premiums:* Employee – 32.69, E+1 – 76.65, Family - 112.56. Guardian's initial rates look competitive, but are only guaranteed for 1 year.

*Analysis Summary:* Of the 13 Delta dentists located in Shoreview only 3 of them are included in the Guardian Network; meaning that several employees may need to change dentists. If employees do not use a Guardian network dentist the benefits are reduced to 50% for all Basic services such as fillings. This is a significant reduction in value to employees, as a well a disruption to families in finding a new dentist. Guardian previously insured Shoreview employees in 1999. The initial premiums were a 4.6% decrease, followed by an increase so large we solicited proposals and changed carriers after one year.

### **4. HealthPartners**

*Current Plan Match:* Did not match the dual plan offering of current carrier.

*Proposed Plan:* Proposed a plan that covered all employees up to the \$1,000 annual maximum.

*Initial premiums:* Employee – \$38.47, E+1 – \$75.05, Family - \$127.76. These rates are guaranteed for two years.

*Analysis Summary:* With our current plan approximately 65% of our employees have a \$2,000 annual benefit through the PPO network. This means that most employees would see a significant decrease in benefits. The HealthPartners network includes 8 of the 13 Delta dentists located in Shoreview. HealthPartners targeted loss ratio was 77.2% which was the highest of all the proposals with the exception of our current carrier, which has an average target of about

80% for the entire pool. HealthPartners trend over the last few years has also been lower than all the other carriers with the exception of Delta, our current carrier. HealthPartners trended at 5%, 4%, 3.5%, and 3.5% over the last 4 years. This trend information is helpful, but it would not directly apply to our group because with HealthPartners our usage would not be pooled with any other groups. Rate increases are based solely on Shoreview usage. A two year rate guarantee has value, but could mean a large increase in the third year if employee usage is higher than expected. The lower benefit and smaller network are concerns with this proposal.

## **5. Principal**

*Current Plan Match:* Did not match the dual plan offering of current carrier.

*Proposed Plan:* Proposed a plan that covered all employees up to the \$2,000 annual maximum.

*Initial premiums:* Employee – 43.84, E+1 – 83.84, Family - 143.16, with a two year rate guarantee.

*Analysis Summary:* As a result of the plan design, the overall premium would be more than what the City is currently paying. Principal would not share their yearly trend over the last few years. Their targeted loss ratio was very low at 67.7%. After the 2-year rate guarantee the renewal would be based solely on our own utilization (no pooling). Principal does not allow qualifying part-time employees to join the plan on a voluntary basis. They are required to join the plan. In addition, Principal has waiting periods for late entrants to the plan. Essentially, this would be a lateral benefit change for a higher premium. Principal previously insured Shoreview employees from 1994 - 1997. The initial premium was a 38.7% decrease, followed by a 12.5% and 12.8% increases. Proposals were solicited and we changed carriers after three years.

## **Delta Dental (current plan)**

*Current Plan Match:* Matches current plan.

*Initial premiums:* Employee – 42.74, E+1 – 91.37, Family - 129.87 (no increase for 2015)

*Analysis Summary:* Delta Dental is the largest carrier in the state of Minnesota. After a 5.2% increase when we first changed to Delta in 2010, increases have been a steady 3.5%, 3.5%, 3.45%, 2% and 0%. Delta Dental has a large network, steady rate increases, 100% pooling, and a high targeted loss ratio.

After review and discussion with our agent, staff believes the Delta Millennium Choice Enhanced program is the best alternative for the City.

## **Recommendation**

Staff recommends the Delta Millennium Choice Enhanced insurance plan due to the stable insurance rate increases they've had in the past, their large network of dentists, and the plan options available to staff. The plan would go into effect January 1, 2015.

**PROPOSED MOTION**

Moved by Council member \_\_\_\_\_

Seconded by Council member \_\_\_\_\_

To adopt proposed resolution #14-97 authorizing issuance, awarding sale, prescribing the form and details and providing for the payment of \$6,980,000 general obligation refunding bonds, Series 2014A.

ROLL CALL:	AYES	NAYS
Johnson	_____	_____
Quigley	_____	_____
Wickstrom	_____	_____
Withhart	_____	_____
Martin	_____	_____

Fred Espe  
Finance Director  
November 3, 2014  
Council Meeting

TO: Terry Schwerm, City Manager  
FROM: Fred Espe, Finance Director  
DATE: October 30, 2014  
RE: Award Sale of Bonds

### **AAA Bond Rating Awarded to Shoreview**

On Thursday October 30 Standard and Poor's (S&P) affirmed the City's AAA bond rating, the highest bond rating awarded. Although the rating will certainly reduce interest costs for the proposed refunding debt, more importantly, the rating is a statement of confidence in the City's current and future financial stability.

It is important to note that the bond rating process is repeated for each new debt issue. Potential investors use the most recent rating as a measure of security to determine interest rates to bid on the bonds.

The complete rating summary (written by Standard and Poor's) is attached to this report, a few excerpts from their remarks are reproduced below:

- "Very strong economy, which benefits from participation in the broad and diverse economy of Minneapolis-St. Paul (the Twin Cities)"
- "Very strong budgetary flexibility, with 2013 audited available reserves at 103% of general fund expenditures"
- "Strong budgetary performance, which takes into account the use of reserves for the total governmental funds in 2013"
- "Very strong liquidity, providing very strong cash levels to cover both debt service and expenditures"
- "Very strong management with strong financial policies reflective in consistent ability to maintain balanced budget"
- "Strong debt and contingent liabilities position, driven mostly by the city's low overall net direct debt as a percent of total governmental funds revenue and rapid amortization"

The one caution expressed on the last page of the rating summary is as follows:

- "We do not expect to revise the rating in the next two years because we believe the city will maintain very strong reserves. Although not expected, the rating could be negatively impacted by a significant deterioration in the city's economic and financial position"

## **Background on Proposed Debt Issuance**

On September 15, 2014 the City Council authorized the sale of \$6,980,000 in general obligation refunding bonds. The refunding bonds are being issued to replace the City's two existing Build America Bond issues for purposes of interest savings, and to eliminate the risk of nonpayment by the federal government of the interest subsidy. Based on current market rates, Springsted Inc. estimates a net present value interest savings of about \$326,000, and an overall interest rate of 2.35% for the new refunding bonds.

## **Recommendation**

Competitive bids will be taken at Springsted's office on Monday, November 3. The bids will be opened, analyzed, and a bid tabulation will be presented to the City Council for consideration that evening, along with a recommendation regarding the lowest bidder.

Staff recommends the adoption of the proposed resolutions, drafted by the City's bond attorney (Jennifer L. Hanson, Dorsey & Whitney LLP).

Attachments to this report include:

- Standard and Poor's rating summary
- Resolution #14-97 authorizing general obligation refunding bonds

# RatingsDirect®

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## Summary:

# Shoreview, Minnesota; Appropriations; General Obligation

### Primary Credit Analyst:

Antionette E Maxwell, Chicago (1) 312-233-7016; antionette.maxwell@standardandpoors.com

### Secondary Contact:

Blake E Yocom, Chicago (1) 312-233-7056; blake.yocom@standardandpoors.com

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Rationale

Outlook

Related Criteria And Research

## Summary:

# Shoreview, Minnesota; Appropriations; General Obligation

### Credit Profile

US\$6.98 mil GO rfdg bnds ser 2014A due 02/01/2030

<i>Long Term Rating</i>	AAA/Stable	New
Shoreview rfdg certs of part		
<i>Long Term Rating</i>	AA+/Stable	Affirmed
Shoreview GO		
<i>Long Term Rating</i>	AAA/Stable	Affirmed
Shoreview GO bnds		
<i>Long Term Rating</i>	AAA/Stable	Affirmed

### Rationale

Standard & Poor's Ratings Services assigned its 'AAA' long-term rating to Shoreview, Minn.'s series 2014A general obligation (GO) refunding bonds. At the same time, Standard & Poor's affirmed its 'AAA' long-term rating on the city's existing GO debt and its 'AA+' long-term rating on the city's certificates of participation (COPs). The outlook on all ratings is stable.

The COPs are rated one notch below the city's GO rating due to the annual appropriation risk associated with the security.

The bonds are general obligations of the city, for which the city pledges its full faith and credit power to levy direct general ad valorem property taxes without limitation as to rate or amount. In addition, the city will pledge special assessments against benefited properties and net revenues of its water, sewer, and surface water utility funds. The series 2014A bond proceeds will be used to refund the city's series 2010A GO capital improvement plan bonds and its 2010B taxable GO bonds, both Build America Bonds (BAB), for interest-costs saving and to exit the BAB structure to eliminate the risk of nonpayment of the subsidy.

The rating reflects our assessment of the city's:

- Very strong economy, which benefits from participation in the broad and diverse economy of Minneapolis-St. Paul (the Twin Cities);
- Very strong budgetary flexibility, with 2013 audited available reserves at 103% of general fund expenditures;
- Strong budgetary performance, which takes into account the use of reserves for the total governmental funds in 2013.
- Very strong liquidity, providing very strong cash levels to cover both debt service and expenditures;
- Very strong management with strong financial policies reflective in consistent ability to maintain balanced budgets; and

- Strong debt and contingent liabilities position, driven mostly by the city's low overall net direct debt as a percent of total governmental funds revenue and rapid amortization.

### **Very strong economy**

Located in Ramsey County, Shoreview's economy is very strong in our view, with access to the broad and diverse Minneapolis-St. Paul economy. Traditionally, county unemployment has tracked lower than that of the state and the nation and averaged 5% in 2013. The city has per capita incomes that we consider very strong, reflective of the ability of some residents to access jobs in the neighboring areas. The city has projected its per capita effective buying income is 152% of the nation. Per capita market value for the city was \$107,720 in for fiscal 2014. Assessed value (AV) decreased by a 5.8% average annual rate between 2009 and 2013, reflecting an overall downturn in the economy. However, AV is beginning to show an increase in 2014, given recent residential and commercial development occurring within the city.

### **Very strong budget flexibility**

In our opinion, the city's budgetary flexibility remains very strong, with reserves maintained at 30% of expenditures for the past several years and no plans to significantly spend them down. The city anticipates reserves for 2014 will increase compared with 2013 levels. For audited fiscal 2013 (ended Dec. 31), available general fund reserves were \$10 million or 109% of expenditures, which includes not only the available general fund of \$4.2 million (48% of expenditures) but also \$5.7 million in cash of other funds. Management expects for the funds to remain above 75% of expenditures, which we view as a positive credit factor. These funds are used for building repairs, vehicle replacements, street repairs, and other capital projects. However, the funds are legally available for any use, and the management views them as an extension of the general fund, which increases the city's available liquidity considerably.

### **Strong budgetary performance**

The city's budgetary performance has been strong overall, in our view, with a surplus of 3.1% for the general fund in fiscal 2013 but a 4.2% deficit for total governmental funds after transfers. Based on the current years and subsequent-year projections, we believe that the issuers' finances will show improvement. The city is projecting a surplus in the general fund and a small use of reserves in the total government fund for fiscal 2014. The city does not rely on local government aid, as with a lot of cities in Minnesota, but tax revenues are the city's leading revenue source at 75%. Tax revenues have increased modestly as the city is willing and has raised the tax rate slightly to keep revenues increasing. At this time, given the city's historic budget-to-actual performance, we do not anticipate a change in our assessment of the city's general fund performance. However, should tax revenues decline, we believe the city will be in a good position to maintain at least strong performance.

### **Very strong liquidity**

Supporting the city's finances is liquidity that we consider very strong, with total government available cash at 106% of total governmental fund expenditures and more than 13.8x debt service. We believe the city has strong access to external liquidity. The city has issued bonds frequently during the past 15 years, primarily GO bonds.

### **Very strong management conditions**

We view the city's management conditions as very strong, with good financial practices combined reflective in the city's positive operating performance. Management provides the city council with monthly reports on its budget to

actuals. The city has its own investment policy and contracts with investment managers, and the council is updated monthly on holdings and earnings. The city also maintains a long-term financial plan and capital improvement plan that is viewed and updated by city officials and city council annually. The city has formalized a reserve policy, with a general fund balance minimum of 50% of the following year's taxes and state aid. It is also the city's policy to maintain additional general fund with reserves up to 10% of budgeted expenditures in the ensuing year. In addition, the reserve policy indicates that the other funds can be used with the approval of city council.

### **Strong debt and contingent liability profile**

In our opinion, the city's debt and contingent liability profile is strong, with total governmental fund debt service at 7.7% of total governmental fund expenditures and with net direct debt at 104% of total governmental fund revenue, which is slated to rise in 2015 with a potential debt issuance. The city has self-supporting debt from the GO bonds, which are supported by water, sewer, and surface water utility revenues. The city's debt is also amortizing rapidly, in our view, with 67% of its debt due to retire in 10 years.

All full-time and certain part-time city employees are covered by defined-benefit pension plans administered by the Public Employees Retirement Association of Minnesota (PERA). PERA administers the General Employees Retirement Fund (GERF) and the Public Employees' Police and Fire Fund (PEPFF), cost-sharing, multiple-employer retirement plans. Retirees are provided the option to remain in the city's health insurance plan, but eligible retirees are responsible for 100% of the premiums. As such, this is an implicit subsidy of the city and is funded on a pay-as-you-go-basis. The city has contributed 100% of its annual required contribution (ARC) in each of the past three years. The combined ARC pension costs and other postemployment benefit (OPEB) pay-as you-go costs for fiscal 2013 were less than 2% of expenditures, and the city does not anticipate these costs will increase substantially in the near term.

### **Strong institutional framework**

We consider the Institutional Framework score for Minnesota cities as strong. See the Institutional Framework score for Minnesota.

## **Outlook**

The stable outlook reflects our view of the city's very strong economy and strong financial performance, which is supported by very strong management. We do not expect to revise the rating in the next two years because we believe the city will maintain very strong reserves. Although not expected, the rating could be negatively impacted by a significant deterioration in the city's economic and financial position. The city's access to the broad and diverse Minneapolis St. Paul metropolitan statistical area provides stability to the rating.

## **Related Criteria And Research**

### **Related Criteria**

- USPF Criteria: Local Government GO Ratings Methodology And Assumptions, Sept. 12, 2013
- USPF Criteria: Appropriation-Backed Obligations, June 13, 2007

**Related Research**

- Ratings Above The Sovereign: Corporate And Government Ratings—Methodology And Assumptions, Nov. 19, 2013
- S&P Public Finance Local GO Criteria: How We Adjust Data For Analytic Consistency, Sept. 12, 2013
- Institutional Framework Overview: Minnesota Local Governments

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**CERTIFICATION OF MINUTES**

Municipality: The City of Shoreview, Minnesota

Governing Body: City Council

Meeting: A meeting of the City Council of the City of Shoreview was held on the 3<sup>rd</sup> day of November, 2014, at 7:00 p.m. at the City offices, 4600 Victoria Street North, Shoreview, Minnesota.

Members present:

Members absent:

Documents: Resolution No. 14-97 - Authorizing Issuance, Awarding Sale, Prescribing the Form and Details and Providing for the Payment of \$6,980,000 General Obligation Refunding Bonds, Series 2014A

Certification:

I, Terry Schwerm, City Manager of the City of Shoreview, Minnesota, do hereby certify the following:

Attached hereto is a true and correct copy of a resolution on file and of record in the offices of the City of Shoreview, Minnesota, which resolution was adopted by the Shoreview City Council, at the meeting referred to above. Said meeting was a regular meeting of the Shoreview City Council, was open to the public, and was held at the time at which meetings of the City Council are regularly held. Member \_\_\_\_\_ moved the adoption of the attached resolution. The motion for adoption of the attached resolution was seconded by Member \_\_\_\_\_. A vote being taken on the motion, the following voted in favor of the resolution:

\_\_\_\_\_ and the following voted against the resolution:

\_\_\_\_\_

Whereupon said resolution was declared duly passed and adopted by at least two-thirds of the members of the City Council. The attached resolution is in full force and effect and no action has been taken by the City Council of the City of Shoreview, Minnesota which would in any way alter or amend the attached resolution.

Witness my hand officially as the City Manager of the City of Shoreview, Minnesota this \_\_\_\_\_ day of November, 2014.

By \_\_\_\_\_  
Its City Manager

It was reported that \_\_\_\_\_ (\_\_\_\_) proposals for the purchase of \$6,980,000 General Obligation Refunding Bonds, Series 2014A were received prior to 11:30 o'clock a.m., Central time, on Monday, November 3, 2014, pursuant to the Official Statement distributed to potential purchasers of the Bonds by Springsted Incorporated, financial consultants to the City. The proposals have been publicly opened, read and tabulated and were found to be as follows:

(See Attached)

RESOLUTION AUTHORIZING ISSUANCE, AWARDING SALE,  
PRESCRIBING THE FORM AND DETAILS AND PROVIDING FOR THE  
PAYMENT OF \$6,980,000 GENERAL OBLIGATION REFUNDING BONDS,  
SERIES 2014A

BE IT RESOLVED by the City Council, City of Shoreview, Minnesota (the City), as follows:

SECTION 1. AUTHORIZATION AND SALE.

1.01. Authorization. This City Council, by resolution adopted September 15, 2014, authorized the issuance and sale on the date hereof of its General Obligation Refunding Bonds, Series 2014A (the Bonds), in the principal amount of \$6,980,000, pursuant to Minnesota Statutes, Chapters 429 and 475. The proceeds of the Bonds shall be used, together with any additional funds of the City which might be required, to (a) refund in advance of maturity, on February 1, 2015 (the Redemption Date) the 2016 through 2030 maturities aggregating \$4,775,000 in principal amount, of the City's Taxable General Obligation Capital Improvement Plan Bonds, Series 2010A (Build America Bonds-Direct Pay), dated, as originally issued, as of March 10, 2010 (the "Refunded Series 2010A Bonds") and, to (b) refund on the Redemption Date the 2016 through 2026 maturities, aggregating \$2,075,000 in principal amount, of the City's Taxable General Obligation Bonds, Series 2010B (Build America Bonds- Build America Bonds-Direct Pay), dated December 16, 2010 (the "Refunded Series 2010B Bonds," and together with the Refunded Series 2010A Bonds, the "Refunded Bonds"). The Bonds are being issued for the purpose of effecting a current refunding of the Refunded Bonds pursuant to the extraordinary redemption provisions contained in Section 2.04 of the resolutions authorizing the issuance of the Refunded Bonds. The portion of the Bonds issued to refund the Refunded Series 2010A Bonds are referred to as the "Series 2010A Refunding Bonds." The portion of the Bonds issued to refund the Refunded Series 2010B Bonds are referred to as the "Series 2010B Refunding Bonds." The refunding of the Refunded Bonds is being carried out for the purpose described in Minnesota Statutes, Section 475.67, subdivision 3, section (b)(2)(i) and in compliance with Minnesota Statutes, Chapter 475.

1.02. Sale. Pursuant to the Terms of Proposal and the Official Statement prepared on behalf of the City by Springsted Incorporated, sealed proposals for the purchase of the Bonds were received at or before the time specified for receipt of proposals. The proposals have been opened, publicly read and considered, and the purchase price, interest rates and net interest cost under the terms of each proposal have been determined. The most favorable proposal received is that of \_\_\_\_\_, in \_\_\_\_\_ (the Purchaser), to purchase the Bonds at a price of \$\_\_\_\_\_ plus accrued interest on all Bonds to the day of delivery and payment, on the further terms and conditions hereinafter set forth.

1.03. Award. The sale of the Bonds is hereby awarded to the Purchaser, and the Mayor and City Manager are hereby authorized and directed to execute a contract on behalf of the City for the sale of the Bonds in accordance with the Terms of Proposal. The good faith deposit of

the Purchaser shall be retained by the City until the Bonds have been delivered, and shall be deducted from the purchase price paid at settlement.

**SECTION 2. BOND TERMS; REGISTRATION; EXECUTION AND DELIVERY.**

2.01. Issuance of Bonds. All acts, conditions and things which are required by the Constitution and laws of the State of Minnesota to be done, to exist, to happen and to be performed precedent to and in the valid issuance of the Bonds having been done, now existing, having happened and having been performed, it is now necessary for the City Council to establish the form and terms of the Bonds, to provide security therefor and to issue the Bonds forthwith.

2.02. Maturities; Interest Rates; Denominations and Payment. The Bonds shall be originally dated as of December 1, 2014, shall be in the denomination of \$5,000 each, or any integral multiple thereof, of single maturities, shall mature on February 1 in the years and amounts stated below, and shall bear interest from their date of original issue until paid or duly called for redemption at the respective annual rates set forth opposite such years and amounts, as follows:

<u>Year</u>	<u>Amount</u>	<u>Rate</u>	<u>Year</u>	<u>Amount</u>	<u>Rate</u>
2016			2024		
2017			2025		
2018			2026		
2019			2027		
2020			2028		
2021			2029		
2022			2030		
2023					

The Bonds shall be issuable only in fully registered form. The interest thereon and, upon surrender of each Bond, the principal amount thereof, shall be payable by check or draft issued by the Registrar for the Bonds appointed herein.

The portion of the Bonds maturing in the following years and amounts constitute the Refunding Bonds:

<u>Year</u>	<u>Series 2010A</u> <u>Refunding</u> <u>Bonds</u>	<u>Series 2010B</u> <u>Refunding</u> <u>Bonds</u>	<u>Year</u>	<u>Series 2010A</u> <u>Refunding</u> <u>Bonds</u>	<u>Series 2010B</u> <u>Refunding</u> <u>Bonds</u>
2016			2024		
2017			2025		
2018			2026		
2019			2027		
2020			2028		
2021			2029		
2022			2030		
2023					

The Bonds shall be issuable only in fully registered form. Interest shall be computed on the basis of a 360-day year composed of twelve 30-day months. The interest on and, upon surrender of each Bond at the principal office of the Registrar described herein, the principal amount thereof, shall be payable by check or draft issued by the Registrar described herein, provided that, so long as the Bonds are registered in the name of a securities depository, or a nominee thereof, in accordance with Section 2.08 hereof, principal and interest shall be payable in accordance with the operational arrangements of the securities depository.

2.03. Dates and Interest Payment Dates. Upon initial delivery of the Bonds pursuant to Section 2.07 and upon any subsequent transfer or exchange pursuant to Section 2.06, the date of authentication shall be noted on each Bond so delivered, exchanged or transferred. Interest on the Bonds shall be payable on each February 1 and August 1, commencing August 1, 2015, to the owners of record thereof as of the close of business on the fifteenth day of the immediately preceding month, whether or not such day is a business day.

2.04. Redemption. Bonds maturing in 2024 and later years shall be subject to redemption and prepayment at the option of the City, in whole or in part, in such order of maturity dates as the City may select and, within a maturity, by lot as selected by the Registrar (or, if applicable, by the bond depository in accordance with its customary procedures) in multiples of \$5,000, on February 1, 2023, and on any date thereafter, at a price equal to the principal amount thereof and accrued interest to the date of redemption. The City Manager shall cause notice of the call for redemption thereof to be published if and as required by law, and at least thirty and not more than 60 days prior to the designated redemption date, shall cause notice of call for redemption to be mailed, by first class mail, to the registered holders of any Bonds to be redeemed at their addresses as they appear on the bond register described in Section 2.06 hereof, but no defect in or failure to give such mailed notice of redemption shall affect the validity of proceedings for the redemption of any Bond not affected by such defect or failure. Official notice of redemption having been given as aforesaid, the Bonds or portions of Bonds so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified and from and after such date (unless the City shall default in the payment of the redemption price) such Bonds or portions of Bonds shall cease to bear interest. Upon partial redemption of any Bond, a new Bond or Bonds will be delivered to the owner without charge, representing the remaining principal amount outstanding.

[Bonds maturing in the years 202\_\_, 202\_\_, and 202\_\_ shall be subject to mandatory redemption, at a redemption price equal to their principal amount plus interest accrued thereon to the redemption date, without premium, on February 1 in each of the years shown below, in an amount equal to the following principal amounts:

<u>Term Bonds Maturing in 20__</u>	
<u>Sinking Fund Payment Date</u> <u>(February 1)</u>	<u>Aggregate Principal Amount</u>
20__	

\*Maturity

<u>Term Bonds Maturing in 20__</u>	
<u>Sinking Fund Payment Date</u> <u>(February 1)</u>	<u>Aggregate Principal Amount</u>
20__	

\*Maturity

<u>Term Bonds Maturing in 20__</u>	
<u>Sinking Fund Payment Date</u> <u>(February 1)</u>	<u>Aggregate Principal Amount</u>
20__	

\*Maturity

Notice of redemption shall be given as provided in the preceding paragraph.]

2.05. Appointment of Initial Registrar. The City hereby appoints U.S. Bank National Association in St. Paul, Minnesota, as the initial bond registrar, transfer agent and paying agent (the Registrar). The Mayor and City Manager are authorized to execute and deliver, on behalf of the City, a contract with the Registrar. Upon merger or consolidation of the Registrar with another corporation, if the resulting corporation is a bank or trust company organized under the laws of the United States or one of the states of the United States and authorized by law to conduct such business, such corporation shall be authorized to act as successor Registrar. The City agrees to pay the reasonable and customary charges of the Registrar for the services performed. The City reserves the right to remove the Registrar, effective upon not less than

thirty days' written notice and upon the appointment and acceptance of a successor Registrar, in which event the predecessor Registrar shall deliver all cash and Bonds in its possession to the successor Registrar and shall deliver the Bond Register to the successor Registrar.

2.06. Registration. The effect of registration and the rights and duties of the City and the Registrar with respect thereto shall be as follows:

(a) Register. The Registrar shall keep at its principal corporate trust office a register (the Bond Register) in which the Registrar shall provide for the registration of ownership of Bonds and the registration of transfers and exchanges of Bonds entitled to be registered, transferred or exchanged. The term Holder or Bondholder as used herein shall mean the person (whether a natural person, corporation, association, partnership, trust, governmental unit, or other legal entity) in whose name a Bond is registered in the Bond Register.

(b) Transfer of Bonds. Upon surrender for transfer of any Bond duly endorsed by the registered owner thereof or accompanied by a written instrument of transfer, in form satisfactory to the Registrar, duly executed by the registered owner thereof or by an attorney duly authorized by the registered owner in writing, the Registrar shall authenticate and deliver, in the name of the designated transferee or transferees, one or more new Bonds of a like aggregate principal amount and maturity, as requested by the transferor. The Registrar may, however, close the books for registration of any transfer after the fifteenth day of the month preceding each interest payment date and until such interest payment date.

(c) Exchange of Bonds. Whenever any Bonds are surrendered by the registered owner for exchange the Registrar shall authenticate and deliver one or more new Bonds of a like aggregate principal amount and maturity, as requested by the registered owner or the owner's attorney in writing.

(d) Cancellation. All Bonds surrendered for payment, transfer or exchange shall be promptly canceled by the Registrar and thereafter disposed of. The Registrar shall furnish the City at least once each year a certificate setting forth the principal amounts and numbers of Bonds canceled and destroyed.

(e) Improper or Unauthorized Transfer. When any Bond is presented to the Registrar for transfer, the Registrar may refuse to transfer the same until it is satisfied that the endorsement on such Bond or separate instrument of transfer is valid and genuine and that the requested transfer is legally authorized. The Registrar shall incur no liability for the refusal, in good faith, to make transfers which it, in its judgment, deems improper or unauthorized.

(f) Persons Deemed Owners. The City and the Registrar may treat the person in whose name any Bond is at any time registered in the bond register as the absolute owner of the Bond, whether the Bond shall be overdue or not, for the purpose of receiving payment of or on account of, the principal of and interest on the Bond and for

all other purposes, and all payments made to any registered owner or upon the owner's order shall be valid and effectual to satisfy and discharge the liability upon Bond to the extent of the sum or sums so paid.

(g) Taxes, Fees and Charges. For every transfer or exchange of Bonds (except for an exchange upon a partial redemption of a Bond), the Registrar may impose a charge upon the owner thereof sufficient to reimburse the Registrar for any tax, fee or other governmental charge required to be paid with respect to such transfer or exchange.

(h) Mutilated, Lost, Stolen or Destroyed Bonds. In case any Bond shall become mutilated or be destroyed, stolen or lost, the Registrar shall deliver a new Bond of like amount, number, maturity date and tenor in exchange and substitution for and upon cancellation of any such mutilated Bond or in lieu of and in substitution for any Bond destroyed, stolen or lost, upon the payment of the reasonable expenses and charges of the Registrar in connection therewith, and, in the case of a Bond destroyed, stolen or lost, upon filing with the Registrar of evidence satisfactory to it that the Bond was destroyed, stolen or lost, and of the ownership thereof, and upon furnishing to the Registrar of an appropriate bond or indemnity in form, substance and amount satisfactory to it, in which both the City and the Registrar shall be named as obligees. All Bonds so surrendered to the Registrar shall be canceled by it, and evidence of such cancellation shall be given to the City. If the mutilated, destroyed, stolen or lost Bond has already matured or been called for redemption in accordance with its terms it shall not be necessary to issue a new Bond prior to payment.

(i) Authenticating Agent. The Registrar is hereby designated authenticating agent for the Bonds, within the meaning of Minnesota Statutes, Section 475.55, Subdivision 1, as amended.

(j) Valid Obligations. All Bonds issued upon any transfer or exchange of Bonds shall be the valid obligations of the City, evidencing the same debt, and entitled to the same benefits under this Resolution as the Bonds surrendered upon such transfer or exchange.

2.07. Execution, Authentication and Delivery. The Bonds shall be prepared under the direction of the City Manager and shall be executed on behalf of the City by the signatures of the Mayor and the City Manager, provided that the signatures may be printed, engraved or lithographed facsimiles of the originals. In case any officer whose signature or a facsimile of whose signature shall appear on the Bonds shall cease to be such officer before the delivery of any Bond, such signature or facsimile shall nevertheless be valid and sufficient for all purposes, the same as if he or she had remained in office until delivery. Notwithstanding such execution, no Bond shall be valid or obligatory for any purpose or entitled to any security or benefit under this resolution unless and until a certificate of authentication on the Bond has been duly executed by the manual signature of an authorized representative of the Registrar. Certificates of authentication on different Bonds need not be signed by the same representative. The executed certificate of authentication on each Bond shall be conclusive evidence that it has been authenticated and delivered under this resolution. When the Bonds have been prepared, executed

and authenticated, the City Manager shall deliver them to the Purchaser upon payment of the purchase price in accordance with the contract of sale heretofore executed, and the Purchaser shall not be obligated to see to the application of the purchase price.

2.08. Securities Depository. (a) For purposes of this section the following terms shall have the following meanings:

“Beneficial Owner” shall mean, whenever used with respect to a Bond, the person in whose name such Bond is recorded as the beneficial owner of such Bond by a Participant on the records of such Participant, or such person’s subrogee.

“Cede & Co.” shall mean Cede & Co., the nominee of DTC, and any successor nominee of DTC with respect to the Bonds.

“DTC” shall mean The Depository Trust Company of New York, New York.

“Participant” shall mean any broker-dealer, bank or other financial institution for which DTC holds Bonds as securities depository.

“Representation Letter” shall mean the Representation Letter pursuant to which the City agrees to comply with DTC’s Operational Arrangements.

(b) The Bonds shall be initially issued as separately authenticated fully registered bonds, and one Bond shall be issued in the principal amount of each stated maturity of the Bonds. Upon initial issuance, the ownership of such Bonds shall be registered in the bond register in the name of Cede & Co., as nominee of DTC. The Registrar and the City may treat DTC (or its nominee) as the sole and exclusive owner of the Bonds registered in its name for the purposes of payment of the principal of or interest on the Bonds, selecting the Bonds or portions thereof to be redeemed, if any, giving any notice permitted or required to be given to registered owners of Bonds under this resolution, registering the transfer of Bonds, and for all other purposes whatsoever, and neither the Registrar nor the City shall be affected by any notice to the contrary. Neither the Registrar nor the City shall have any responsibility or obligation to any Participant, any person claiming a beneficial ownership interest in the Bonds under or through DTC or any Participant, or any other person which is not shown on the bond register as being a registered owner of any Bonds, with respect to the accuracy of any records maintained by DTC or any Participant, with respect to the payment by DTC or any Participant of any amount with respect to the principal of or interest on the Bonds, with respect to any notice which is permitted or required to be given to owners of Bonds under this resolution, with respect to the selection by DTC or any Participant of any person to receive payment in the event of a partial redemption of the Bonds, or with respect to any consent given or other action taken by DTC as registered owner of the Bonds. So long as any Bond is registered in the name of Cede & Co., as nominee of DTC, the Registrar shall pay all principal of and interest on such Bond, and shall give all notices with respect to such Bond, only to Cede & Co. in accordance with DTC’s Operational Arrangements, and all such payments shall be valid and effective to fully satisfy and discharge the City’s obligations with respect to the principal of and interest on the Bonds to the extent of the sum or sums so paid. No person other than DTC shall receive an authenticated Bond for each separate

stated maturity evidencing the obligation of the City to make payments of principal and interest. Upon delivery by DTC to the Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., the Bonds will be transferable to such new nominee in accordance with paragraph (e) hereof.

(c) In the event the City determines that it is in the best interest of the Beneficial Owners that they be able to obtain Bonds in the form of bond certificates, the City may notify DTC and the Registrar, whereupon DTC shall notify the Participants of the availability through DTC of Bonds in the form of certificates. In such event, the Bonds will be transferable in accordance with paragraph (e) hereof. DTC may determine to discontinue providing its services with respect to the Bonds at any time by giving notice to the City and the Registrar and discharging its responsibilities with respect thereto under applicable law. In such event the Bonds will be transferable in accordance with paragraph (e) hereof.

(d) The execution and delivery of the Representation Letter to DTC, if not previously filed with DTC, by the Mayor or City Manager is hereby authorized and directed.

(e) In the event that any transfer or exchange of Bonds is permitted under paragraph (b) or (c) hereof, such transfer or exchange shall be accomplished upon receipt by the Registrar of the Bonds to be transferred or exchanged and appropriate instruments of transfer to the permitted transferee in accordance with the provisions of this resolution. In the event Bonds in the form of certificates are issued to owners other than Cede & Co., its successor as nominee for DTC as owner of all the Bonds, or another securities depository as owner of all the Bonds, the provisions of this resolution shall also apply to all matters relating thereto, including, without limitation, the printing of such Bonds in the form of bond certificates and the method of payment of principal of and interest on such Bonds in the form of bond certificates.

2.09. Form of Bonds. The Bonds shall be prepared in substantially the following form:

UNITED STATES OF AMERICA  
STATE OF MINNESOTA  
COUNTY OF RAMSEY

CITY OF SHOREVIEW

GENERAL OBLIGATION REFUNDING BOND, SERIES 2014A

Interest Rate	Maturity Date	Date of Original Issue	CUSIP No.
__%	February 1, 20__	December 1, 2014	

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: DOLLARS

THE CITY OF SHOREVIEW, STATE OF MINNESOTA (the City), acknowledges itself to be indebted and hereby promises to pay to the registered owner named above, or registered assigns, the principal amount specified above on the maturity date specified above, with interest thereon from the date of original issue specified above or from the most recent date to which interest has been paid or duly provided for at the annual rate specified above, payable on February 1 and August 1 in each year, commencing August 1, 2015, to the person in whose name this Bond is registered at the close of business on the fifteenth day (whether or not a business day) of the immediately preceding month, all subject to the provisions hereof with respect to prior redemption of the Bonds. Interest hereon shall be computed on the basis of a 360-day year composed of twelve 30-day months. The interest hereon and, upon presentation and surrender hereof at the principal office of the agent of the Registrar described below, the principal hereof are payable in lawful money of the United States of America by check or draft drawn on U.S. Bank National Association, St. Paul, Minnesota, as bond registrar, transfer agent and paying agent, or its successor designated under the Resolution described herein (the Registrar), or its designated successor under the Resolution described herein. For the prompt and full payment of such principal and interest as the same respectively become due, the full faith and credit and taxing powers of the City have been and are hereby irrevocably pledged.

This Bond is one of an issue (the Bonds) in the aggregate principal amount of \$6,980,000, issued pursuant to a resolution adopted by the City Council on November 3, 2014 (the Resolution) to refinance the costs of various public improvements, and is issued pursuant to and in full conformity with the Constitution and laws of the State of Minnesota thereunto enabling, including Minnesota Statutes, Chapters 429 and 475. The Bonds are issuable only in fully registered form, in denominations of \$5,000 or any integral multiple thereof, of single maturities.

Bonds maturing in 2024 and later years shall be subject to redemption and prepayment at the option of the City, in whole or in part, in such order of maturity dates as the City may select and, within a maturity, by lot as selected by the Registrar (or, if applicable, by the bond depository in accordance with its customary procedures) in multiples of \$5,000, on February 1, 2023, and on any date thereafter, at a price equal to the principal amount thereof and accrued interest to the date of redemption. The City shall cause notice of the call for redemption thereof to be published if and as required by law, and at least thirty (30) and not more than sixty (60) days prior to the designated redemption date, shall cause notice of call for redemption to be mailed, by first class mail, to the registered holders of any Bonds, at the holders' addresses as they appear on the bond register maintained by the Registrar, but no defect in or failure to give such mailed notice of redemption shall affect the validity of proceedings for the redemption of any Bond not affected by such defect or failure. Official notice of redemption having been given as aforesaid, the Bonds or portions of Bonds so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified and from and after such date (unless the City shall default in the payment of the redemption price) such Bonds or portions of Bonds shall cease to bear interest. Upon partial redemption of any Bond, a new Bond or Bonds will be delivered to the owner without charge, representing the remaining principal amount outstanding.

[Bonds maturing in the years 202\_\_, 202\_\_, and 202\_\_ shall be subject to mandatory redemption, at a redemption price equal to their principal amount plus interest accrued thereon to the redemption date, without premium, on February 1 in each of the years shown below, in an amount equal to the following principal amounts:

<u>Term Bonds Maturing in 20__</u>	
<u>Sinking Fund Payment Date</u> <u>(February 1)</u>	<u>Aggregate Principal Amount</u>
20__	

\*Maturity

<u>Term Bonds Maturing in 20__</u>	
<u>Sinking Fund Payment Date</u> <u>(February 1)</u>	<u>Aggregate Principal Amount</u>
20__	

\*Maturity

<u>Term Bonds Maturing in 20__</u>	
<u>Sinking Fund Payment Date</u> <u>(February 1)</u>	<u>Aggregate Principal Amount</u>
20__	

\*Maturity

Notice of redemption shall be given as provided in the preceding paragraph.]

As provided in the Resolution and subject to certain limitations set forth therein, this Bond is transferable upon the books of the City at the principal office of the Registrar, by the registered owner hereof in person or by the owner's attorney duly authorized in writing upon surrender hereof together with a written instrument of transfer satisfactory to the Registrar, duly executed by the registered owner or the owner's attorney, and may also be surrendered in exchange for Bonds of other authorized denominations. Upon such transfer or exchange the City will cause a new Bond or Bonds to be issued in the name of the transferee or registered owner, of the same aggregate principal amount, bearing interest at the same rate and maturing on the same

date, subject to reimbursement for any tax, fee or governmental charge required to be paid with respect to such transfer or exchange.

The Bonds have been designated as “qualified tax-exempt obligations” pursuant to Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

The City and the Registrar may deem and treat the person in whose name this Bond is registered as the absolute owner hereof, whether this Bond is overdue or not, for the purpose of receiving payment and for all other purposes, and neither the City nor the Registrar shall be affected by any notice to the contrary.

Notwithstanding any other provisions of this Bond, so long as this Bond is registered in the name of Cede & Co., as nominee of The Depository Trust Company, or in the name of any other nominee of The Depository Trust Company or other securities depository, the Registrar shall pay all principal of and interest on this Bond, and shall give all notices with respect to this Bond, only to Cede & Co. or other nominee in accordance with the operational arrangements of The Depository Trust Company or other securities depository as agreed to by the City.

IT IS HEREBY CERTIFIED, RECITED, COVENANTED AND AGREED that all acts, conditions and things required by the Constitution and laws of the State of Minnesota and City Charter to be done, to exist, to happen and to be performed preliminary to and in the issuance of this Bond in order to make it a valid and binding general obligation of the City in accordance with its terms, have been done, do exist, have happened and have been performed as so required; that the City has established its General Obligation Refunding Bonds, Series 2014A Bond Fund (the Bond Fund) and has appropriated thereto net revenues of the City’s water, storm sewer and surface water utilities, special assessments and ad valorem taxes in such amounts as shall be sufficient to pay all principal of and interest on the Bonds as such principal and interest respectively become due; if necessary for payment of principal and interest, additional ad valorem taxes are required to be levied upon all taxable property in the City, without limitation as to rate or amount; the issuance of this Bond, together with all other indebtedness of the City outstanding on the date hereof and on the date of its actual issuance and delivery, does not cause the indebtedness of the City to exceed any constitutional, statutory or charter limitation of indebtedness.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Resolution until the Certificate of Authentication hereon shall have been executed by the Registrar by manual signature of one of its authorized representatives.

IN WITNESS WHEREOF, the City of Shoreview, Minnesota, by its City Council, has caused this Bond to be executed on its behalf by the facsimile signatures of the Mayor and City Manager and has caused this Bond to be dated as of the date set forth below.

CITY OF SHOREVIEW, MINNESOTA

(facsimile signature - City Manager)

(facsimile signature - Mayor)

\_\_\_\_\_  
CERTIFICATE OF AUTHENTICATION

This is one of the Bonds delivered pursuant to the Resolution mentioned within.

Date of Authentication: \_\_\_\_\_

U.S. BANK NATIONAL ASSOCIATION,  
as Registrar

By \_\_\_\_\_  
Authorized Representative

\_\_\_\_\_  
The following abbreviations, when used in the inscription on the face of this Bond, shall be construed as though they were written out in full according to the applicable laws or regulations:

TEN COM - as tenants in common	UTMA ..... as Custodian for .....
	(Cust) (Minor)
TEN ENT - as tenants by the entireties	under Uniform Transfers to Minors Act .....
	(State)
JT TEN -- as joint tenants with right of survivorship and not as tenants in common	

Additional abbreviations may also be used.

\_\_\_\_\_  
ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto \_\_\_\_\_ the within Bond and all rights thereunder, and does hereby irrevocably constitute and appoint \_\_\_\_\_ attorney to transfer the said Bond on the books kept for registration of the within Bond, with full power of substitution in the premises.

Dated: \_\_\_\_\_

\_\_\_\_\_  
NOTICE: The assignor's signature to this assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatsoever.

Signature Guaranteed: \_\_\_\_\_

Signature(s) must be guaranteed by an "eligible guarantor institution" meeting the requirements of the Registrar, which requirements include membership or participation in STAMP or such other "signature guaranty program" as may be determined by the Registrar in addition to or in substitution for STAMP, all in accordance with the Securities Exchange Act of 1934, as amended.

PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE: \_\_\_\_\_

[end of bond form]

SECTION 3. USE OF PROCEEDS. Upon payment for the Bonds by the Purchaser, the City Manager shall apply the proceeds of the Bonds as follows: (a) \$ \_\_\_\_\_ shall be deposited in the sinking fund established for the Refunded Series 2010A Bonds to be applied to their redemption and prepayment on the Redemption Date, (b) \$ \_\_\_\_\_ shall be deposited in the sinking fund established for the Refunded Series 2010B Bonds to be applied to their redemption and prepayment on the Redemption Date; (c) \$ \_\_\_\_\_ shall be used to pay costs of issuance of the Bonds; and (d) \$ \_\_\_\_\_ shall be deposited in the Bond Fund created in Section 4.01 hereof.

SECTION 4. GENERAL OBLIGATION REFUNDING BONDS, SERIES 2014A BOND FUND AND PLEDGE OF TAXING POWERS.

4.01. General Obligation Refunding Bonds, Series 2014A Bond Fund. The Bonds shall be payable from a separate and special General Obligation Refunding Bonds, Series 2014A Bond Fund (the Bond Fund) of the City, which Bond Fund the City agrees to maintain until the Bonds have been paid in full. If the money in the Bond Fund should at any time be insufficient to pay principal and interest due on the Bonds, such amounts shall be paid from other moneys on hand in other funds of the City, which other funds shall be reimbursed therefor when sufficient money becomes available in the Bond Fund. The moneys on hand in the Bond Fund from time to time shall be used only to pay the principal of and interest on the Bonds. Into the Bond Fund shall be paid: (a) any amount appropriated thereto pursuant to Section 3 hereof; (b) all excess amounts on deposit in the debt service funds maintained for the payment of the Refunded Bonds upon the retirement of the Refunded Bonds on the Redemption Date; (c) special assessments previously pledged to the Refunded Bonds; (d) ad valorem taxes collected in accordance with the provisions of Section 4.02 hereof; (e) the net revenues described in Section 4.04 hereof and (f) any other funds appropriated by the City Council for the payment of the Bonds.

4.02. Pledge of Taxing Powers. For the prompt and full payment of the principal of and interest on the Bonds as such payments respectively become due, the full faith, credit and unlimited taxing powers of the City shall be and are hereby irrevocably pledged. In order to produce aggregate amounts which, together with the collections of special assessments and other amounts set forth in Section 4.01, will produce amounts not less than five percent in excess of amounts needed to meet when due the principal and interest payments on the Bonds, ad valorem taxes are hereby levied on all taxable property in the City, said taxes to be levied and collected in the following years and amounts:

<u>Levy Years</u>	<u>Collection Years</u>	<u>Amount</u>
-------------------	-------------------------	---------------

See attached levy computation

Said taxes shall be irrepealable as long as any of the Bonds are outstanding and unpaid, provided that the City reserves the right and power to reduce said levies in accordance with the provisions of Minnesota Statutes, Section 475.61.

4.03. Special Assessments. The City has previously levied special assessments on property benefited by a project financed by a portion of the Refunded Series 2010B Bonds. It is estimated that the principal and interest on such special assessments will be levied and collected in the years and amounts shown on Appendix II attached hereto. The principal of the special assessments shall be made payable in annual installments, with interest as established by this City Council in accordance with law on installments thereof from time to time remaining unpaid. In the event any special assessment shall at any time be held invalid with respect to any lot or tract of land, due to any error, defect or irregularity in any action or proceeding taken or to be taken by the City or by this City Council or by any of the officers or employees of the City, either in the making of such special assessment or in the performance of any condition precedent thereto, the City hereby covenants and agrees that it will forthwith do all such further things and take all such further proceedings as shall be required by law to make such special assessment a valid and binding lien upon said property.

4.04. Net Revenues. It is hereby found, determined and declared that the City owns and operates each of its water, storm sewer and surface water utilities (collectively, the "Systems") as a revenue-producing utility and convenience, and that the net operating revenues of each System, after deducting from the gross receipts derived from charges for the service, use and availability of the System the normal, current and reasonable expenses of operation and maintenance thereof, will be sufficient, together with any other pledged funds, for the payment when due of the principal of and interest on the Bonds herein authorized, and on any other bonds to which such revenues are pledged.

Pursuant to Minnesota Statutes, Section 444.075, the City hereby covenants and agrees with the registered owners from time to time of the Bonds, that until the Bonds and the interest thereon are discharged as provided in Section 5 or paid in full, the City will impose and collect reasonable charges in accordance with said Section 444.075 for the service, use and availability of the Systems according to schedules sufficient to produce net revenues sufficient, with other funds pledged to payment of the Bonds, to pay the Bonds and any other bonds to which said net revenues have been pledged; and the net revenues, to the extent necessary, are hereby irrevocably pledged and appropriated to the payment of the Bonds herein authorized and interest thereon when due. Nothing herein shall preclude the City from hereafter making further pledges and appropriations of the net revenues of the Systems for payment of additional obligations of the City hereafter authorized if the Council determines before the authorization of such additional obligations that the estimated net revenues of the Systems will be sufficient, together with any other sources pledged to the payment of the outstanding and additional obligations, for payment of the outstanding bonds and such additional obligations. Such further pledges and appropriations of net revenues may be made superior or subordinate to or on a parity with, the pledge and appropriation herein made.

SECTION 5. DEFEASANCE. When all of the Bonds have been discharged as provided in this section, all pledges, covenants and other rights granted by this resolution to the registered owners

of the Bonds shall cease. The City may discharge its obligations with respect to any Bonds which are due on any date by depositing with the Registrar on or before that date a sum sufficient for the payment thereof in full, or, if any Bond should not be paid when due, it may nevertheless be discharged by depositing with the Registrar a sum sufficient for the payment thereof in full with interest accrued from the due date to the date of such deposit. The City may also at any time discharge its obligations with respect to any Bonds, subject to the provisions of law now or hereafter authorizing and regulating such action, by depositing irrevocably in escrow, with a bank or trust company qualified by law as an escrow agent for this purpose, cash or securities which are authorized by law to be so deposited, bearing interest payable at such time and at such rates and maturing or callable at the holder's option on such dates as shall be required to pay all principal and interest to become due thereon to maturity or earlier designated redemption date, provided, however, that if such deposit is made more than ninety days before the maturity date or specified redemption date of the Bonds to be discharged, the City shall have received a written opinion of bond counsel to the effect that such deposit does not adversely affect the exemption of interest on any Bonds from federal income taxation and a written report of an accountant or investment banking firm verifying that the deposit is sufficient to pay when due all of the principal and interest on the Bonds to be discharged on and before their maturity dates or earlier designated redemption date.

#### SECTION 6. CERTIFICATION OF PROCEEDINGS.

6.01. Registration of Bonds. The City Manager is hereby authorized and directed to file a certified copy of this resolution with the County Auditor of Ramsey County and obtain a certificate that the Bonds have been duly entered upon the Auditor's bond register.

6.02. Authentication of Transcript. The officers of the City and the County Auditor are hereby authorized and directed to prepare and furnish to the Purchaser and to Dorsey & Whitney LLP, Bond Counsel, certified copies of all proceedings and records relating to the Bonds and such other affidavits, certificates and information as may be required to show the facts relating to the legality and marketability of the Bonds, as the same appear from the books and records in their custody and control or as otherwise known to them, and all such certified copies, affidavits and certificates, including any heretofore furnished, shall be deemed representations of the City as to the correctness of all statements contained therein.

6.03. Official Statement. The Official Statement relating to the Bonds, \_\_\_\_\_, 2014, relating to the Bonds prepared and distributed by Springsted Incorporated is hereby approved. Springsted Incorporated is hereby authorized on behalf of the City to prepare and distribute to the Purchaser within seven business days from the date hereof, a supplement to the Official Statement listing the offering price, the interest rates, selling compensation, delivery date, the underwriters and such other information relating to the Bonds required to be included in the Official Statement by Rule 15c2-12 adopted by the Securities and Exchange Commission (the SEC) under the Securities Exchange Act of 1934. The officers of the City are hereby authorized and directed to execute such certificates as may be appropriate concerning the accuracy, completeness and sufficiency of the Official Statement.

SECTION 7. TAX COVENANTS; ARBITRAGE MATTERS; AND CONTINUING DISCLOSURE.

7.01. General Tax Covenant. The City covenants and agrees with the registered owners of the Bonds that it will not take, or permit to be taken by any of its officers, employees or agents, any actions that would cause interest on the Bonds to become includable in gross income of the recipient under the Internal Revenue Code of 1986, as amended (the Code) and applicable Treasury Regulations (the Regulations), and covenants to take any and all actions within its powers to ensure that the interest on the Bonds will not become includable in gross income of the recipient under the Code and the Regulations. It is hereby certified that the proceeds of the Refunded Bonds were used for the acquisition and betterment of municipal improvements owned and maintained by the City and available for use by members of the general public on substantially equal terms. The City covenants and agrees that, so long as the Bonds are outstanding, the City shall not enter into any lease, management agreement, use agreement or other contract with any nongovernmental entity relating to the improvements so financed which would cause the Bonds to be considered "private activity bonds" or "private loan bonds" pursuant to Section 141 of the Code.

7.02. Arbitrage Certification. The Mayor and City Manager being the officers of the City charged with the responsibility for issuing the Bonds pursuant to this resolution, are authorized and directed to execute and deliver to the Purchaser a certificate in accordance with Section 148 of the Code, and applicable Regulations, stating the facts, estimates and circumstances in existence on the date of issue and delivery of the Bonds which make it reasonable to expect that the proceeds of the Bonds will not be used in a manner that would cause the Bonds to be "arbitrage bonds" within the meaning of the Code and Regulations.

7.03. Arbitrage Rebate. The City acknowledges that the Bonds are subject to the rebate requirements of Section 148(f) of the Code. The City covenants and agrees to retain such records, make such determinations, file such reports and documents and pay such amounts at such times as are required under said Section 148(f) and applicable Regulations, unless the Bonds qualify for an exception from the rebate requirement pursuant to one of the spending exceptions set forth in Section 1.148-7 of the Regulations and no "gross proceeds" of the Bonds (other than amounts constituting a "bona fide debt service fund") arise during or after the expenditure of the original proceeds thereof.

7.04. Qualified Tax-Exempt Obligations. The Council hereby designates the Bonds as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code relating to the disallowance of interest expense for financial institutions, and hereby finds that the reasonably anticipated amount of tax-exempt obligations which are not private activity bonds (not treating qualified 501(c)(3) bonds under Section 145 of the Code as private activity bonds for the purpose of this representation) which will be issued by the City and all subordinate entities during calendar year 2014 does not exceed \$10,000,000.

7.05. Continuing Disclosure. (a) Purpose and Beneficiaries. To provide for the public availability of certain information relating to the Bonds and the security therefor and to permit the Purchaser and other participating underwriters in the primary offering of the Bonds to

comply with amendments to Rule 15c2-12 promulgated by the SEC under the Securities Exchange Act of 1934 (17 C.F.R. § 240.15c2-12), relating to continuing disclosure (as in effect and interpreted from time to time, the Rule), which will enhance the marketability of the Bonds, the City hereby makes the following covenants and agreements for the benefit of the Owners (as hereinafter defined) from time to time of the outstanding Bonds. The City is the only obligated person in respect of the Bonds within the meaning of the Rule for purposes of identifying the entities in respect of which continuing disclosure must be made. If the City fails to comply with any provisions of this section, any person aggrieved thereby, including the Owners of any outstanding Bonds, may take whatever action at law or in equity may appear necessary or appropriate to enforce performance and observance of any agreement or covenant contained in this section, including an action for a writ of mandamus or specific performance. Direct, indirect, consequential and punitive damages shall not be recoverable for any default hereunder to the extent permitted by law. Notwithstanding anything to the contrary contained herein, in no event shall a default under this section constitute a default under the Bonds or under any other provision of this resolution. As used in this section, Owner or Bondowner means, in respect of a Bond, the registered owner or owners thereof appearing in the bond register maintained by the Registrar or any Beneficial Owner (as hereinafter defined) thereof, if such Beneficial Owner provides to the Registrar evidence of such beneficial ownership in form and substance reasonably satisfactory to the Registrar. As used herein, Beneficial Owner means, in respect of a Bond, any person or entity which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, such Bond (including persons or entities holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of the Bond for federal income tax purposes.

(b) Information To Be Disclosed. The City will provide, in the manner set forth in subsection (c) hereof, either directly or indirectly through an agent designated by the City, the following information at the following times:

- (1) on or before twelve (12) months after the end of each fiscal year of the City, commencing with the fiscal year ending December 31, 2014, the following financial information and operating data in respect of the City (the Disclosure Information):
  - (A) the audited financial statements of the City for such fiscal year, prepared in accordance with generally accepted accounting principles in accordance with the governmental accounting standards promulgated by the Governmental Accounting Standards Board or as otherwise provided under Minnesota law, as in effect from time to time, or, if and to the extent such financial statements have not been prepared in accordance with such generally accepted accounting principles for reasons beyond the reasonable control of the City, noting the discrepancies therefrom and the effect thereof, and certified as to accuracy and completeness in all material respects by the fiscal officer of the City; and
  - (B) to the extent not included in the financial statements referred to in paragraph (A) hereof, the information for such fiscal year or for the period

most recently available of the type contained in the Official Statement under headings: City Property Values; City Indebtedness; and City Tax Rates, Levies and Collections.

Notwithstanding the foregoing paragraph, if the audited financial statements are not available by the date specified, the City shall provide on or before such date unaudited financial statements in the format required for the audited financial statements as part of the Disclosure Information and, within ten (10) days after the receipt thereof, the City shall provide the audited financial statements. Any or all of the Disclosure Information may be incorporated by reference, if it is updated as required hereby, from other documents, including official statements, which have been submitted to the Municipal Securities Rulemaking Board (“MSRB”) through its Electronic Municipal Market Access System (“EMMA”) or to the SEC. The City shall clearly identify in the Disclosure Information each document so incorporated by reference. If any part of the Disclosure Information can no longer be generated because the operations of the City have materially changed or been discontinued, such Disclosure Information need no longer be provided if the City includes in the Disclosure Information a statement to such effect, provided, however, if such operations have been replaced by other City operations in respect of which data is not included in the Disclosure Information and the City determines that certain specified data regarding such replacement operations would be described in paragraph (2) hereof, then, from and after such determination, the Disclosure Information shall include such additional specified data regarding the replacement operations. If the Disclosure Information is changed or this section is amended as permitted by this paragraph (b)(1) or subsection (d), then the City shall include in the next Disclosure Information to be delivered hereunder, to the extent necessary, an explanation of the reasons for the amendment and the effect of any change in the type of financial information or operating data provided.

- (2) In a timely manner not in excess of ten business days after the occurrence of the event, notice of the occurrence of any of the following events:
  - (A) Principal and interest payment delinquencies;
  - (B) Non-payment related defaults, if material;
  - (C) Unscheduled draws on debt service reserves reflecting financial difficulties;
  - (D) Unscheduled draws on credit enhancements reflecting financial difficulties;
  - (E) Substitution of credit or liquidity providers, or their failure to perform;
  - (F) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
  - (G) Modifications to rights of Bond holders, if material;
  - (H) Bond calls, if material, and tender offers;
  - (I) Defeasances;
  - (J) Release, substitution, or sale of property securing repayment of the Bonds, if material;

- (K) Rating changes;
- (L) Bankruptcy, insolvency, receivership or a similar event with respect to the City;
- (M) The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
- (N) Appointment of a successor or additional trustee or the change of name of a trustee, if material.

As used herein, for those events that must be reported if material, an event is “material” if it is an event as to which a substantial likelihood exists that a reasonably prudent investor would attach importance thereto in deciding to buy, hold or sell a Bond or, if not disclosed, would significantly alter the total information otherwise available to an investor from the Official Statement, information disclosed hereunder or information generally available to the public. Notwithstanding the foregoing sentence, a material fact is also an event that would be deemed material for purposes of the purchase, holding or sale of a Bond within the meaning of applicable federal securities laws, as interpreted at the time of discovery of the occurrence of the event.

For the purposes of the event identified in (L) hereinabove, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governmental body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person.

- (3) In a timely manner, notice of the occurrence of any of the following events or conditions:
  - (A) the failure of the City to provide the Disclosure Information required under paragraph (b)(1) at the time specified thereunder;
  - (B) the amendment or supplementing of this section pursuant to subsection (d), together with a copy of such amendment or supplement and any explanation provided by the City under subsection (d)(2);
  - (C) the termination of the obligations of the City under this section pursuant to subsection (d);
  - (D) any change in the accounting principles pursuant to which the financial statements constituting a portion of the Disclosure Information are prepared; and
  - (E) any change in the fiscal year of the City.

(c) Manner of Disclosure.

- (1) The City agrees to make available to the MSRB through EMMA, in an electronic format as prescribed by the MSRB, the information described in subsection (b).
- (2) All documents provided to the MSRB pursuant to this subsection (c) shall be accompanied by identifying information as prescribed by the MSRB from time to time.

(d) Term; Amendments; Interpretation.

- (1) The covenants of the City in this section shall remain in effect so long as any Bonds are outstanding. Notwithstanding the preceding sentence, however, the obligations of the City under this section shall terminate and be without further effect as of any date on which the City delivers to the Registrar an opinion of bond counsel to the effect that, because of legislative action or final judicial or administrative actions or proceedings, the failure of the City to comply with the requirements of this section will not cause participating underwriters in the primary offering of the Bonds to be in violation of the Rule or other applicable requirements of the Securities Exchange Act of 1934, as amended, or any statutes or laws successory thereto or amendatory thereof.
- (2) This section (and the form and requirements of the Disclosure Information) may be amended or supplemented by the City from time to time, without notice to (except as provided in paragraph (c)(3) hereof) or the consent of the Owners of any Bonds, by a resolution of this Council filed in the office of the recording officer of the City accompanied by an opinion of bond counsel, who may rely on certificates of the City and others and the opinion may be subject to customary qualifications, to the effect that: (i) such amendment or supplement (a) is made in connection with a change in circumstances that arises from a change in law or regulation or a change in the identity, nature or status of the City or the type of operations conducted by the City, or (b) is required by, or better complies with, the provisions of paragraph (b)(5) of the Rule; (ii) this section as so amended or supplemented would have complied with the requirements of paragraph (b)(5) of the Rule at the time of the primary offering of the Bonds, giving effect to any change in circumstances applicable under clause (i)(a) and assuming that the Rule as in effect and interpreted at the time of the amendment or supplement was in effect at the time of the primary offering; and (iii) such amendment or supplement does not materially impair the interests of the Bondowners under the Rule.

If the Disclosure Information is so amended, the City agrees to provide, contemporaneously with the effectiveness of such amendment, an explanation of the reasons for the amendment and the effect, if any, of the change in the type of financial information or operating data being provided hereunder.

- (3) This section is entered into to comply with the continuing disclosure provisions of the Rule and should be construed so as to satisfy the requirements of paragraph (b)(5) of the Rule.

SECTION 8. REDEMPTION OF REFUNDED BONDS. The City Manager is hereby directed to advise U.S. Bank National Association, St. Paul, Minnesota, as paying agent for the Refunded Bonds, to call the Refunded Bonds for redemption and prepayment on the Redemption Date, and to give thirty days' mailed Notice of Redemption, substantially in the form attached hereto, all in accordance with the provisions of the resolution authorizing the issuance of the Refunded Bonds.

SECTION 9. Effective Date. This resolution shall be in full force and effect from and after its passage.

PASSED AND APPROVED this 3<sup>rd</sup> day of November, 2014.

THE CITY OF SHOREVIEW, MINNESOTA.

APPENDIX I

PROJECTED TAX LEVIES

Levy Year/Collection Year

Levy

APPENDIX II

PROJECTED SPECIAL ASSESSMENTS

Date

Levy

Total

## NOTICE OF REDEMPTION

\$5,615,000 Taxable General Obligation Capital Improvement Plan Bonds,  
Series 2010A (Build America Bonds-Direct Pay)

Dated as of March 10, 2010

City of Shoreview, Minnesota

NOTICE IS HEREBY GIVEN THAT there have been called for redemption and prepayment on February 1, 2015, all outstanding Bonds of the above referenced issue maturing February 1 in the following years and having the interest rates and CUSIP numbers listed below:

<u>Year</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>CUSIP Number*</u>	<u>Year</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>CUSIP Number*</u>
2016	\$255,000	3.00%		2024	\$325,000	4.90%	
2017	265,000	3.40		2025	335,000	5.00	
2018	270,000	3.80		2026	345,000	5.30	
2019	280,000	4.20		2027	355,000	5.50	
2020	285,000	4.35		2028	370,000	5.65	
2021	295,000	4.60		2029	380,000	5.75	
2022	305,000	4.70		2030	395,000	5.85	
2023	315,000	4.80					

\*The Registrar shall not be responsible for the selection or use of the CUSIP numbers, nor is any representation made as to their correctness indicated in this Notice of Redemption or on any Bond. They are included solely for convenience of the Holders. Denotes full call of CUSIP.

The Bonds will be redeemed at a price of 100% of their principal amount plus accrued interest to the date of redemption. Holders of the Bonds should present them for payment to U.S. Bank National Association, St. Paul, Minnesota, on or before said date, when they will cease to bear interest, in the following manner:

If by Mail:

U.S. Bank  
Corporate Trust Services  
P.O. Box 64111  
St. Paul, MN 55164-0111

If by Hand or Overnight Mail:

U.S. Bank  
Corporate Trust Services  
111 Fillmore Avenue East  
St. Paul, MN 55107

Important Notice: In compliance with the Economic Growth and Tax Relief Reconciliation Act of 2001, federal backup withholding tax will be withheld at the applicable backup withholding rate in effect at the time the payment by the redeeming institutions if they are not provided with your social security number or federal employer identification number, properly certified. This requirement is fulfilled by submitting a W-9 Form, which may be obtained at a bank or other financial institution.

The Paying Agent shall not be responsible for the selection of or use of the CUSIP number, nor is any representation made as to its correctness indicated in this Notice of Redemption. It is included solely for the convenience of the Holders.

Additional information may be obtained from the undersigned or from Springsted Incorporated, 380 Jackson Street, Suite 300, St. Paul, Minnesota (651-223-3000), financial consultant to the City.

Dated: \_\_\_\_\_, 2014.

BY ORDER OF THE CITY COUNCIL  
CITY OF SHOREVIEW, MINNESOTA

By /s/ \_\_\_\_\_  
City Manager

## NOTICE OF REDEMPTION

\$2,720,000 Taxable General Obligation Bonds,  
Series 2010B (Build America Bonds-Direct Pay)  
Dated as of December 16, 2010  
City of Shoreview, Minnesota

NOTICE IS HEREBY GIVEN THAT there have been called for redemption and prepayment on February 1, 2015, all outstanding Bonds of the above referenced issue maturing February 1 in the following years and having the interest rates and CUSIP numbers listed below:

<u>Year</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>CUSIP Number*</u>	<u>Year</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>CUSIP Number*</u>
2016	\$175,000	2.10%		2022	\$195,000	4.00%	
2017	180,000	2.50		2023	185,000	4.25	
2018	185,000	3.00		2024	190,000	4.40	
2019	185,000	3.25		2025	195,000	4.50	
2020	190,000	3.60		2026	200,000	4.60	
2021	195,000	3.75					

\*The Registrar shall not be responsible for the selection or use of the CUSIP numbers, nor is any representation made as to their correctness indicated in this Notice of Redemption or on any Bond. They are included solely for convenience of the Holders. Denotes full call of CUSIP.

The Bonds will be redeemed at a price of 100% of their principal amount plus accrued interest to the date of redemption. Holders of the Bonds should present them for payment to U.S. Bank National Association, St. Paul, Minnesota, on or before said date, when they will cease to bear interest, in the following manner:

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Corporate Trust Services  
P.O. Box 64111  
St. Paul, MN 55164-0111

If by Hand or Overnight Mail:

U.S. Bank  
Corporate Trust Services  
111 Fillmore Avenue East  
St. Paul, MN 55107

Important Notice: In compliance with the Economic Growth and Tax Relief Reconciliation Act of 2001, federal backup withholding tax will be withheld at the applicable backup withholding rate in effect at the time the payment by the redeeming institutions if they are not provided with your social security number or federal employer identification number, properly certified. This requirement is fulfilled by submitting a W-9 Form, which may be obtained at a bank or other financial institution.

The Paying Agent shall not be responsible for the selection of or use of the CUSIP number, nor is any representation made as to its correctness indicated in this Notice of Redemption. It is included solely for the convenience of the Holders.

Additional information may be obtained from the undersigned or from Springsted Incorporated, 380 Jackson Street, Suite 300, St. Paul, Minnesota (651-223-3000), financial consultant to the City.

Dated: \_\_\_\_\_, 2014.

BY ORDER OF THE CITY COUNCIL  
CITY OF SHOREVIEW, MINNESOTA

By /s/ \_\_\_\_\_  
City Manager

RAMSEY COUNTY AUDITOR'S CERTIFICATE  
AS TO REGISTRATION AND TAX LEVY

The undersigned, being the duly qualified and acting County Auditor of Ramsey County, Minnesota, hereby certifies that there has been filed in my office a certified copy of a resolution duly adopted on November 3, 2014, by the City Council of the City of Shoreview, Minnesota, setting forth the form and details of an issue of \$6,980,000 General Obligation Refunding Bonds, Series 2014A, dated as of December 1, 2014, and levying taxes for their payment.

I further certify that the issue has been entered on my bond register and the tax required by law for their payment has been levied and filed as required by Minnesota Statutes, Sections 475.61 to 475.63.

WITNESS my hand and official seal this \_\_\_\_\_ day of November, 2014.

\_\_\_\_\_  
Ramsey County Auditor

(SEAL)

**PROPOSED MOTION**

**MOVED BY COUNCILMEMBER:** \_\_\_\_\_

**SECONDED BY COUNCILMEMBER:** \_\_\_\_\_

To approve the Preliminary Plat, Serene Hills Estate Plat Five, and the amended Planned Unit Development, for Lexington Estates II Townhome Association, Inc. converting the private street Royal Court to a public road subject to the following:

1. Approval of the preliminary plat and amendment to the PUD shall expire within one year of the date approved by the City Council.
2. The final right-of-way design for Royal Court is subject to review and approval of the Public Works Director.
3. Execution of an agreement between the City and Association stating the Association will comply with the City parking regulations for the proposed public right-of-way, including the parking areas.

This approval is based on the following findings:

1. The use and development was approved as a PUD, Planned Unit Development with an underlying zoning of R-2, Attached Residential.
2. The use and proposed alterations are consistent with the planned land use , goals and policies of the Comprehensive Plan, Chapter 4, Land Use and the housing goals in Chapter 7, Housing.
3. The conversion of the street to a public roadway is consistent with the City’s current subdivision standards that require all streets to be publically dedicated rights of way.
4. Royal Court complies with the established criteria regarding the conversion of private streets to public streets.

**ROLL CALL:    AYES \_\_\_\_\_    NAYS \_\_\_\_\_**

Johnson	_____	_____
Quigley	_____	_____
Wickstrom	_____	_____
Withhart	_____	_____
Martin	_____	_____

**Regular City Council Meeting – August 4, 2014**

**TO:** Mayor, City Council and City Manager  
**FROM:** Kathleen Castle, City Planner  
**DATE:** October 31, 2014  
**SUBJECT:** File No. 2500-13-27, Royal Court, Lexington Estates II Townhome Association, Inc.

### **Introduction**

Lexington Estates II Townhome Association, Inc. submitted applications for an amendment to the approved Planned Unit Development and Preliminary Plat to re-plat the common area of the development. That part of the common area which includes the private roadway, Royal Court, and adjacent off-street parking areas are proposed to be re-platted and dedicated to the City as public road right-of-way.

### **Background**

The Lexington Estates II townhome development is east of Lexington Avenue and north and west of Royal Oaks Drive. Access to the development is gained from Royal Oaks Drive via a private street, Royal Court. The development, constructed in 1985, and includes 21 rambler-style dwellings located in two and three unit buildings.

The planning for this area began in the early 1980's with the concept stage of the PUD being approved in 1981. Although the City had a policy that required all future streets to be platted as public streets, a private street serving this development was permitted for the following reasons:

- The private streets and parking areas were designed to serve only the townhouse units and were not through streets
- Traffic counts on these streets were anticipated to be low
- The proposed off-street parking areas would provide off-street parking in excess of City Code requirements
- The homeowner's association would own and maintain the common areas, including the private street and parking area
- The street and parking area were required to be constructed equivalent to public street construction standards
- The roadways were designed to comply with the Fire Code requirements for emergency vehicle access and turnaround

The development was approved and granted flexibility from the City's standards regarding "clustering", zero lot line developments, private road frontage and private parking areas. The developer was, however, required to install public sewer and water service to the townhome units. The existing utility lines are located under the private roadway. Drainage and utility easements were platted over the private road and parking areas ensuring the City's right to access these lines as needed.

The City Council has adopted a policy regarding the conversion of private streets to public streets. Requests to transfer jurisdiction of private infrastructure to the City may be supported provided the proposal complies with the following criteria:

1. That the private street could function as a public street serving the number of addresses as opposed to a driveway.
2. The request be supported by technical information that demonstrates the private road was built to City standards for residential streets (7-ton road design)
3. The private property would be re-platted to provide dedicated public rights of ways to delineate the public roadways and afford the City the rights on behalf of the public to own and maintain the infrastructure.

### **Project Description**

The proposed plat identifies those areas that would be dedicated as public right-of-way. The proposed public right-of-way will include the bituminous area of the roadway to approximately 1-foot behind the existing curb. To the extent feasible, the proposed right-of-way has been designed to have a consistent width. The width, however, varies from 25 feet to 50 feet due to the open space and parking areas located in the center of the roadway. The common green space in the center of the roadway will be platted as a separate lot and will remain in the Association's ownership.

Within the development, the structure setbacks from the proposed public road right-of-way vary from 21 feet to 25 feet. The setbacks from the roadway will remain the same and not be impacted by the proposed conversion of the street to a public road. These setbacks, however, do need to be recognized with the PUD amendment.

### **Staff Review**

The Staff has reviewed the proposal in accordance with the City's policy for the conversion of a private street to a public street. Attached is a memo from Mark Maloney, Public Works Director, which provides information on the criteria for review and his assessment. The proposal has been reviewed and it has been determined that the proposed dedication of Royal Court as a public right-of-way can be maintained as a public street. Further, the existing storm sewer, water and sanitary sewer infrastructure located beneath or near the roadway are public and being maintained by the City. The dedication of Royal Court as a public roadway is reasonable and meets the criteria set forth by the City.

A portion of the improved roadway is located on the property immediately to the north which is owned by the Lexington Estates Association and serves as common space for the Hill Court townhome development. While the historical records for this development did not provide any information regarding this street layout, Staff believes it was permitted since this development

and the adjoining Hill Court development were part of the same PUD. The Lexington Estates Association has agreed to convey an easement to the City for public road purposes. This easement would extend to 1-foot beyond the curb and is acceptable to the City. The Council should note that two of the structures located in Hill Court are within 10 feet of the proposed right-of-way. While the proposal will not change the physical layout of the roadway, there was some concern regarding snow removal and the impact on these homes. The City's Public Works Department has indicated that the plowing can occur in a manner that will not impact these dwelling units.

Staff also believes that the conversion of this roadway to a public roadway will enable the Association to re-focus their resources on higher priority needs. Common interest communities face special maintenance challenges since they rely on budget reserves for long-term maintenance items. A previous survey of common interest communities found that the financing of the long term maintenance items is a concern due to needed special assessments or bank loans. The dedication of this roadway to a public street also supports the City Council's and Economic Development Authority goals concerning housing and neighborhood stabilization. This change is also consistent with the City's current subdivision standards that require all streets to be publically dedicated rights-of-ways.

### **Public Comment**

Notice of the public hearing was published in the City's legal newspaper. Mailed notices were also mailed to property owners within 350 feet of the property in question. One comment was received questioning the additional expense the City will incur to maintain the roadway. Another comment was received in opposition due to concerns related to property value and impact of road maintenance operations on the nearby units in Hill Court.

### **Planning Commission Review**

The Planning Commission reviewed this at their meeting on October 28<sup>th</sup> and recommended the City Council approve the preliminary plat and amended PUD with a 5 to 1 vote. The Commission discussed the winter maintenance of the roadway and potential impact of snowplowing operations on the nearby structures, parking and street assessments. As previously indicated, the Public Works Staff has determined that the plow operations will be managed in a similar fashion as to how the private roadway is being plowed by their private contractor and does not believe there will be any impact on the adjoining units on Hill Court.

Regarding parking, the interior parking spaces will be subject to the City's parking restrictions for overnight parking. Each unit does have driveway space that provides area for off-street

parking. This provision is in place for the adjoining Serene Court development and to Staff's knowledge the overnight parking restriction has not been an enforcement issue.

Last, there was discussion regarding the street assessment policy. The City has determined that this street was built in accordance with the City's standards for public roads as such no improvements are needed at this time. Any future road improvements would be subject to the same assessment policy that applies to the other public roads in the City.

### **Recommendation**

The proposed dedication of the private street, Royal Court, to a public roadway meets the City's criteria and supports the City's goals pertaining to housing and neighborhood stabilization. Staff recommends the City Council approve of the preliminary plat, Serene Hills Estates Plat 5, and the amended Planned Unit Development. Said approval is subject to the following conditions:

1. Approval of the preliminary plat and amendment to the PUD shall expire within one year of the date approved by the City Council.
2. The final right-of-way design for Royal Court is subject to review and approval of the Public Works Director.
3. Execution of an agreement between the City and Association stating the Association will comply with the City parking regulations for the proposed public right-of-way, including the parking areas.

### Attachments

1. Memo from Mark Maloney, 10-20-14
2. Memo from Mark Maloney, 3-06-08 (no map)
3. 08-26-14 Letter from Advantage Townhome Management
4. Aerial Location Map
5. Aerial Detail
6. Approved PUD Plan
7. Submitted Plat
8. Request for Comment
9. Motion

DATE: October 20, 2014  
TO: Kathleen Nordine, City Planner  
FROM: Mark Maloney, Director of Public Works   
SUBJECT: Lexington Estates II – Conveyance of Royal Court

The Public Works Department and the Lexington Estates II Association have been working over the past two years on the conveyance of Royal Court to the City. The preliminary plat for Serene Hills Estates Plat Five reflects the proposed replatting necessary to dedicate the private street area to the City. In addition, a separate easement from the Lexington Estates Hill Court Association has been negotiated to allow conveyance of that portion of Royal Court that is located on the plat to the north, Lexington Patio Estates.

## BACKGROUND

We have periodically received requests from townhome associations to consider the City's assumption of responsibility for private streets. For the most part, private streets in Shoreview came about as a result of the desire to build denser residential developments and reduce development costs by deviating from standards with regard to road widths, cul-de-sac diameters, boulevard encroachments and building setbacks. These private streets are in most cases located in areas approved by the City in the 1970's and 1980's as Planned Unit Developments, and at a time when the City's standards for public streets were significantly more rigid for width and setback than has been implemented in recent years. The City's approval of these developments recognized that there would be future responsibilities of the homeowner's associations for the private infrastructure. A factor that has complicated the picture over the years is that in most cases the City has owned and operated other public infrastructure like sanitary sewer and water main in and around these privately owned and maintained streets. The realities of things like restoring an area after a broken water main repair or the interface between the private road pavement damage and manhole castings for the public sewer system have blurred the public/private streets responsibilities over time. Given the amount of home owner turnover that has occurred in the developments (and on their Association Boards) it appears that the current residents typically have no understanding of the rationale for the separation of public and private infrastructure in their developments.

## DISCUSSION

In the 1980s and early 1990s, the City attempted to employ a numerical scoring system to objectively evaluate these requests; to my knowledge no request was ever successfully processed using that approach. Over the past 15 years, the topic of private streets was studied in the context of future public infrastructure and discussed at various points with the City Council. The Public Works staff identified criteria (per Shoreview City Council Resolution 10-87) that should be considered for analyzing these requests; namely:

- That the private street could function as a public street serving a number of addresses as opposed to a driveway

- The request be supported by technical information that demonstrates that the private road was built to City standards for residential streets (7-Ton)
- The private property would be replatted to provide dedicated public rights of ways to delineate the public roadways and afford the City the rights on behalf of the public to own and maintain the infrastructure

First, the request would need to be analyzed from the perspective of the City's ability to reasonably provide services given the staffing and equipment at its disposal. The configuration of the private street and the proximity of building and other private improvements would have to be such that the City could assume responsibilities for the maintenance and ownership of the roads without undue cost, hardship or degradation of services to the rest of the public. In addition, the Association making the request would be required to provide pavement and subgrade material testing information to the Public Works Department to establish the integrity of the private roads, and the Association would re-plate their private property to dedicate public right of way over the street areas being considered. Private streets meeting this criteria, evaluated on a case by case basis, would theoretically become part of the City's public street system and be subject to the same maintenance activities and schedules (and funding policies thereof) as streets originally built as "public". The policies are intended to be consistent with previously established City Council and Economic Development Authority goals concerning housing and neighborhood stabilization. However, no policies have been developed or agreed upon by the City Council for situations where the private street requests don't meet the above standards.

In accordance with the criteria above, the City in 2011 completed the jurisdictional transfer of the formerly private Serene Court in the townhouse development immediately south of this proposed preliminary plat. Most recently the concept was explored with the Lexington Estates II Association with regard to Royal Court, and the logistics of their request appear to staff to be relatively straightforward. This department has analyzed this request and has concluded that the configuration wouldn't be problematic from a street sweeping or snowplowing standpoint, and we already have involvement with the storm drainage, water and sanitary sewer infrastructure servicing the development. The pavement core analysis indicates that the roadway does meet the City's 7-ton standard for residential streets.

The Lexington Estates Hill Court Association has agreed to convey a strip of their property to the City for public roadway purposes to facilitate this jurisdictional transfer. The property is currently encumbered by a public drainage and utility easement. The Association has in their official action stated conditions for the conveyance; it is our opinion that the City can agree to those. Their official action also contains "requests" concerning snow plowing logistics and future City plans for roadway improvements which in my opinion cannot be addressed in the context of this action.

## RECOMMENDATION

The Department has worked with the representatives of the Association and their geotechnical and surveying consultants to facilitate this jurisdictional change for Royal Court. The roadway appears to meet the criteria established by the Shoreview City Council per Resolution 10-87; I recommend that the City approve the preliminary plat for Serene Hills Estates Plat Five subject to the conveyance of that portion of Lexington Patio Estates indicated on the sketch and description date June 13, 2014.

DATE: March 6, 2008  
TO: Mayor, City Council and City Manager  
FROM: Mark Maloney, Director of Public Works  
SUBJECT: Policies for Private Road Requests



The City periodically gets requests from private town home associations to consider taking over the ownership and maintenance responsibilities for their private residential streets. Many factors enter into the City's reaction to these requests; function, layout, age, potential operational problems, etc. Further, the City's past and current special assessment policies aren't easily adapted to recovering costs from improvements to "inherited" infrastructure. The Council may be aware that the staff spent considerable time on a 2005 request from the Lake Martha (Fox Glen) Association, and has recently been asked by the Lexington Estates Association to consider taking over their private road, Serene Court. Staff is seeking some direction from the City Council with regard to these types of requests.

### **Background**

The current Municipal Code offers various definitions and references to private streets and driveways that have evolved over time. For the purpose of this discussion, staff has identified eight areas in the City having private streets with curb and gutter under the jurisdiction of an organized residential homeowner's association. **Please refer to the attached map for the locations of these areas.** These areas were developed and streets constructed in the period 1972-1982, with materials and configurations typical of that time. In some cases, the areas have paved parking and access driveways that can be difficult to distinguish from the streets. This report focuses on the parts of the development that appear to be addressed and recognized by residents and service providers as streets. The Brookside Mobile Home Park area is included in this analysis but for reference only; the City is not aware of any past or pending requests from this area and there are other infrastructure factors that set it apart from the other seven areas covered in this analysis.

In general, private streets in Shoreview came about as a result of the desire to build denser residential developments and/or to reduce development costs by deviating from standards with regard to road widths, cul-de-sac diameters, boulevard encroachments and building setbacks. These streets are, in most cases, located in areas approved as Planned Unit Developments. The City's approval of these developments recognized that there would be future responsibilities of the homeowner's associations for the private infrastructure. Somewhat complicating the picture is that (in most cases) the City has owned and operated other public infrastructure like sanitary sewer and water main in and around these privately owned and maintained streets. The realities of things like restoring an area after a broken water main repair or the relationship between pavement damage and manhole castings have blurred the public/private streets responsibilities over time. Given the amount of turnover that has occurred in the developments (and on their Association Boards) it appears that the current residents have little if no connection to those original arrangements, and the Associations typically have not created adequate reserve funds for

their long-term needs. The point is increasingly being made that, under the Minnesota Property Tax system, people who are living in these private infrastructure arrangements are essentially paying for City services that they don't receive (e.g. snowplowing, street sweeping, and sealcoating). These factors, together with the fact that pavement conditions of some of these streets are at a point where they need reclamation or even more expensive replacement, make it likely that the City will continue to be asked to take over private streets.

### **Private Street Inventory**

These numbered areas correspond to the map titled "Association Owned Roads", dated February 26, 2008. The estimates for pavement rehabilitation and/or replacement are based on typical costs that the City has experienced on recent public improvement projects.

- 
1. Brookside Mobile Home Park Streets Built 1976

The streets (Hall, Park, Center, Emil) average 29' b-b. The pavement appears to be in poor condition and in imminent need of a full-depth reclamation or replacement. While the streets themselves are relatively wide, the mobile homes are setback only 10-12' behind the curb. Snow storage and/or removal would be problematic. This area is unique in that all of the infrastructure is private; an association owned well provides drinking water and the sanitary sewer collection system is tied directly to the Met Council Interceptor in the area. The City has little by way of records or involvement with the infrastructure for the area.

Estimated Cost for Pavement Rehab \$392,000

2. Lexington Townhouse Association Street Built 1982

Hill Court measures 27' b-b and is a loop configuration. The pavement is at the point of needing rehabilitation beyond sealcoating in the next 5 years. The center of the looped area serves for snow storage. The City owns and maintains the sewer and water service in the area.

Estimated Cost for Pavement Rehab \$35,000

3. Lexington Estates II Street Built 1982

Royal Court measures 29' b-b and is in a loop configuration with adjacent off-street parking areas. The pavement is at the point of needing rehabilitation beyond sealcoating in the next 5 years. There is a large open area in the loop for snow storage. The City owns and maintains the sewer and water service in the area.

Estimated Cost for Pavement Rehab \$60,000

4. Lexington Estates III Street Built 1982

Serene Court measures 29' b-b and similar to areas nos. 2 and 3 above has a relatively large naturalized area that is used to store plowed snow by the Association's contractor. The pavement appears to have been well maintained over the years and won't likely

warrant a reclamation until at least 5 years. The City owns and maintains the sewer and water service in the area. The Association is currently exploring the concept of the City assuming responsibility for the street.

Estimated Cost for Pavement Rehab \$44,000

5. Lake Martha Association Streets Built 1973

Monterey Drive and Carmel Court average 29' b-b in width. The pavements in the area are in poor condition and warranted replacement 5 years ago. Snow storage doesn't appear to be problematic for the streets; however there are a number of paved driveway areas that serve multiple units that look difficult. The City owns and maintains the sewer and water service in the area. The City studied this area extensively when the management company representing the Association(s) inquired about the feasibility of the City taking over the streets in 2005. The discussion raised points about the actions the Association would be required to take or pay for, and the difficulty of applying City assessment policies to the street construction desired. The Association could not reach consensus and didn't proceed.

Estimated Cost for Pavement Rehab \$231,000

6. Cherokee Hills (I) Streets Built 1972

Sylvia Lane (North) measures 24' b-b. It was extended south to County Road F as a standard width public street in 1978. The public portion of the street (South) was part of the City's 2007 Street Rehabilitation Project. The pavement in the private section to the north warrants the same, and has been degraded by a number of (City) water main breaks/repairs over the years. The private street portion (North) has extremely tight building setbacks making snow storage/removal difficult for the Association's contractor.

Estimated Cost for Pavement Rehab \$78,000

7. Cherokee Hills (II) Streets Built 1972

Shirlee Lane averages 24' b-b in width. The pavement warrants reclamation or complete replacement anytime in the next 5 years. The turn around area on the south end is too small for any larger City vehicle, school bus, garbage truck, etc. and the garage setbacks are fairly tight at 18 feet.

Estimated Cost for Pavement Rehab \$72,000

8. Casa Collina Streets Built 1978

Highland Drive (private) averages 24' b-b in width and portions of the paved areas appear to have either been recently replaced or rehabbed; it would likely warrant a sealcoat at this time. Being at the top of the bluff, it appears that there may be runoff issues that would have to be addressed in the context of a public street. The building

setbacks do not appear to be problematic and snow storage is addressed adequately in the development area.

Estimated Cost for Pavement Rehab \$15,000

### **Policy Questions**

As to the direct question of it being possible for the City to perform typical public street services in these currently private areas, it varies. For the most part, the City could perform snowplowing in these developments as an extension of the existing snowplow routes and with the same equipment currently used throughout the City. One potential conflict however would be that currently these Associations hire contractors to coordinate the removal of snow from all of their paved surfaces (i.e. streets, driveways, parking areas, sidewalks, steps). It wouldn't be realistic for the City to try to alter its public street plowing schedules to conform or coordinate with the individual Associations private driveway snowplowing, and the Associations would still need to contract for some of their private property snow removal activities. Street sweeping could be fairly easily accomplished; in fact the City provides that service on a contract basis already in some of these areas. If these private streets were incorporated into the City's public system, they would generally be crack filled, patched and seal coated on the same schedule as the streets in the area. All of the private streets in this analysis together would add about 3 miles to Shoreview's 90-mile public street system.

City staff has struggled somewhat in the discussions with the Associations with the concept of applying or adapting the City's approach to specially assessing potential improvement costs in these areas. All of the private streets in this analysis currently have concrete curb and gutter, which is used by the City (on public streets) as an indication that a) the streets were built to an engineered, modern standard, b) the streets have been maintained on a regular schedule with City-approved materials/practices, and c) the streets provide an acceptable service life and no more street assessments would apply to the adjacent property owners. These interpretations don't necessarily apply, especially with regard to the assumptions about maintenance, in some of these private street areas. It would seem that the City would need to develop a different policy for recovering costs for the (imminent) pavement replacements in these areas.

The discussions with the Associations also tend to lose momentum when the issue of street right-of-ways comes up. In residential developments that intended to have public streets, appropriate width public right of ways and utility easements are built in as a function of platting. In these private development areas, the paved surfaces typically are on commonly owned private property, and the Associations would be required to replat the property to convey or indicate street interests to the public and legally separate streets from driveways, sidewalks and common areas.

### **Current Issues**

Attached to this report is correspondence relating to the recent request from the Serene Court Association. As mentioned, the 2005 Lake Martha Association request isn't currently being pursued but staff assumes that it will be back in the future; the Association has performed no pavement work since the request. The Serene Court Association is expecting a more formal

reaction to their request from the City this Spring. While the Serene Court infrastructure wouldn't necessarily be problematic to take over from an operational standpoint, staff is seeking direction for adapting existing funding and assessment philosophies to these private development areas, should the City Council wish for the staff to continue to have dialog with the Associations on these topics.

**EXTRACT OF MINUTES OF MEETING OF THE  
CITY COUNCIL OF SHOREVIEW, MINNESOTA  
HELD SEPTEMBER 20, 2010**

\* \* \* \* \*

Pursuant to due call and notice thereof, a meeting of the City Council of the City of Shoreview, Minnesota, was duly called and held at the Shoreview City Hall in said City on September 20, 2010, at 7:00 p.m. The following members were present:

Mayor Martin, Council Members Quigley, Wickstrom and Withhart;

and the following members were absent: Huffman.

Member Withhart introduced the following resolution and moved its adoption.

RESOLUTION NO. 10-87

ESTABLISHING POLICIES REGARDING THE CONVERSION  
OF PRIVATE STREETS TO PUBLIC STREETS

WHEREAS, in the past, private streets were approved as elements of Planned Unit Developments in Shoreview; and

WHEREAS, town house associations have requested that the City investigate the potential of the private streets being converted to public streets, with the intent of the City assuming all future ownership and maintenance responsibilities; and

WHEREAS, Shoreview's City Council and Economic Development Authority have indicated concerns for the long-range stability and economic viability of town house associations; and

WHEREAS, it has been determined that the City should define criteria and a mechanism for fairly and objectively accommodating these types of requests; and

WHEREAS, proposed policies have been developed and presented for City Council approval.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF SHOREVIEW, MINNESOTA, THAT IT SHALL BE THE POLICY OF THE CITY TO ACCEPT AND ASSUME RESPONSIBILITY FOR PRIVATE STREETS AS PUBLIC INFRASTRUCTURE SUBJECT TO THE FOLLOWING CONDITIONS:

1. Based on an assessment of the Public Works Department, the private street(s) under consideration can be interpreted to serve a public function insofar as the location and layout, and be reasonably owned and maintained by the City using the labor, equipment and materials available.
2. The Association or homeowner's group making the request shall be responsible for the provision of geotechnical information to validate that the streets were originally constructed and subsequently maintained to Shoreview's 7-Ton Residential Street Design Standard. In the event that the structural capacity and condition of the pavement meets the City's Standard, all future maintenance activities, pavement restorations and rehabilitations shall be made by the City similar to other public residential streets and in accordance with adopted Street Renewal Program policies.
3. The Association or homeowner's group making the request shall be responsible for the re-platting and/or land conveyances necessary to dedicate the private street to the public.

The motion for the adoption of the foregoing resolution was duly seconded by Member Quigley, and upon vote being taken thereon, the following voted in favor thereof: All Members Present;

and the following voted against the same: None.

WHEREUPON, said resolution was declared duly passed and adopted this 20<sup>th</sup> day of September, 2010.

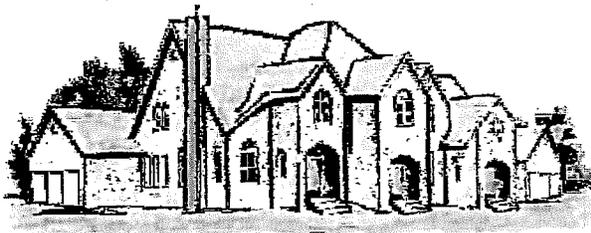
STATE OF MINNESOTA    )  
   )  
 COUNTY OF RAMSEY     )  
   )  
 CITY OF SHOREVIEW    )

I, the undersigned, being the duly qualified and acting Manager of the City of Shoreview of Ramsey County, Minnesota, do hereby certify that I have carefully compared the attached and foregoing extract of minutes of a meeting of said City Council held on the 20<sup>th</sup> day of September, 2010, with the original thereof on file in my office and the same is a full, true and complete transcript therefrom insofar as the same relates to a policy for the conversion of private streets to public streets.

WITNESS MY HAND officially as such Manager and the corporate seal of the City of Shoreview, Minnesota, this 21st day of September, 2010.

  
\_\_\_\_\_  
Terry Schwern  
City Manager

SEAL



**Advantage Townhome Management, Inc.**

1310 East Highway 96, Suite 214  
White Bear Lake, MN 55110  
Ph 651-429-2223 Fax 651-429-2755  
LEHC@advtm.com

City of Shoreview City Council  
Shoreview, MN 55126

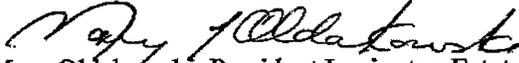
8/26/14

To the Mayor and City Council members,

The Lexington Estates Hill Court Townhome Association has voted to approve an easement in favor of the City of Shoreview. The granting of a perpetual easement described on the attached sketch in favor of the City of Shoreview for use as a public street to serve the public. This granting is conditioned on the City of Shoreview accepting the easement for use only as a public street and that there is a one (1) foot snow storage area behind the curb. The easement would begin upon the City of Shoreview approving the plat and easement.

The homeowners at Hill Court and Royal Court request the City of Shoreview to load the snow from the City street to the west to the Royal Court center island, that the City would repair any snow plowing damages, the City would never widen the public street, that any future street maintenance not be paid by Hill Court Association, and the City will keep any salt usage to a minimum. This request is to be presented by the Hill Court and Royal Court Associations to the City Planning Commission and City Council.

Sincerely,

  
Mary Oldakowski, President Lexington Estates Hill Court

  
Dale Birkeland, President Lexington Estates II, Royal Court Association

  
Paul Keleher  
Association Manager

Cc: Board of Directors Lexington Estates Hill Court  
Cc: Board of Directors Lexington Estates II, Royal Court Association



# Lexington Estates II Townhome Association, Inc.



## Legend



- City Halls
- Schools
- Hospitals
- Fire Stations
- Police Stations
- Recreational Centers
- Parcel Points
- Parcel Boundaries

## Notes

This map is a user generated static output from an internet mapping site and is for reference only. Data layers that appear on this map may or may not be accurate, current, or otherwise reliable.

THIS MAP IS NOT TO BE USED FOR NAVIGATION

400.0 0 200.00 400.0 Feet

NAD\_1983\_HARN\_AqJ\_MN\_Ramsey\_Feet  
© Ramsey County Enterprise GIS Division



**Legend**



- City Halls
- Schools
- Hospitals
- Fire Stations
- Police Stations
- Recreational Centers
- Parcel Points
- Parcel Boundaries

**ROAD ENCROACHMENT ON LEXINGTON ESTATES ASSOC. PROPERTY**

**Notes**

Enter Map Description

This map is a user generated static output from an internet mapping site and is for reference only. Data layers that appear on this map may or may not be accurate, current, or otherwise reliable.  
 THIS MAP IS NOT TO BE USED FOR NAVIGATION



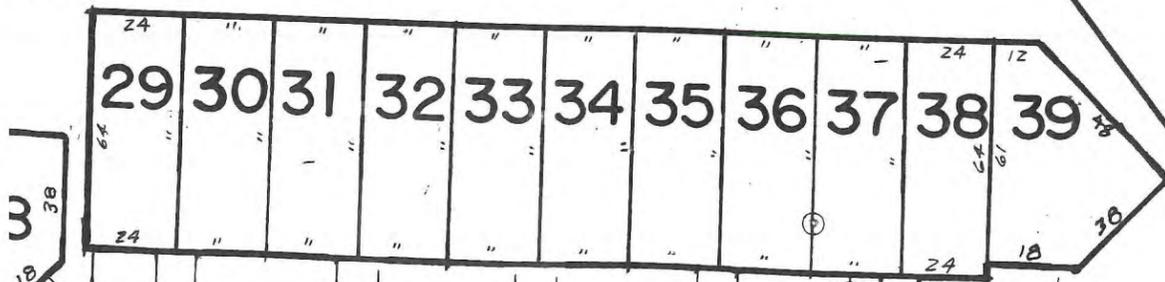
827-80-18

ION

5 FT. NW 1/4, SW 1/4, SEC. 2

56' 18" W 588.00

40



UTILITY EASEMENT

ROYAL COURT

AREA OF BLOCK : 249,650 sq.ft.  
AREA OF BUILDING : 47,862 sq.ft.

COMMON AREA

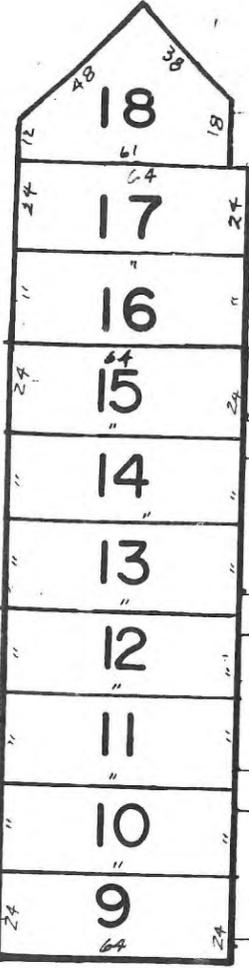
5

40

E. LINE W. 588 FT. NW 1/4 SW 1/4, SEC. 2.

NORTH 381.05

COMMON AREA LOT 33



UTILITY EASEMENT

AREA OF BLOCK : 168,515 sq.ft.  
AREA OF BUILDINGS : 39,490 sq.ft.

COMMON AREA

UTILITY EASEMENT



COMMON AREA LOT 30

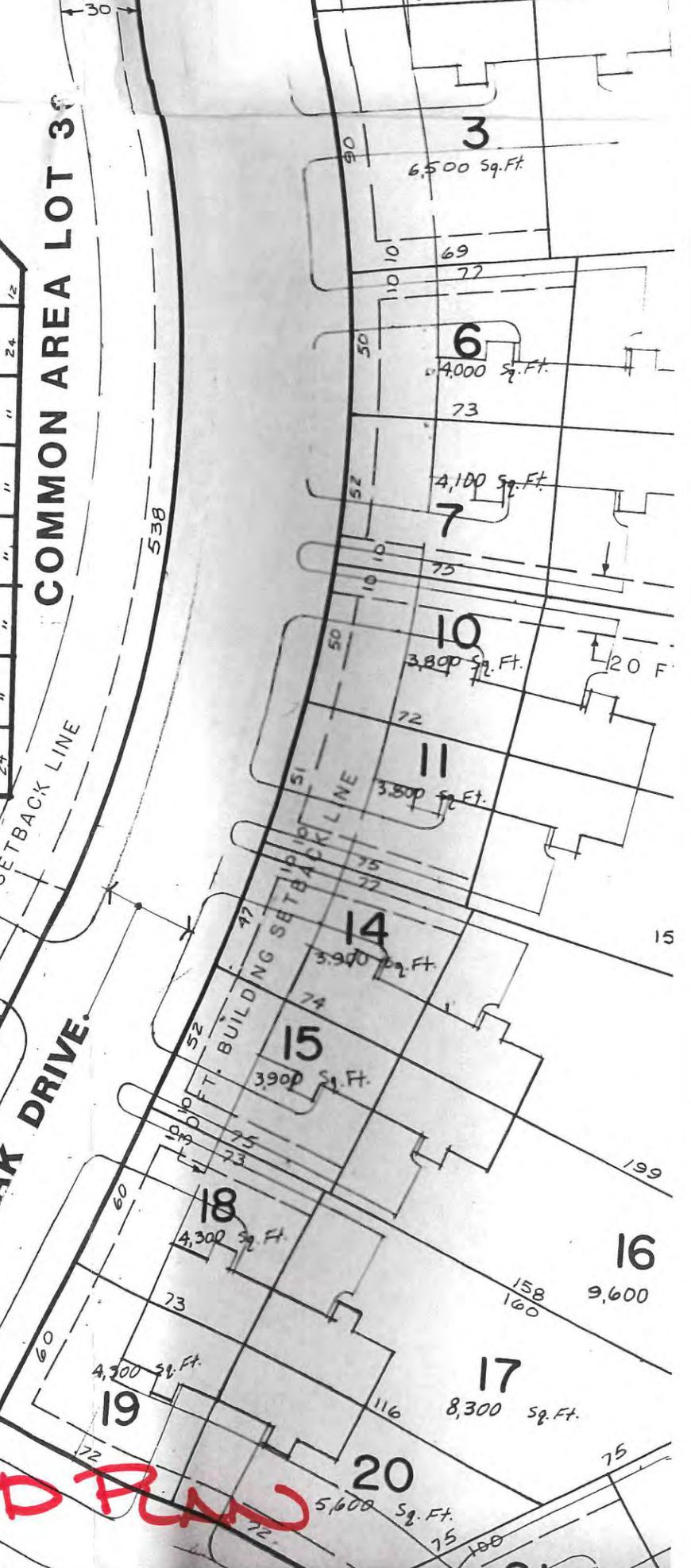
HILL 6 COURT

ROYAL OAK DRIVE.

PLD PLAN



AREA LOT 40



6,500 Sq.Ft.

4,000 Sq.Ft.

4,100 Sq.Ft.

3,800 Sq.Ft.

3,800 sq.Ft.

5,900 sq.Ft.

3,900 sq.Ft.

4,300 sq.Ft.

4,100 sq.Ft.

8,300 Sq.Ft.

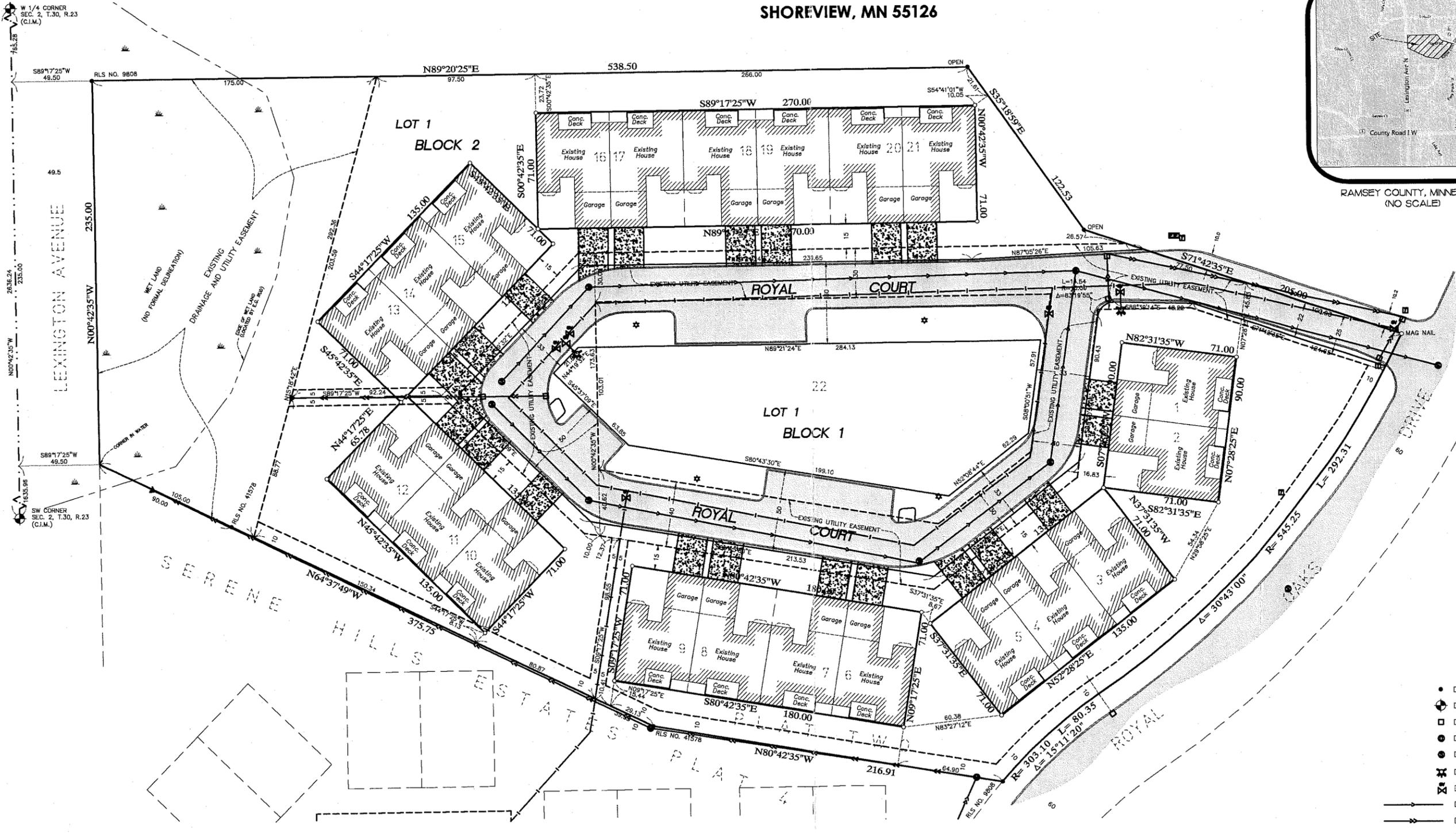
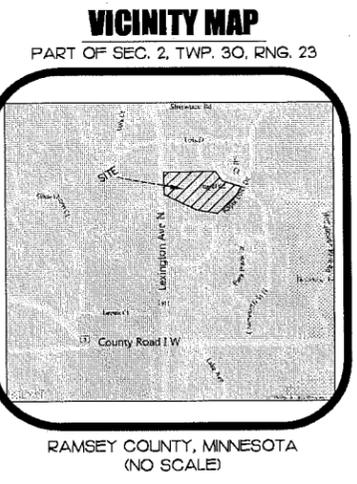
5,600 Sq.Ft.

9,600

# PRELIMINARY PLAT

for SERENE HILLS ESTATES PLAT FIVE

**PROPERTY OWNER:**  
**LEXINGTON ESTATES II TOWNHOME ASSOCIATION, INC.**  
**0 ROYAL COURT**  
**SHOREVIEW, MN 55126**



- LEGEND**
- DENOTES IRON MONUMENT FOUND AS LABELED
  - ⊕ DENOTES RAMSEY COUNTY CAST IRON MONUMENT
  - DENOTES CATCH BASIN
  - DENOTES STORM SEWER MANHOLE
  - DENOTES SANITARY SEWER MANHOLE
  - ⊕ DENOTES HYDRANT
  - ⊕ DENOTES GATE VALVE
  - DENOTES EXISTING SANITARY SEWER
  - DENOTES EXISTING STORM SEWER
  - |— DENOTES EXISTING WATER MAIN
  - ▨ DENOTES CONCRETE SURFACE
  - ▩ DENOTES BITUMINOUS SURFACE

**EXISTING PROPERTY DESCRIPTION:**

Lot 22, Block 1, SERENE HILLS ESTATES PLAT TWO, Ramsey County, Minnesota.

**AREA DETAILS:**

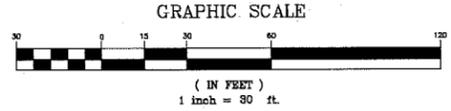
Total area of existing property = 180,992 sq. ft.  
 Proposed Lot 1, Block 1 = 20,874 sq. ft.  
 Proposed Lot 1, Block 2 = 117,901 sq. ft.  
 Proposed Public Right of Way = 42,617 sq. ft.

**NOTES**

- Field survey was completed by E.G. Rud and Sons, Inc. on 9/16/13.
- Bearings shown are on the Ramsey County Coordinate System
- Curb shots are taken at the top and back of curb.
- This survey was prepared using Title Commitment No. 408817, issued by Land Title, Inc., as agent for Stewart Title Guaranty Company. Said title commitment is dated effective August 15, 2013.
- The purpose of this proposed plat is to transfer ownership and maintenance of the existing private drive from the homeowners association to the City of Shoreview as a public right of way.
- Drainage and utility easements shown are per the plat SERENE HILLS ESTATES PLAT TWO.
- Parcel Identification No. 02-30-23-32-0273

I hereby 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.

*Jason E. Rud*  
 JASON E. RUD  
 Date: 9/18/2013 License No. 41578



**E.G. RUD & SONS, INC.**  
 Professional Land Surveyors  
 6776 Lake Drive NE, Suite 110  
 Lino Lakes, MN 55014  
 Tel. (651) 361-8200 Fax (651) 361-8701

DRAWN BY: BAW	JOB NO: 13629PP	DATE: 9/10/13	
CHECK BY: JER	SCANNED		
1			
2			
3			
NO.	DATE	DESCRIPTION	BY

City Council:  
Sandy Martin, Mayor  
Emy Johnson  
Terry Quigley  
Ady Wickstrom  
Ben Withhart



City of Shoreview  
4600 Victoria Street North  
Shoreview, MN 55126  
651-490-4600 phone  
651-490-4699 fax  
www.shoreviewmn.gov

October 8, 2014

REQUEST FOR COMMENT

Dear Shoreview Property Owner:

Please be advised that on **Tuesday, October 28<sup>th</sup> at 7:00 p.m.**, the Shoreview Planning Commission will hold a public hearing and review a Preliminary Plat application submitted by the Lexington Estates II Townhome Association to replat Lot 22, Block 1 of Serene Hills Plat Two. The proposed plat maintains the parcels for the individual townhome units but the common area is being amended. Royal Court is currently a private driveway and is proposed to be platted as a public street.

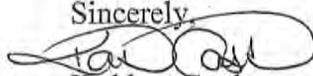
The property is zoned Planned Unit Development and an amendment to the PUD is also required.

You are encouraged to fill out the bottom portion of this form and return it if you have any comments or concerns. Comments received by **October 22<sup>nd</sup>** will be distributed to the Planning Commission with the Planning Commission agenda packet. Comments received after that date but before the meeting will be distributed to the Commission that night. You are also welcome to attend the meeting. The meeting is held in the City Council Chambers at Shoreview City Hall, 4600 North Victoria Street.

The agenda and staff report to the Planning Commission will be available on the City website after October 24<sup>th</sup>. Please use this weblink to review details of the project and City standards after that date; [www.shoreviewmn.gov/pc/documents](http://www.shoreviewmn.gov/pc/documents).

If you would like more information or have any questions, please call me at 651-490-4682 between 8:00 a.m. and 4:30 p.m., Monday through Friday. You may leave a voice mail message at any time. Comments or questions can also be submitted via e-mail to me at [kcastle@shoreviewmn.gov](mailto:kcastle@shoreviewmn.gov).

Sincerely,

  
Kathleen Castle  
City Planner

The proposed public street will be just a few feet from my patio and an egress from my townhome. Once

Comments: ~~the change is approved city plows and maintenance equipment will throw snow and deicing chemicals into my patio and patio fence, making it more difficult to use the exit. My unit is the most adversely affected. When the Lexington Estates Hill Ct Association approved change I disagreed and oppose the decision now. When I bought the townhome I chose it rather than unit 990 because it wasn't adjacent to a city street~~

Name: Joe McGregor  
Address: 996 Hill Court

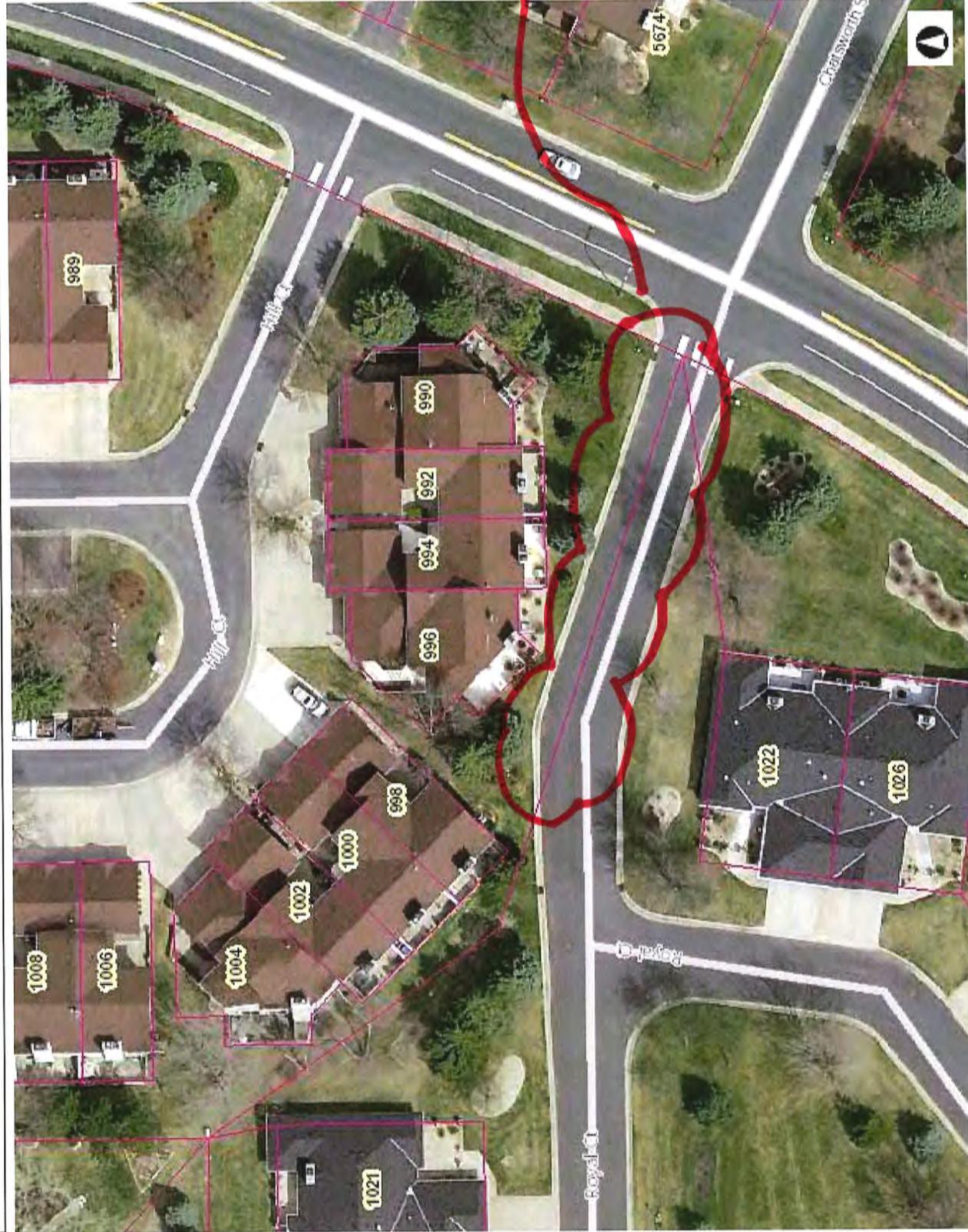
Comments:

Will this cost the city more money? maintenance?, winter plowing - pothole repair, resurfacing etc. I live in a townhome and we are responsible for all of the maint. of our driveway/culdesac? The city doesn't plow or resurface for us - Thank you -

Name:

Address:

Helen Russell  
3688 Royal Oaks Dr.  
Shoreview



100.0 0 50.00 100.0 Feet

NAD\_1983\_HARN\_Adj\_MN\_Ramsey\_Feet  
© Ramsey County Enterprise GIS Division

This map is a user generated static output from an Internet mapping site and is for reference only. Data layers that appear on this map may or may not be accurate, current, or otherwise reliable.  
**THIS MAP IS NOT TO BE USED FOR NAVIGATION**

**Legend**



- City Halls
- Schools
- Hospitals
- Fire Stations
- Police Stations
- Recreational Centers
- Parcel Points
- Parcel Boundaries

*ROYAL COURT ENCROACHMENT ON PROPERTY OWNED BY LEXINGTON ESTATES ASSOCIATION - HILL COURT*

**Notes**

Enter Map Description



TO: MAYOR, CITY COUNCIL, AND CITY MANAGER

FROM: MARK MALONEY, PUBLIC WORKS DIRECTOR  
TOM WESOLOWSKI, CITY ENGINEER

DATE: OCTOBER 30, 2014

SUBJECT: AUTHORIZE PROFESSIONAL SERVICES AGREEMENT  
WATER SYSTEM IMPROVEMENTS -WATER TREATMENT PLANT,  
CITY PROJECT #14-02

### INTRODUCTION

Shoreview's Capital Improvement Program (CIP) includes the design and construction of a Water Treatment Plant (WTP). The first step in the design process consisted of the preparation of a preliminary design report. At the December 16, 2013 meeting the City Council authorized Advanced Engineering and Environmental Services Inc (AE2S) to complete the report. The preliminary design report was completed and presented to the City Council at the September 8<sup>th</sup>, 2014 workshop. The report evaluated treatment alternatives and recommended a preferred water treatment alternative. Engineering services are now required for the design of the water treatment plant. Staff recommends that the City Council authorize a Professional Services Agreement with AE2S, Inc. for the design of the Water Treatment Plant, City Project 14-02.

### BACKGROUND

Shoreview's groundwater based municipal water is not treated and currently meets all federal and state primary drinking water standards. Chlorine is added as a disinfectant and fluoride is added to reduce tooth decay, which is required by the state for all public water suppliers.

Shoreview's water supply has good quality overall, but like many of the water supplies in the Twin Cities it contains elevated levels of iron and manganese. Iron and manganese are naturally occurring and commonly found in varying amounts in ground water supplies throughout Minnesota. The Environmental Protection Agency (EPA) has established Secondary Drinking Water Regulations (NSDWRs) that include standards for iron and manganese. NSDWRs are non-enforceable guidelines regulating contaminants that may cause cosmetic effects (such as skin or tooth discoloration) or aesthetic effects (such as taste, odor, or color) in drinking water. The EPA recommends secondary standards for water systems but does not require systems to comply. The current secondary standards are 0.3mg/l for iron and 0.05mg/l for manganese.

Water tests show iron levels in the City's wells range from 0.02 to 0.22-mg/l and the manganese levels range from 0.14 to 0.24-mg/l. Based on comparisons with water tests from previous years the level of manganese in the City's water supply is slowly increasing in a majority of the City wells. The current iron level is slightly below the secondary standard, but the manganese level is 3 to 5 times above the secondary standard.

As water is pumped through the City's distribution system, the iron and manganese comes out of suspension and settles in the pipes. This can cause the water to be unsightly, affect its taste, and cause red and black stains on plumbing fixtures and laundry. The iron and manganese can also build up in the pipelines over time reducing the overall efficiency of the system and causing operation and maintenance issues related to hydrants, valves, etc. To reduce the amount of iron and manganese settlement in the pipes the City completely flushes the distribution system twice a year. But even with the flushing program staff does receive complaints from residents about red and/or black colored water.

To eliminate these issues, the iron and manganese in the City's water needs to be reduced to levels below the secondary standards before it is pumped into the distribution system. To accomplish this goal a water treatment plant is needed to filter out the iron and manganese from the water. The treatment process to remove iron and manganese from water is very similar, so even though the iron level is slightly below the secondary standard the treatment process required to remove manganese will also remove iron. Many Cities in the metro area and throughout Minnesota have constructed water treatment plants to remove iron and manganese from their water.

## DISCUSSION

The Preliminary Design Report, that was presented to the Council at the September 8<sup>th</sup> workshop, reviewed the City's existing water supply infrastructure, evaluated treatment process technology, examined treatment alternatives that include estimated design and construction costs, and provided conclusions and recommendations.

Conclusions and recommendations from the report included:

- The City's water appropriation permit and raw water supply wells are adequate for current and future water supply demands.
- Construction of the preferred alternative is feasible on the site located between the City's underground storage reservoir and the County's ice arena.
- Minor improvements to existing water supply wells are required.
- A raw water pipeline from existing Well #6 to the new WTP site should be installed.
- Preliminary total project cost estimate of \$11,000,000 for the preferred water treatment alternative that includes aeration of the raw water supply, gravity filtration, a raw water pipeline from well #6 to the proposed WTP site, and miscellaneous upgrades to existing water supply infrastructure.

Based on discussions with the Council at the September 8<sup>th</sup> workshop, City staff has negotiated a proposal with AE2S, Inc. for design services for the WTP. A copy of the proposal is attached for reference. The scope of services and associated fee listed in the proposal are based on the recommendations and preferred water treatment alternative listed in the design report and discussed with the Council.

AE2S's detailed proposal essentially breaks down into four phases; preliminary design (\$161,600), final design (\$685,600), instrumentation and design (\$43,000), and bidding phase (\$51,000). The total estimated fee of \$941,200 is slightly less than 10% of the estimated

construction cost, which is realistic for WTP projects of similar size and complexity. The estimated project budget breaks down as follows:

Estimated Construction Costs	\$ 8,040,000
Contingencies	<u>\$ 1,520,000</u>
<b>Total Estimated Construction Cost</b>	<b>\$ 9,560,000</b>
Engineering/Administrative/Legal	\$ 1,440,000
<b>Total Estimated Project Cost</b>	<b>\$ 11,000,000</b>

The project would be funded from the City's Water Fund. In anticipation of the WTP project, water rate adjustments have been included in the current 5-year operating budget to account for the bond payment required to finance the costs associated with the design and construction of the WTP. It is anticipated the repayment length of the bond would be 20-years.

Once the project has been bid and the Council has authorized a contract for construction an amendment to the professional services agreement for construction phase services would need to be presented to the Council for consideration. Normally the construction phase services are included with the original professional services agreement, but due to the complexity of water treatment plant design the scope of construction phase services cannot be accurately determined until the design of the water treatment plant is complete.

#### PROJECT SCHEDULE

Following is the schedule that would provide for the start of construction in the spring of 2015 with the WTP operational in late 2016.

The schedule includes:

Begin Design	November 2014
Public Bidding & Contract Award	May 2015
Start Construction	June 2015
WTP Operational	November 2016

#### RECOMMENDATION

It is recommended that the City Council consider Resolution 14-100 authorizing execution of a Professional Services Agreement with AE2S, Inc. for design services required for Water System Improvements - Water Treatment Plant, City Project #14-02.

**EXTRACT OF MINUTES OF MEETING OF THE  
CITY COUNCIL OF SHOREVIEW, MINNESOTA**

**HELD DECEMBER 16, 2013**

\* \* \* \* \*

Pursuant to due call and notice thereof, a meeting of the City Council of the City of Shoreview, Minnesota, was duly called and held at the Shoreview City Hall in said City on November 3, 2014 at 7:00 p.m. The following members were present:

and the following members were absent:

Member introduced the following resolution and moved its adoption.

RESOLUTION NO. 14-100  
AUTHORIZE EXECUTION OF PROFESSIONAL  
SERVICES AGREEMENT WITH  
ADVANCED ENGINEERING AND ENVIRONMENTAL SERVICES, INC. (AE2S)  
FOR WATER SYSTEM IMPROVEMENTS - WATER TREATMENT PLANT  
CITY PROJECT #14-02

WHEREAS, Shoreview's Capital Improvement Program identifies the need for professional services for a water treatment plant in the year 2014; and

WHEREAS, engineering design services are required for the preparation of detailed design documents pertaining to the water treatment plant; and

WHEREAS, the City has negotiated a proposal and scope of services from an Engineering firm qualified for such activities

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF SHOREVIEW, MINNESOTA THAT the Mayor and City Manager are hereby authorized to execute a Professional Services Agreement with the firm Advanced Engineering and Environmental Services, Inc. for the provision of the necessary engineering services for an estimated cost of \$941,200 as is more fully described in attached Agreement for Engineering Services.



**AGREEMENT  
BETWEEN OWNER AND ENGINEER  
FOR  
PROFESSIONAL SERVICES**

THIS IS AN AGREEMENT effective as of **November 3, 2014** ("Effective Date") between the **City of Shoreview, 4600 Victoria Street North, Shoreview, MN 55126** ("Owner") and **Advanced Engineering and Environmental Services, Inc., 6901 East Fish Lake Rd., Ste. 184, Maple Grove, Minnesota 55369** ("Engineer"). Owner retains Engineer to perform professional services, in connection with the **Shoreview Water Treatment Plant** ("Project").

OWNER retains ENGINEER to perform professional services in connection with OWNER's proposed construction of a new **Shoreview Water Treatment Plant** ("Project"). The Project is further defined as follows:

A. The Project consists of the design of a new 8.0 million gallon per day (mgd) conventional gravity filtration water treatment plant (WTP). The new WTP will be designed to treat the Owner's existing raw water source, which is comprised of six (6) existing groundwater wells. The Project will include the integration of the Owner's existing raw water supply pipelines, one (1) million gallon reservoir, and existing Booster Pumping Station. The Project will also include the design of a new raw water transmission pipeline from Well No. 6 to the existing raw water transmission pipeline system.

B. The Project is generally described as follows:

1. Water Treatment Plant Site

i. The new Water Treatment Plant is proposed to be located on existing City of Shoreview property, west of the Ramsey Ice Arena, and immediately east of the existing one (1) MG reservoir and Booster Pumping Station.

2. New Water Treatment Plant – 8.0 MGD Capacity

i. Two (2) forced draft aerators.

ii. Two (2) gravity filtration trains.

1. Anticipated design loading rate of approximately 3.0 gpm/sf.

iii. Chemical feed systems which will include chemical conveyance systems (as required), chemical storage tanks, chemical containment and chemical feed equipment. Anticipated chemicals include chlorine, fluoride, and provision for the potential future addition of permanganate.

iv. Two (2) below grade reinforced concrete backwash reclamation basins.

v. Backwash supply and recycle pumps.

vi. Process pipes, valves and meters.

vii. Pipe, valves, meters, controls, and other appurtenances required to connect the existing raw water supply pipeline to the new WTP and to connect the new WTP to the existing reservoir and Booster Pumping Station. Bypass piping shall also be provided, as appropriate.

viii. Water resources systems as required to comply with stormwater requirements.

ix. Access road, parking lot, and associated site landscaping for new WTP site.

x. Architectural, structural and mechanical components associated with the new WTP which is planned to be approximately 8,500 square feet.

xi. Electrical components associated with the new WTP. Standby generator sized to meet emergency and load management electrical requirements at the new WTP. Select electrical improvements, as required, at the existing Booster Pumping Station.

xii. Instrumentation and Control (I&C) components associated with the new WTP.

3. New Raw Water Transmission Main from Well No. 6

i. New water transmission main from Well No. 6 to the existing raw water pipeline system.

ii. Pipeline is to be installed primarily by horizontal directional drilling methods, and located within the existing Xcel Energy electrical easement directly between Well No. 6 and the existing raw water transmission pipelines.

Owner and Engineer agree as follows:

## ARTICLE 1 - SERVICES OF ENGINEER

---

### 1.01 Scope

A. Engineer shall provide, or cause to be provided, the services set forth herein and in Exhibit A.

## ARTICLE 2 - OWNER'S RESPONSIBILITIES

---

### 2.01 General

A. Owner shall have the responsibilities set forth herein and in Exhibit B.

B. Owner shall pay Engineer as set forth in Exhibit C.

C. Owner shall be responsible for, and Engineer may rely upon, the accuracy and completeness of all requirements, programs, instructions, reports, data, and other information furnished by Owner to Engineer pursuant to this Agreement. Engineer may use such requirements, programs, instructions, reports, data, and information in performing or furnishing services under this Agreement.

## ARTICLE 3 - SCHEDULE FOR RENDERING SERVICES

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### 3.01 Commencement

A. Engineer shall begin rendering services as of the Effective Date of the Agreement.

### 3.02 Time for Completion

A. Engineer shall complete its obligations within a reasonable time. Specific periods of time for rendering services are set forth or specific dates by which services are to be completed are provided in Exhibit A, and are hereby agreed to be reasonable.

B. If, through no fault of Engineer, such periods of time or dates are changed, or the orderly and continuous progress of Engineer's services is impaired, or Engineer's services are delayed or suspended, then the time for completion of Engineer's services, and the rates and amounts of Engineer's compensation, shall be adjusted equitably.

C. If Owner authorizes changes in the scope, extent, or character of the Project, then the time for completion of Engineer's services, and the rates and amounts of Engineer's compensation, shall be adjusted equitably.

D. Owner shall make decisions and carry out its other responsibilities in a timely manner so as not to delay the Engineer's performance of its services.

E. If Engineer fails, through its own fault, to complete the performance required in this Agreement within the time set forth, as duly adjusted, then Owner shall be entitled to the recovery of direct damages resulting from such failure.

## ARTICLE 4 - INVOICES AND PAYMENTS

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### 4.01 Invoices

A. *Preparation and Submittal of Invoices.* Engineer shall prepare invoices in accordance with its standard invoicing practices and the terms of Exhibit C. Engineer shall submit its invoices to Owner on a monthly basis. Invoices are due and payable within 30 days of receipt.

### 4.02 Payments

A. *Obligation to Pay.* Except as noted in paragraph D., Owner's obligation to pay for our services under this Agreement is not contingent on Owner's ability to obtain financing, governmental or regulatory agency approval, permits, final adjudication of lawsuit in which Engineer is not involved, Owner's successful completion of a project, or any other event. No retainage will be withheld.

B. *Application to Interest and Principal.* Payment will be credited first to any interest owed to Engineer and then to principal.

C. *Failure to Pay.* If Owner fails to make any payment due Engineer for services and expenses within 30 days after receipt of Engineer's invoice, then:

1. Amounts due Engineer will be increased at the rate of 1.0% per month (or the maximum rate of interest permitted by law, if less) from said thirtieth day; and

2. Engineer may, after giving seven days written notice to Owner, suspend services under this Agreement until Owner has paid in full all amounts due for services, expenses, and other related charges. Owner waives any and all claims against Engineer for any such suspension.

D. *Disputed Invoices.* If Owner contests an invoice, Owner may withhold only that portion so contested, and must pay the undisputed portion.

E. *Legislative Actions.* If after the Effective Date of the Agreement any governmental entity takes a legislative action that imposes taxes, fees, or charges on Engineer's services or compensation under this Agreement, then the Engineer may invoice such new taxes, fees, or charges as a Reimbursable Expense to which a factor of 1.0 shall be applied. Owner shall pay such invoiced new taxes, fees, and charges; such payment shall be in addition to the compensation to which Engineer is entitled under the terms of Exhibit C.

F. *Legal Actions.* Owner agrees to compensate Engineer as set forth in Exhibit C, if Engineer is asked or required to respond to legal process arising out of a proceeding related to the Project and as to which Engineer is not a party.

## ARTICLE 5 - OPINIONS OF COST

---

### 5.01 Opinions of Probable Construction Cost

A. Engineer's opinions of probable Construction Cost are to be made on the basis of Engineer's experience and qualifications and represent Engineer's best judgment as an experienced and qualified professional generally familiar with the construction industry. However, since Engineer has no control over the cost of labor, materials, equipment, or services furnished by others, or over contractors' methods of determining prices, or over competitive bidding or market conditions, Engineer cannot and does not guarantee that proposals, bids, or actual Construction Cost will not vary from opinions of probable Construction Cost prepared by Engineer. If Owner wishes greater assurance as to probable Construction Cost, Owner shall employ an independent cost estimator as provided in Exhibit B.

### 5.02 Not used.

### 5.03 Opinions of Total Project Costs

A. The services, if any, of Engineer with respect to Total Project Costs shall be limited to assisting the Owner in collating the various cost categories which comprise Total Project Costs. Engineer assumes no responsibility for the accuracy of any opinions of Total Project Costs.

## ARTICLE 6 - GENERAL CONSIDERATIONS

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### 6.01 Standards of Performance

A. The standard of care for all professional engineering and related services performed or furnished by Engineer under this Agreement will be the care and skill ordinarily used by members of the subject profession practicing under similar circumstances at the same time and in the same locality. Engineer makes no warranties,

express or implied, under this Agreement or otherwise, in connection with Engineer's services.

B. Owner shall not be responsible for discovering deficiencies in the technical accuracy of Engineer's services. Engineer shall correct any such deficiencies in technical accuracy without additional compensation except to the extent such corrective action is directly attributable to deficiencies in Owner-furnished information.

C. Engineer may employ such Consultants as Engineer deems necessary to assist in the performance or furnishing of the services, subject to reasonable, timely, and substantive objections by Owner.

D. Subject to the standard of care set forth in paragraph 6.01.A, Engineer and its Consultants may use or rely upon design elements and information ordinarily or customarily furnished by others, including, but not limited to, specialty contractors, manufacturers, suppliers, and the publishers of technical standards.

E. Engineer and Owner shall comply with applicable Laws and Regulations and Owner-mandated standards that Owner has provided to Engineer in writing. This Agreement is based on these requirements as of its Effective Date. Changes to these requirements after the Effective Date of this Agreement may be the basis for modifications to Owner's responsibilities or to Engineer's scope of services, times of performance, and compensation.

G. Engineer shall not be required to sign any documents, no matter by whom requested, that would result in the Engineer having to certify, guarantee, or warrant the existence of conditions whose existence the Engineer cannot ascertain. Owner agrees not to make resolution of any dispute with the Engineer or payment of any amount due to the Engineer in any way contingent upon the Engineer signing any such documents.

H. The General Conditions for any construction contract documents prepared hereunder are to be the "Standard General Conditions of the Construction Contract" as prepared by the Engineers Joint Contract Documents Committee (No. C-700, 2002 Edition) unless both parties mutually agree to use other General Conditions by specific reference in Exhibit J.

I. Engineer shall not at any time supervise, direct, or have control over Contractor's work, nor shall Engineer have authority over or responsibility for the means, methods, techniques, sequences, or procedures of construction selected or used by Contractor, for security or safety at the Site, for safety precautions and programs incident to the Contractor's work in progress, nor for any failure of Contractor to comply with Laws and Regulations applicable to Contractor's furnishing and performing the Work.

J. Engineer neither guarantees the performance of any contractor nor assumes responsibility for any contractor's failure to furnish and perform the Work in accordance with the Contract Documents.

K. Engineer shall not be responsible for the acts or omissions of any contractor, subcontractor, or supplier, or of any of their agents or employees or of any other persons (except Engineer's own employees and its Consultants) at the Site or otherwise furnishing or performing any Work; or for any decision made on interpretations or clarifications of the Contract Documents given by Owner without consultation and advice of Engineer.

#### 6.02 Design without Construction Phase Services

A. If Engineer's Basic Services under this Agreement do not include Project observation, or review of the Contractor's performance, or any other Construction Phase services, then (1) Engineer's services under this Agreement shall be deemed complete no later than the end of the Bidding or Negotiating Phase; (2) Engineer shall have no design or shop drawing review obligations during construction; (3) Owner assumes all responsibility for the application and interpretation of the Contract Documents, contract administration, construction observation and review, and all other necessary Construction Phase engineering and professional services; and (4) Owner waives any claims against the Engineer that may be connected in any way thereto.

#### 6.03 Use of Documents

A. All Documents are instruments of service in respect to this Project, and Engineer shall retain an ownership and property interest therein (including the copyright and the right of reuse at the discretion of the Engineer) whether or not the Project is completed. Owner shall not rely in any way on any Document unless it is in printed form, signed or sealed by the Engineer or one of its Consultants.

B. A party may rely that data or information set forth on paper (also known as hard copies) that the party receives from the other party by mail, hand delivery, or facsimile, are the items that the other party intended to send. Files in electronic media format of text, data, graphics, or other types that are furnished by one party to the other are furnished only for convenience, not reliance by the receiving party. Any conclusion or information obtained or derived from such electronic files will be at the user's sole risk. If there is a discrepancy between the electronic files and the hard copies, the hard copies govern.

C. Because data stored in electronic media format can deteriorate or be modified inadvertently or otherwise without authorization of the data's creator, the party receiving electronic files agrees that it will perform acceptance tests or procedures within 60 days, after which

the receiving party shall be deemed to have accepted the data thus transferred. Any transmittal errors detected within the 60-day acceptance period will be corrected by the party delivering the electronic files.

D. When transferring documents in electronic media format, the transferring party makes no representations as to long term compatibility, usability, or readability of such documents resulting from the use of software application packages, operating systems, or computer hardware differing from those used by the documents' creator.

E. Owner may make and retain copies of Documents for information and reference in connection with use on the Project by Owner. Engineer grants Owner a license to use the Documents on the Project, extensions of the Project, and other projects of Owner, subject to the following limitations: (1) Owner acknowledges that such Documents are not intended or represented to be suitable for use on the Project unless completed by Engineer, or for use or reuse by Owner or others on extensions of the Project or on any other project without written verification or adaptation by Engineer; (2) any such use or reuse, or any modification of the Documents, without written verification, completion, or adaptation by Engineer, as appropriate for the specific purpose intended, will be at Owner's sole risk and without liability or legal exposure to Engineer or to Engineer's Consultants; (3) Owner shall indemnify and hold harmless Engineer and Engineer's Consultants from all claims, damages, losses, and expenses, including attorneys' fees, arising out of or resulting from any use, reuse, or modification without written verification, completion, or adaptation by Engineer; (4) such limited license to Owner shall not create any rights in third parties.

F. If Engineer at Owner's request verifies or adapts the Documents for extensions of the Project or for any other project, then Owner shall compensate Engineer at rates or in an amount to be agreed upon by Owner and Engineer.

#### 6.04 Insurance

A. Engineer shall procure and maintain insurance as set forth in Exhibit G, "Insurance." Engineer shall cause Owner to be listed as an additional insured on any applicable general liability insurance policy carried by Engineer.

B. Owner shall procure and maintain insurance as set forth in Exhibit G, "Insurance." Owner shall cause Engineer and Engineer's Consultants to be listed as additional insureds on any general liability or property insurance policies carried by Owner which are applicable to the Project.

C. Owner shall require Contractor to purchase and maintain general liability and other insurance in accordance

with the requirements of paragraph 5.04 of the "Standard General Conditions of the Construction Contract," (No. C-700, 2002 Edition) as prepared by the Engineers Joint Contract Documents Committee and to cause Engineer and Engineer's Consultants to be listed as additional insureds with respect to such liability and other insurance purchased and maintained by Contractor for the Project.

D. Owner and Engineer shall each deliver to the other certificates of insurance evidencing the coverages indicated in Exhibit G. Such certificates shall be furnished prior to commencement of Engineer's services and at renewals thereafter during the life of the Agreement.

E. All policies of property insurance relating to the Project shall contain provisions to the effect that Engineer's and Engineer's Consultants' interests are covered and that in the event of payment of any loss or damage the insurers will have no rights of recovery against Engineer or its Consultants, or any insureds or additional insureds thereunder.

F. At any time, Owner may request that Engineer or its Consultants, at Owner's sole expense, provide additional insurance coverage, increased limits, or revised deductibles that are more protective than those specified in Exhibit G. If so requested by Owner, and if commercially available, Engineer shall obtain and shall require its Consultants to obtain such additional insurance coverage, different limits, or revised deductibles for such periods of time as requested by Owner, and Exhibit G will be supplemented to incorporate these requirements.

## 6.05 Suspension and Termination

### A. *Suspension.*

By Owner: Owner may suspend the Project upon seven days written notice to Engineer.

By Engineer: If Engineer's services are substantially delayed through no fault of Engineer, Engineer may, after giving seven days written notice to Owner, suspend services under this Agreement.

B. *Termination.* The obligation to provide further services under this Agreement may be terminated:

1. For cause,

a. By either party upon 30 days written notice in the event of substantial failure by the other party to perform in accordance with the terms hereof through no fault of the terminating party.

b. By Engineer:

1) upon seven days written notice if Owner demands that Engineer furnish or perform services contrary to Engineer's responsibilities as a licensed professional; or

2) upon seven days written notice if the Engineer's services for the Project are delayed or suspended for more than 90 days for reasons beyond Engineer's control.

3) Engineer shall have no liability to Owner on account of such termination.

c. Notwithstanding the foregoing, this Agreement will not terminate under paragraph 6.05.B.1.a if the party receiving such notice begins, within seven days of receipt of such notice, to correct its substantial failure to perform and proceeds diligently to cure such failure within no more than 30 days of receipt thereof; provided, however, that if and to the extent such substantial failure cannot be reasonably cured within such 30 day period, and if such party has diligently attempted to cure the same and thereafter continues diligently to cure the same, then the cure period provided for herein shall extend up to, but in no case more than, 60 days after the date of receipt of the notice.

2. For convenience,

a. By Owner effective upon Engineer's receipt of notice from Owner.

C. *Effective Date of Termination.* The terminating party under paragraph 6.05.B may set the effective date of termination at a time up to 30 days later than otherwise provided to allow Engineer to demobilize personnel and equipment from the Site, to complete tasks whose value would otherwise be lost, to prepare notes as to the status of completed and uncompleted tasks, and to assemble Project materials in orderly files.

D. Payments Upon Termination.

1. In the event of any termination under paragraph 6.05, Engineer will be entitled to invoice Owner and to receive full payment for all services performed or furnished and all Reimbursable Expenses incurred through the effective date of termination. Upon making such payment, Owner shall have the limited right to the use of Documents, at Owner's sole risk, subject to the provisions of paragraph 6.03.E.

2. In the event of termination by Owner for convenience or by Engineer for cause, Engineer shall be entitled, in addition to invoicing for those items identified in paragraph 6.05.D.1, to invoice Owner and to payment of a reasonable amount for services and expenses directly attributable to termination, both before and after the effective date of termination, such as reassignment of personnel, costs of terminating contracts with Engineer's Consultants, and other related close-out costs, using methods and rates for Additional Services as set forth in Exhibit C.

#### **6.06 Controlling Law**

A. This Agreement is to be governed by the law of the State of Minnesota without regard to conflict of law principles.

#### **6.07 Successors, Assigns, and Beneficiaries**

A. Owner and Engineer each is hereby bound and the partners, successors, executors, administrators and legal representatives of Owner and Engineer (and to the extent permitted by paragraph 6.07.B the assigns of Owner and Engineer) are hereby bound to the other party to this Agreement and to the partners, successors, executors, administrators and legal representatives (and said assigns) of such other party, in respect of all covenants, agreements, and obligations of this Agreement.

B. Neither Owner nor Engineer may assign, sublet, or transfer any rights under or interest (including, but without limitation, moneys that are due or may become due) in this Agreement without the written consent of the other, except to the extent that any assignment, subletting, or transfer is mandated or restricted by law. Unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under this Agreement.

C. Unless expressly provided otherwise in this Agreement:

1. Nothing in this Agreement shall be construed to create, impose, or give rise to any duty owed by Owner or Engineer to any Contractor, Contractor's subcontractor, supplier, other individual or entity, or to any surety for or employee of any of them.

2. All duties and responsibilities undertaken pursuant to this Agreement will be for the sole and exclusive benefit of Owner and Engineer and not for the benefit of any other party.

3. Owner agrees that the substance of the provisions of this paragraph 6.07.C shall appear in the Contract Documents.

#### **6.08 Dispute Resolution**

A. Owner and Engineer agree to negotiate all disputes between them in good faith for a period of 30 days from the date of notice prior to exercising their rights under law.

#### **6.09 Environmental Condition of Site**

A. Owner has disclosed to Engineer in writing the existence of all known and suspected Asbestos, PCBs, Petroleum, Hazardous Waste, Radioactive Material, hazardous substances, and other Constituents of Concern located at or near the Site, including type, quantity, and location.

B. Owner represents to Engineer that to the best of its knowledge no Constituents of Concern, other than those disclosed in writing to Engineer, exist at the Site.

C. If Engineer encounters an undisclosed Constituent of Concern, then Engineer shall notify (1) Owner and (2) appropriate governmental officials if Engineer reasonably concludes that doing so is required by applicable Laws or Regulations.

D. It is acknowledged by both parties that Engineer's scope of services does not include any services related to Constituents of Concern. If Engineer or any other party encounters an undisclosed Constituent of Concern, or if investigative or remedial action, or other professional services, are necessary with respect to disclosed or undisclosed Constituents of Concern, then Engineer may, at its option and without liability for consequential or any other damages, suspend performance of services on the portion of the Project affected thereby until Owner: (1) retains appropriate specialist consultant(s) or contractor(s) to identify and, as appropriate, abate, remediate, or remove the Constituents of Concern; and (2) warrants that the Site is in full compliance with applicable Laws and Regulations.

E. If the presence at the Site of undisclosed Constituents of Concern adversely affects the performance of Engineer's services under this Agreement, then the Engineer shall have the option of (1) accepting an equitable adjustment in its compensation or in the time of completion, or both; or (2) terminating this Agreement for cause on 30 days notice.

F. Owner acknowledges that Engineer is performing professional services for Owner and that Engineer is not and shall not be required to become an "arranger," "operator," "generator," or "transporter" of

hazardous substances, as defined in the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA), as amended, which are or may be encountered at or near the Site in connection with Engineer's activities under this Agreement.

#### 6.10 Indemnification and Mutual Waiver

A. *Indemnification by Engineer.* To the fullest extent permitted by law, Engineer shall indemnify and hold harmless Owner and Owner's officers, directors, members, and employees from any and all costs, losses, and damages (including but not limited to all reasonable fees and charges of engineers, architects, attorneys, and other professionals, and all court, arbitration, or other dispute resolution costs) arising out of or relating to the Project, provided that any such cost, loss, or damage is attributable to bodily injury, sickness, disease, or death, or to injury to or destruction of tangible property (other than the Work itself), including the loss of use resulting therefrom, but only to the extent caused by any negligent act or omission of Engineer or Engineer's officers, directors, members, partners, employees, or Consultants. This indemnification provision is subject to and limited by the provisions, if any, agreed to by Owner and Engineer in Exhibit I, "Allocation of Risk." The parties expressly agree that Engineer or Engineer's officers, directors, members, partners, or employees have no duty to defend Owner and Owner's officers, directors, members, and employees against any claims, causes of action, demands, lawsuits, or proceedings of any kind.

B. *Indemnification by Owner.* To the fullest extent permitted by law, Owner shall indemnify and hold harmless Engineer and Engineer's officers, directors, partners, employees, and Consultants from and against any and all costs, losses, and damages (including but not limited to all reasonable fees and charges of engineers, architects, attorneys, and other professionals, and all court, arbitration, or other dispute resolution costs) arising out of or relating to the Project, provided that any such cost, loss, or damage is attributable to bodily injury, sickness, disease, or death or to injury to or destruction of tangible property (other than the Work itself), including the loss of use resulting therefrom, but only to the extent caused by any negligent act or omission of Owner or Owner's officers, directors, partners, agents, consultants, or employees, or others retained by or under contract to the Owner with respect to this Agreement or to the Project.

C. *Environmental Indemnification.* In addition to the indemnity provided under paragraph 6.10.B of this Agreement, and to the fullest extent permitted by law, Owner shall indemnify and hold harmless Engineer and its officers, directors, partners, employees, and Consultants from and against any and all costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys and other professionals, and all court, arbitration, or other dispute resolution costs) caused by, arising out of, relating to, or resulting from a

Constituent of Concern at, on, or under the Site, provided that (i) any such cost, loss, or damage is attributable to bodily injury, sickness, disease, or death, or to injury to or destruction of tangible property (other than the Work itself), including the loss of use resulting therefrom, and (ii) nothing in this paragraph shall obligate Owner to indemnify any individual or entity from and against the consequences of that individual's or entity's own negligence or willful misconduct.

D. *Percentage Share of Negligence.* To the fullest extent permitted by law, a party's total liability to the other party and anyone claiming by, through, or under the other party for any cost, loss, or damages caused in part by the negligence of the party and in part by the negligence of the other party or any other negligent entity or individual, shall not exceed the percentage share that the party's negligence bears to the total negligence of Owner, Engineer, and all other negligent entities and individuals.

E. *Mutual Waiver.* To the fullest extent permitted by law, Owner and Engineer waive against each other, and the other's employees, officers, directors, agents, insurers, partners, and consultants, any and all claims for or entitlement to special, incidental, indirect, or consequential damages arising out of, resulting from, or in any way related to the Project.

#### 6.11 Miscellaneous Provisions

A. *Notices.* Any notice required under this Agreement will be in writing, addressed to the appropriate party at its address on the signature page and given personally, by facsimile, by registered or certified mail postage prepaid, or by a commercial courier service. All notices shall be effective upon the date of receipt.

B. *Survival.* All express representations, waivers, indemnifications, and limitations of liability included in this Agreement will survive its completion or termination for any reason.

C. *Severability.* Any provision or part of the Agreement held to be void or unenforceable under any Laws or Regulations shall be deemed stricken, and all remaining provisions shall continue to be valid and binding upon Owner and Engineer, who agree that the Agreement shall be reformed to replace such stricken provision or part thereof with a valid and enforceable provision that comes as close as possible to expressing the intention of the stricken provision.

D. *Waiver.* A party's non-enforcement of any provision shall not constitute a waiver of that provision, nor shall it affect the enforceability of that provision or of the remainder of this Agreement.

E. *Accrual of Claims.* To the fullest extent permitted by law, all causes of action arising under this

Agreement shall be deemed to have accrued, and all statutory periods of limitation shall commence, no later than the date of Substantial Completion.

F. *Executed in Counterparts.* This Agreement may be executed in counterparts, each of which together will constitute one and the same instrument. Delivery of an executed counterpart of this Agreement shall constitute effective delivery of this Agreement. Each party agrees that the delivery of the Agreement by facsimile or electronic mail shall have the same force and effect as delivery of original signature and that each party may use such facsimile or electronic mail signatures as evidence of the execution and delivery of the Agreement by the Parties to the same extent that an original signature could be used.

## ARTICLE 7 - DEFINITIONS

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### 7.01 Defined Terms

A. Wherever used in this Agreement (including the Exhibits hereto) terms (including the singular and plural forms) printed with initial capital letters have the meanings indicated in the text above or in the exhibits; in the following provisions; or in the "Standard General Conditions of the Construction Contract," prepared by the Engineers Joint Contract Documents Committee (No. C-700, 2002 Edition):

1. *Additional Services*--The services to be performed for or furnished to Owner by Engineer in accordance with Exhibit A, Part 2, of this Agreement.

2. *Basic Services*--The services to be performed for or furnished to Owner by Engineer in accordance with Exhibit A, Part 1, of this Agreement.

3. *Construction Cost*--The cost to Owner of those portions of the entire Project designed or specified by Engineer. Construction Cost does not include costs of services of Engineer or other design professionals and consultants, cost of land, rights-of-way, or compensation for damages to properties, or Owner's costs for legal, accounting, insurance counseling or auditing services, or interest and financing charges incurred in connection with the Project, or the cost of other services to be provided by others to Owner pursuant to Exhibit B of this Agreement. Construction Cost is one of the items comprising Total Project Costs.

4. *Constituent of Concern*--Any substance, product, waste, or other material of any nature whatsoever (including, but not limited to, Asbestos, Petroleum, Radioactive Material, and PCBs) which is or becomes listed, regulated, or addressed pursuant to [a] the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. §§9601 et

seq. ("CERCLA"); [b] the Hazardous Materials Transportation Act, 49 U.S.C. §§1801 et seq.; [c] the Resource Conservation and Recovery Act, 42 U.S.C. §§6901 et seq. ("RCRA"); [d] the Toxic Substances Control Act, 15 U.S.C. §§2601 et seq.; [e] the Clean Water Act, 33 U.S.C. §§1251 et seq.; [f] the Clean Air Act, 42 U.S.C. §§7401 et seq.; and [g] any other federal, state, or local statute, law, rule, regulation, ordinance, resolution, code, order, or decree regulating, relating to, or imposing liability or standards of conduct concerning, any hazardous, toxic, or dangerous waste, substance, or material.

5. *Consultants*--Individuals or entities having a contract with Engineer to furnish services with respect to this Project as Engineer's independent professional associates, consultants, subcontractors, or vendors.

6. *Documents*--Data, reports, Drawings, Specifications, Record Drawings, and other deliverables, whether in printed or electronic media format, provided or furnished in appropriate phases by Engineer to Owner pursuant to this Agreement.

7. *Drawings*--That part of the Contract Documents prepared or approved by Engineer which graphically shows the scope, extent, and character of the Work to be performed by Contractor. Shop Drawings are not Drawings as so defined.

8. *Laws and Regulations; Laws or Regulations*--Any and all applicable laws, rules, regulations, ordinances, codes, and orders of any and all governmental bodies, agencies, authorities, and courts having jurisdiction.

9. *Reimbursable Expenses*--The expenses incurred directly by Engineer in connection with the performing or furnishing of Basic and Additional Services for the Project.

10. *Resident Project Representative*--The authorized representative of Engineer, if any, assigned to assist Engineer at the Site during the Construction Phase. The Resident Project Representative will be Engineer's agent or employee and under Engineer's supervision. As used herein, the term Resident Project Representative includes any assistants of Resident Project Representative agreed to by Owner. The duties and responsibilities of the Resident Project Representative, if any, are as set forth in Exhibit D.

11. *Specifications*--That part of the Contract Documents consisting of written technical descriptions of materials, equipment, systems, standards, and workmanship as applied to the Work and certain administrative details applicable thereto.

12. *Total Project Costs*--The sum of the Construction Cost, allowances for contingencies, and the total costs of services of Engineer or other design professionals and consultants, together with such other Project-related costs that Owner furnishes for inclusion, including but not limited to cost of land, rights-of-way, compensation for damages to properties, Owner's costs for legal, accounting, insurance counseling and auditing services, interest and financing charges incurred in connection with the Project, and the cost of other services to be provided by others to Owner pursuant to Exhibit B of this Agreement.

## **ARTICLE 8 - EXHIBITS AND SPECIAL PROVISIONS**

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### **8.01 Exhibits Included**

A. Exhibit A, "Engineer's Services," consisting of 8 pages.

B. Exhibit B, "Owner's Responsibilities," consisting of 2 pages.

C. Exhibit C, "Payments to Engineer for Services and Reimbursable Expenses," consisting of 2 pages.

D. Exhibit D, "Duties, Responsibilities and Limitations of Authority of Resident Project Representative," - To be included in future amendment.

E. Exhibit E, "Notice of Acceptability of Work," - To be included in future amendment.

F. Exhibit F, "Construction Cost Limit," - Not Used.

G. Exhibit G, "Insurance," consisting of 1 pages.

H. Exhibit H, "Dispute Resolution," - Not Used.

I. Exhibit I, "Allocation of Risks," consisting of 1 pages.

### **8.02 Total Agreement**

A. This Agreement (consisting of pages 1 to 10 inclusive, together with the exhibits identified above) constitutes the entire agreement between Owner and Engineer and supersedes all prior written or oral understandings. This Agreement may only be amended, supplemented, modified, or canceled by a duly executed written instrument to this Agreement.

### **8.03 Designated Representatives**

A. With the execution of this Agreement, Engineer and Owner shall designate specific individuals to act as Engineer's and Owner's representatives with respect to the services to be performed or furnished by Engineer and responsibilities of Owner under this Agreement. Such individuals shall have authority to transmit instructions, receive information, and render decisions relative to the Project on behalf of each respective party.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement, the Effective Date of which is indicated on page 1.

Owner:

City of Shoreview

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

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

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

Address for giving notices:

City of Shoreview

4600 Victoria Street North

Shoreview, Mn 55126

Designated Representative (see paragraph 8.03.A):

Tom Wesolowski

Title: City Engineer

Phone Number: 651-490-4652

Facsimile Number: 651-490-4696

E-Mail Address: twesolowski@shoreviewmn.gov

Engineer:

Advanced Engineering and Environmental Services, Inc.

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

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

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

Engineer License or Certificate No. \_\_\_\_\_

State of: \_\_\_\_\_

Address for giving notices:

AE2S

6901 East Fish Lake Road, Ste. 184

Maple Grove, Mn 55369

Designated Representative (see paragraph 8.03.A):

Grant L. Meyer, P.E.

Title: Project Manager

Phone Number: 763-463-5036

Facsimile Number: 763-463-5037

E-Mail Address: Grant.Meyer@AE2S.com

This is **EXHIBIT A**, consisting of 6 pages, referred to in and part of the **Agreement between Owner and Engineer for Professional Services** dated November 3, 2014.

**Engineer's Services**

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Article 1 of the Agreement is amended and supplemented to include the following agreement of the parties. Engineer shall provide Basic and Additional Services as set forth below.

**PART 1 – BASIC SERVICES**

A1.01 Study and Report Phase – Not Used.

A1.02 Preliminary Design Phase

A. Upon written authorization from Owner, Engineer shall:

1. Coordinate, prepare for, and conduct a project team kick-off meeting attended by OWNER, ENGINEER, and ENGINEER's Consultants having a duration of four (4) hours.
2. Prepare Preliminary Design Phase documents consisting of final design criteria, preliminary drawings, outline specifications, and written descriptions of the Project.
3. Provide necessary field surveys and topographic and utility mapping for design purposes as related to the Well No. 6 Raw Water Transmission Pipeline. Utility mapping will be based upon information obtained from utility owners.
4. Advise Owner if additional reports, data, information, or services of the types described in Exhibit B are necessary and assist Owner in obtaining such reports, data, information, or services.
5. Prepare a preliminary water treatment facility layout based on previously completed study and report services for the use by Project Team during Preliminary Design. Layout will also include preliminary architectural design and layout of the water treatment facility.
6. Based on the information contained in the Preliminary Design Phase Report, prepare a revised opinion of probable Construction Cost, and assist Owner in collating the various cost categories which comprise Total Project Costs.
7. Perform preliminary structural engineering design calculations for water treatment facility structures, and roof system. Preliminary design calculations are to address type, configuration, support system requirements, and construction methods.
8. Perform preliminary process engineering calculations to size the proposed major treatment system components and chemical feed systems to meet OWNER and regulatory requirements.
9. Perform preliminary engineering calculations to size proposed pumping systems and associated electrical system(s).
10. Perform preliminary mechanical calculations for water treatment facility heating, cooling, ventilation, and dehumidification systems.
11. Perform preliminary engineering calculations to size and layout water treatment facility low and high voltage building electrical systems, as applicable, including electric service entrance and metering, lighting, heating, cooling, ventilation, dehumidification, pumping, and general electrical requirements.
12. Perform preliminary standby power generator sizing calculations per pumping system and OWNER requirements. Based on preliminary generator sizing calculations, select a generator to satisfy pumping system and facility needs.

13. Identify site power source(s) from local power utility and perform preliminary electrical service calculations and layout preliminary power grid for water treatment facility site.

14. Perform preliminary instrumentation and control system configuration engineering. Coordinate with existing treatment system instrumentation and control methods, as appropriate, to address compatibility issues.

15. Develop a revised water treatment facility floor plan and site layout based on completed preliminary calculations. Preliminary layouts to address the treatment system components, chemical feed systems, pumping systems, mechanical systems, low and high voltage site and facility electrical systems, instrumentation and controls, personnel areas, site and structure access, and standby power generation and associated fuel system requirements.

16. Develop a preliminary colored architectural rendering including plan and elevation views of the water treatment facility and associated site layout and landscaping.

17. Meet with OWNER to review the revised preliminary water treatment facility floor plan, site layout, and architectural rendering.

18. Meet with representatives of the OWNER and the Minnesota Department of Health to review the revised preliminary water treatment facility floor plan, site layout, and preliminary process system design.

19. Prepare a preliminary layout for the Well No. 6 transmission pipeline. Layout will also include preliminary design of connection to Well No. 6 and the existing raw water transmission system.

20. Perform preliminary process engineering calculations to size the proposed Well No. 6 raw water transmission pipeline and related system components.

21. Meet with representatives of the Owner and Xcel Energy to review the conceptual design and location of the pipeline within the existing easement.

22. Develop an outline of anticipated specifications sections for the Project.

23. 30 Percent Design Completion Milestone:

a. Prepare and submit to OWNER four (2) review copies of a draft Preliminary Design submittal within 90 calendar days of authorization to proceed with this phase which will include preliminary detailed site layout, access, and utility maps, major treatment system component sizing calculations, a summary of water treatment facility structural components and construction methods, preliminary pumping system hydraulic design calculations, mechanical system calculations, standby power generation, low voltage building electrical calculations, electrical service calculations, interior and exterior architectural layout and landscaping components, instrumentation and control system information, preliminary water treatment facility layout drawings, a colored architectural rendering, a preliminary outline of specification sections, and a summary of Final Design criteria.

b. Coordinate, prepare for, and conduct a project team meeting within 30 calendar days of receipt attended by OWNER, ENGINEER, and ENGINEER's Consultants having a duration of one (1) working day or 8 hours to discuss technical aspects of the Preliminary Design.

B. Engineer's services under the Preliminary Design Phase will be considered complete on the date when the revised Preliminary Design Phase documents, revised opinion of probable Construction Cost, and any other deliverables have been delivered to Owner.

A1.03 Final Design Phase

A. After acceptance by Owner of the Preliminary Design Phase documents, revised opinion of probable Construction Cost as determined in the Preliminary Design Phase, and any other deliverables subject to any Owner-directed modifications or changes in the scope, extent, character, or design requirements of or for the Project, and upon written authorization from Owner, Engineer shall:

1. Prepare final Drawings and Specifications indicating the scope, extent, and character of the Work to be performed and furnished by Contractor. If appropriate, Specifications shall conform to the 2004 Master Format of the Construction Specifications Institute.
2. 60 Percent Design Completion Milestone:
  - a. Prepare and submit to OWNER four (2) copies of a draft 60 percent Final Design submittal including Drawings and Specifications indicating the scope, extent, and character of the Work to be performed and furnished by Contractor, an updated opinion of Total Project Costs, and an updated Project schedule.
  - b. Coordinate, prepare for, and conduct a project team meeting attended by OWNER, ENGINEER, and ENGINEER's Consultants having a duration of one (1) working day or 8 hours to discuss the technical aspects of the submittal prior to completion of the 60 percent Final Design submittal.
3. 95 Percent Design Completion Milestone:
  - a. Prepare and submit to OWNER four (2) copies of the 95 percent Final Design submittal including Drawings and Specifications indicating the scope, extent, and character of the Work to be performed and furnished by Contractor, an updated opinion of Total Project Costs, and an updated Project schedule.
  - b. Coordinate, prepare for, and conduct a project team meeting attended by OWNER, ENGINEER, and ENGINEER's Consultants having a duration of one (1) working day or 8 hours to discuss the technical aspects of Final Design prior to completion of the 95 percent Final Design submittal.
4. Prepare 100 percent Final Design Drawings and Specifications and submit four (2) copies of Final Plans and Specification to OWNER along with an updated opinion of Total Project Costs.
5. Submit three (3) copies of the Final Plans and Specifications to governmental authorities for review and approval.
6. Present Final Plans and Specifications and updated opinion of Total Project Costs to the City of Shoreview and Shoreview City Council.
7. Provide technical criteria, written descriptions, and design data for Owner's use in filing applications for permits from or approvals of governmental authorities having jurisdiction to review or approve the final design of the Project; assist Owner in consultations with such authorities; and revise the Drawings and Specifications in response to directives from such authorities.
8. Advise Owner of any adjustments to the opinion of probable Construction Cost known to Engineer.
9. Perform or provide the following additional Final Design Phase tasks or deliverables:
  - a. Include preliminary and final design of limited security provisions for the Project. Security features are to include intrusion alarms, electric operated controls on all exterior doors, and strategic site lighting. Additional items may include video surveillance, motion detection equipment, site perimeter fencing, and/or access control.
  - b. Perform comprehensive review of building codes, fire codes, mechanical/plumbing codes, and electrical codes as required and as applicable to the Project. Provide a summary of all pertinent code requirements to ENGINEER and utilize all pertinent code requirements when designing components of the Project.
10. Prepare and furnish Bidding Documents for review by Owner, its legal counsel, and other advisors, and assist Owner in the preparation of other related documents. Within 30 days of receipt, Owner shall submit to Engineer any comments and, subject to the provisions of paragraph 6.01.G, instructions for revisions.

11. Revise the Bidding Documents in accordance with comments and instructions from the Owner, as appropriate, and submit four (2) final copies of the Bidding Documents, a revised opinion of probable Construction Cost, and any other deliverables to Owner within 30 calendar days after receipt of Owner's comments and instructions.

B. Engineer's services under the Final Design Phase will be considered complete on the date when the submittals required by paragraph A1.03.A.11 have been delivered to Owner.

C. In the event that the Work designed or specified by Engineer is to be performed or furnished under more than one prime contract, or if Engineer's services are to be separately sequenced with the work of one or more prime Contractors (such as in the case of fast-tracking), Owner and Engineer shall, prior to commencement of the Final Design Phase, develop a schedule for performance of Engineer's services during the Final Design, Bidding or Negotiating, Construction, and Post-Construction Phases in order to sequence and coordinate properly such services as are applicable to the work under such separate prime contracts. This schedule is to be prepared and included in or become an amendment to Exhibit A whether or not the work under such contracts is to proceed concurrently.

D. The number of prime contracts for Work designed or specified by Engineer upon which the Engineer's compensation has been established under this Agreement is two (2). If more prime contracts are awarded, Engineer shall be entitled to an equitable increase in its compensation under this Agreement. The two (2) established Prime Contracts are as follows:

1. Contract No.1 – Shoreview Water Treatment Plant
2. Contract No. 2 – Well No. 6 Transmission Pipeline

All Preliminary and Final Design Phase services for established Prime Contracts No.1 and 2 are anticipated to be accomplished concurrently throughout the design phases, and addressed with the Owner in the the same milestone meetings. However, the Prime Contracts will be bid independently with separate and unique Bidding and Contract Documents.

#### A1.04 Bidding or Negotiating Phase

A. After acceptance by Owner of the Bidding Documents and the most recent opinion of probable Construction Cost as determined in the Final Design Phase, and upon written authorization by Owner to proceed, Engineer shall provide the following services for both Contract No.1 – Shoreview Water Treatment Plant and Contract No.2 – Well No. 6 Transmission Pipeline.

1. Assist Owner in advertising for and obtaining bids or proposals for the Work and, where applicable, maintain a record of prospective bidders to whom Bidding Documents have been issued, attend pre-Bid conferences, if any, and receive and process contractor deposits or charges for the Bidding Documents.
2. Issue Addenda as appropriate to clarify, correct, or change the Bidding Documents.
3. Provide information or assistance needed by Owner in the course of any negotiations with prospective contractors.
4. Consult with Owner as to the acceptability of subcontractors, suppliers, and other individuals and entities proposed by prospective contractors for those portions of the Work as to which such acceptability is required by the Bidding Documents.
5. Perform or provide the following additional Bidding or Negotiating Phase tasks or deliverables:
  - a. Evaluate and determine the acceptability of substitute or "or-equal" materials and equipment proposed by Contractor(s) during the Bidding Phase.
6. Facilitate a Pre-Bid Meeting for prospective Contractors to review site conditions and discuss project elements prior to bidding.
7. Attend the Bid opening, prepare Bid tabulation sheets, and assist Owner in evaluating Bids or proposals and in assembling and awarding contracts for the Work.

B. The Bidding or Negotiating Phase will be considered complete upon commencement of the Construction Phase or upon cessation of negotiations with prospective contractors (except as may be required if Exhibit F is a part of this Agreement).

A1.05 Construction Phase – To be included in future amendment.

A1.06 Construction Phase Instrumentation and Control (I&C) Services– To be included in future amendment.

A1.07 Post-Construction Phase – To be included in future amendment.

## PART 2 -- ADDITIONAL SERVICES

### A2.01 Additional Services Requiring Owner's Written Authorization

A. If authorized in writing by Owner, Engineer shall furnish or obtain from others Additional Services of the types listed below.

1. Preparation of applications and supporting documents (in addition to those furnished under Basic Services) for private or governmental grants, loans, or advances in connection with the Project; preparation or review of environmental assessments and impact statements; review and evaluation of the effects on the design requirements for the Project of any such statements and documents prepared by others; and assistance in obtaining approvals of authorities having jurisdiction over the anticipated environmental impact of the Project.
2. Services to make measured drawings of or to investigate existing conditions or facilities, or to verify the accuracy of drawings or other information furnished by Owner or others.
3. Services resulting from significant changes in the scope, extent, or character of the portions of the Project designed or specified by Engineer or its design requirements including, but not limited to, changes in size, complexity, Owner's schedule, character of construction, or method of financing; and revising previously accepted studies, reports, Drawings, Specifications, or Contract Documents when such revisions are required by changes in Laws and Regulations enacted subsequent to the Effective Date of this Agreement or are due to any other causes beyond Engineer's control.
4. Services resulting from Owner's request to evaluate additional Study and Report Phase alternative solutions beyond those identified in paragraph A1.01.A.4.
5. Services required as a result of Owner's providing incomplete or incorrect Project information to Engineer.
6. Providing renderings or models for Owner's use.
7. Undertaking investigations and studies including, but not limited to, detailed consideration of operations, maintenance, and overhead expenses; the preparation of feasibility studies, cash flow and economic evaluations, rate schedules, and appraisals; assistance in obtaining financing for the Project; evaluating processes available for licensing, and assisting Owner in obtaining process licensing; detailed quantity surveys of materials, equipment, and labor; and audits or inventories required in connection with construction performed by Owner.
8. Furnishing services of Engineer's Consultants for other than Basic Services.
9. Services attributable to more prime construction contracts than specified in paragraph A1.03.C.
10. Services during out-of-town travel required of Engineer other than for visits to the Site or Owner's office.
11. Preparing for, coordinating with, participating in and responding to structured independent review processes, including, but not limited to, construction management, cost estimating, project peer review, value engineering, and constructibility review requested by Owner; and performing or furnishing services required to revise studies, reports, Drawings, Specifications, or other Bidding Documents as a result of such review processes.

12. Preparing additional Bidding Documents or Contract Documents for alternate bids or prices requested by Owner for the Work or a portion thereof.
13. Determining the acceptability of substitute materials and equipment proposed during the Bidding or Negotiating Phase when substitution prior to the award of contracts is allowed by the Bidding Documents.
14. Assistance in connection with Bid protests, rebidding, or renegotiating contracts for construction, materials, equipment, or services, except when such assistance is required by Exhibit F.
15. Providing construction surveys and staking to enable Contractor to perform its work other than as required under paragraph A1.05.A.5, and any type of property surveys or related engineering services needed for the transfer of interests in real property; and providing other special field surveys.
16. Providing Construction Phase services beyond the original date for final completion of the Work.
17. Providing assistance in responding to the presence of any Constituent of Concern at the Site, in compliance with current Laws and Regulations.
18. Preparing and furnishing to Owner Record Drawings showing appropriate record information based on Project annotated record documents received from Contractor.
19. Preparation of operation and maintenance manuals.
20. Preparing to serve or serving as a consultant or witness for Owner in any litigation, arbitration, or other dispute resolution process related to the Project.
21. Providing more extensive services required to enable Engineer to issue notices or certifications requested by Owner.
22. Other services performed or furnished by Engineer not otherwise provided for in this Agreement.

**A2.02 Additional Services Not Requiring Owner's Written Authorization**

A. Engineer shall advise Owner that Engineer is commencing to perform or furnish the Additional Services of the types listed below. For such Additional Services, Engineer need not request or obtain specific advance written authorization from Owner. Engineer shall cease performing or furnishing such Additional Services upon receipt of written notice from Owner.

1. Services in connection with Work Change Directives and Change Orders to reflect changes requested by Owner.
2. Services in making revisions to Drawings and Specifications occasioned by the acceptance of substitute materials or equipment other than "or-equal" items; and services after the award of the Construction Contract in evaluating and determining the acceptability of a substitution which is found to be inappropriate for the Project or an excessive number of substitutions.
3. Services resulting from significant delays, changes, or price increases occurring as a direct or indirect result of materials, equipment, or energy shortages.
4. Additional or extended services during construction made necessary by (1) emergencies or acts of God endangering the Work, (2) the presence at the Site of any Constituent of Concern, (3) Work damaged by fire or other cause during construction, (4) a significant amount of defective, neglected, or delayed work by Contractor, (5) acceleration of the progress schedule involving services beyond normal working hours, or (6) default by Contractor.
5. Services (other than Basic Services during the Post-Construction Phase) in connection with any partial utilization of any part of the Work by Owner prior to Substantial Completion.

6. Evaluating an unreasonable claim or an excessive number of claims submitted by Contractor or others in connection with the Work.

7. Services during the Construction Phase rendered after the date stated in A1.05.B.

This is **EXHIBIT B**, consisting of 2 pages, referred to in and part of the **Agreement between Owner and Engineer for Professional Services** dated November 3, 2014.

### **Owner's Responsibilities**

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Article 2 of the Agreement is amended and supplemented to include the following agreement of the parties.

B2.01 In addition to other responsibilities of Owner as set forth in this Agreement, Owner shall at its expense:

A. Provide Engineer with all criteria and full information as to Owner's requirements for the Project, including design objectives and constraints, space, capacity and performance requirements, flexibility, and expandability, and any budgetary limitations; and furnish copies of all design and construction standards which Owner will require to be included in the Drawings and Specifications; and furnish copies of Owner's standard forms, conditions, and related documents for Engineer to include in the Bidding Documents, when applicable.

B. Furnish to Engineer any other available information pertinent to the Project including reports and data relative to previous designs, or investigation at or adjacent to the Site.

C. Following Engineer's assessment of initially-available Project information and data and upon Engineer's request, furnish or otherwise make available such additional Project related information and data as is reasonably required to enable Engineer to complete its Basic and Additional Services. Such additional information or data would generally include the following:

1. Property descriptions.
2. Zoning, deed, and other land use restrictions.
3. Property, boundary, easement, right-of-way, and other special surveys or data, including establishing relevant reference points.
4. Explorations and tests of subsurface conditions at or contiguous to the Site, drawings of physical conditions in or relating to existing surface or subsurface structures at or contiguous to the Site, or hydrographic surveys, with appropriate professional interpretation thereof.
5. Environmental assessments, audits, investigations, and impact statements, and other relevant environmental or cultural studies as to the Project, the Site, and adjacent areas.
6. Data or consultations as required for the Project but not otherwise identified in the Agreement or the Exhibits thereto.

D. Give prompt written notice to Engineer whenever Owner observes or otherwise becomes aware of the presence at the Site of any Constituent of Concern, or of any other development that affects the scope or time of performance of Engineer's services, or any defect or nonconformance in Engineer's services, the Work, or in the performance of any Contractor.

E. Authorize Engineer to provide Additional Services as set forth in Part 2 of Exhibit A of the Agreement as required.

F. Arrange for safe access to and make all provisions for Engineer to enter upon public and private property as required for Engineer to perform services under the Agreement.

G. Examine all alternate solutions, studies, reports, sketches, Drawings, Specifications, proposals, and other documents presented by Engineer (including obtaining advice of an attorney, insurance counselor, and other advisors or consultants as Owner deems appropriate with respect to such examination) and render in writing timely decisions pertaining thereto.

H. Provide reviews, approvals, and permits from all governmental authorities having jurisdiction to approve all phases of the Project designed or specified by Engineer and such reviews, approvals, and consents from others as may be necessary for completion of each phase of the Project.

I. Provide, as required for the Project:

1. Accounting, bond and financial advisory, independent cost estimating, and insurance counseling services.
2. Legal services with regard to issues pertaining to the Project as Owner requires, Contractor raises, or Engineer reasonably requests.
3. Such auditing services as Owner requires to ascertain how or for what purpose Contractor has used the moneys paid.
4. Placement and payment for advertisement for Bids in appropriate publications.

J. Advise Engineer of the identity and scope of services of any independent consultants employed by Owner to perform or furnish services in regard to the Project, including, but not limited to, cost estimating, project peer review, value engineering, and constructibility review.

K. Furnish to Engineer data as to Owner's anticipated costs for services to be provided by others (including, but not limited to, accounting, bond and financial, independent cost estimating, insurance counseling, and legal advice) for Owner so that Engineer may assist Owner in collating the various cost categories which comprise Total Project Costs.

L. If Owner designates a construction manager or an individual or entity other than, or in addition to, Engineer to represent Owner at the Site, define and set forth as an attachment to this Exhibit B the duties, responsibilities, and limitations of authority of such other party and the relation thereof to the duties, responsibilities, and authority of Engineer.

M. If more than one prime contract is to be awarded for the Work designed or specified by Engineer, designate a person or entity to have authority and responsibility for coordinating the activities among the various prime Contractors, and define and set forth the duties, responsibilities, and limitations of authority of such individual or entity and the relation thereof to the duties, responsibilities, and authority of Engineer as an attachment to this Exhibit B that is to be mutually agreed upon and made a part of this Agreement before such services begin.

N. Attend the pre-bid conference, bid opening, pre-construction conferences, construction progress and other job related meetings, and Substantial Completion and final payment inspections.

O. Provide the services of an independent testing laboratory to perform all inspections, tests, and approvals of Samples, materials, and equipment required by the Contract Documents, or to evaluate the performance of materials, equipment, and facilities of Owner, prior to their incorporation into the Work with appropriate professional interpretation thereof.

P. Provide Engineer with the findings and reports generated by the entities providing services to Owner pursuant to this paragraph.

Q. Perform or provide the following additional services:

1. Selectively clear the proposed water treatment plant site, as coordinated between the OWNER and ENGINEER, to allow full access for a site survey to be conducted for Preliminary Design Phase requirements.
2. Contract with service providers and provide payment for geotechnical and hydrogeological explorations and tests of subsurface conditions at or contiguous to the Site as required by the ENGINEER or ENGINEER's Consultants to complete Preliminary Design Phase and Final Design Phase tasks including, but not limited to, structural foundation design of Project components.
3. Provide necessary field surveys and topographic and utility mapping for design purposes as related to the Water Treatment Plant Design. Utility mapping will be based upon information obtained from utility owners.

This is **EXHIBIT C**, consisting of 2 pages, referred to in and part of the **Agreement between Owner and Engineer for Professional Services** dated November 3, 2014.

**Payments to Engineer for Services and Reimbursable Expenses**

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Article 2 of the Agreement is amended and supplemented to include the following agreement of the parties:

**ARTICLE 2--Owner's Responsibilities**

**C2.01 Compensation For Basic Services (Preliminary Design, Final Design, I&C Design, and Bidding Negotiating Phase Services) -- Lump Sum Method of Payment**

A. Owner shall pay Engineer for Basic Services set forth in Exhibit A, except for services of Engineer's Resident Project Representative and Post-Construction Phase services, if any, as follows:

1. A Lump Sum amount of **\$941,200** based on the following assumed distribution of compensation:

a. Preliminary Design Phase	<u>\$161,600</u>
b. Final Design Phase	<u>\$685,600</u>
c. I&C Design Phase	<u>\$ 43,000</u>
d. Bidding and Negotiating Phase	<u>\$ 51,000</u>

2. Engineer may alter the distribution of compensation between individual phases noted herein to be consistent with services actually rendered, but shall not exceed the total Lump Sum amount unless approved in writing by the Owner.

3. The Lump Sum includes compensation for Engineer's services and services of Engineer's Consultants, if any. Appropriate amounts have been incorporated in the Lump Sum to account for labor, overhead, profit, and Reimbursable Expenses.

4. The portion of the Lump Sum amount billed for Engineer's services will be based upon Engineer's estimate of the proportion of the total services actually completed during the billing period to the Lump Sum.

**C2.02 Compensation for Reimbursable Expenses - Not used.**

**C2.03 Other Provisions Concerning Payment**

A. Whenever Engineer is entitled to compensation for the charges of Engineer's Consultants, those charges shall be the amounts billed by Engineer's Consultants to Engineer times a factor of 1.05.

B. Factors. The external Reimbursable Expenses and Engineer's Consultant's factors include Engineer's overhead and profit associated with Engineer's responsibility for the administration of such services and costs.

C. Not used.

D. To the extent necessary to verify Engineer's charges and upon Owner's timely request, Engineer shall make copies of such records available to Owner at cost.

**C2.04 Compensation For Resident Project Representative and Post-Construction Basic Services – Not Used (If required, will be included in future amendment to the Agreement.)**

**C2.05 Compensation For Additional Services – Standard Hourly Rates Method of Payment**

A. Owner shall pay Engineer for Additional Services, if any, as follows:

1. *General.* For services of Engineer's employees engaged directly on the Project pursuant to paragraph A2.01 or A2.02 of Exhibit A, except for services as a consultant or witness under paragraph A2.01.A.20, an amount equal to the cumulative hours charged to the Project by each class of Engineer's employees times Standard Hourly Rates for each applicable billing class for all Additional Services performed on the Project, plus related Reimbursable Expenses and Engineer's Consultant's charges, if any.

**B. Compensation For Reimbursable Expenses**

1. For those Reimbursable Expenses that are not accounted for in the compensation for Basic Services under paragraph C2.01 and are directly related to the provision of Additional Services, Owner shall pay Engineer at the rates set forth in Appendix 1 to this Exhibit C.

2. Reimbursable Expenses include the following categories: transportation and subsistence incidental thereto; obtaining bids or proposals from Contractor(s); providing and maintaining field office facilities including furnishings and utilities; toll telephone calls and mobile phone charges; reproduction of reports, Drawings, Specifications, Bidding Documents, and similar Project-related items in addition to those required under Exhibit A, and, if authorized in advance by Owner, overtime work requiring higher than regular rates. In addition, if authorized in advance by Owner, Reimbursable Expenses will also include expenses incurred for computer time and the use of other highly specialized equipment.

3. The amounts payable to Engineer for Reimbursable Expenses, if any, will be the Additional Services-related internal expenses actually incurred or allocated by Engineer, plus all invoiced external Reimbursable Expenses allocable to such Additional Services, the latter multiplied by a factor of 1.05.

4. The Reimbursable Expenses Schedule will be adjusted annually (as of January 1) to reflect equitable changes in the compensation payable to Engineer.

**C. Other Provisions Concerning Payment For Additional Services**

1. Whenever Engineer is entitled to compensation for the charges of Engineer's Consultants, those charges shall be the amounts billed by Engineer's Consultants to Engineer times a factor of 1.05.

2. *Factors.* The external Reimbursable Expenses and Engineer's Consultant's Factors include Engineer's overhead and profit associated with Engineer's responsibility for the administration of such services and costs.

3. To the extent necessary to verify Engineer's charges and upon Owner's timely request, Engineer shall make copies of such records available to Owner at cost.

Insurance

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Paragraph 6.05 of the Agreement is amended and supplemented to include the following agreement of the parties.

G6.05 Insurance

A. The limits of liability for the insurance required by paragraph 6.05.A and 6.05.B of the Agreement are as follows:

1. By Engineer:

a. Workers' Compensation:	Statutory
b. Employer's Liability --	
1) Each Accident:	<u>\$1,000,000</u>
2) Disease, Policy Limit:	<u>\$1,000,000</u>
3) Disease, Each Employee:	<u>\$1,000,000</u>
c. General Liability --	
1) Each Occurrence (Bodily Injury and Property Damage):	<u>\$1,000,000</u>
2) General Aggregate:	<u>\$2,000,000</u>
d. Automobile Liability --	
1) Combined Single Limit (Bodily Injury and Property Damage): Each Accident	<u>\$1,000,000</u>
f. Professional Liability --	
1) Each Claim Made	<u>\$2,000,000</u>
2) Annual Aggregate	<u>\$2,000,000</u>

B. Additional Insureds

1. The Owner shall be listed on Engineer's general liability policy as provided in paragraph 6.05.A.

This is **EXHIBIT I**, consisting of 1 page, referred to in and part of the **Agreement between Owner and Engineer for Professional Services** dated November 3, 2014.

## Allocation of Risks

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Paragraph 6.10 of the Agreement is amended and supplemented to include the following agreement of the parties:

### I6.10.A Limitation of Engineer's Liability

1. *Engineer's Liability Limited to Amount of Insurance Proceeds.* Engineer shall procure and maintain insurance as required by and set forth in Exhibit G to this Agreement. Notwithstanding any other provision of this Agreement, and to the fullest extent permitted by law, the total liability, in the aggregate, of Engineer and Engineer's officers, directors, partners, employees, and Consultants, and any of them, to Owner and anyone claiming by, through, or under Owner for any and all losses, costs, or damages whatsoever arising out of, resulting from or in any way related to the Project or the Agreement from any cause or causes, including but not limited to the negligence, professional errors or omissions, strict liability or breach of contract, or warranty express or implied, of Engineer or Engineer's officers, directors, partners, employees, or Consultants, or any of them (hereafter "Owner's Claims"), shall not exceed the total insurance proceeds paid on behalf of or to Engineer by Engineer's insurers in settlement or satisfaction of Owner's Claims under the terms and conditions of Engineer's insurance policies applicable thereto (excluding fees, costs and expenses of investigation, claims adjustment, defense, and appeal).

2. *Exclusion of Special, Incidental, Indirect, and Consequential Damages.* To the fullest extent permitted by law, and notwithstanding any other provision in the Agreement, consistent with the terms of paragraph 6.10.E the Engineer and Engineer's officers, directors, partners, employees, and Consultants, or any of them, shall not be liable to Owner or anyone claiming by, through, or under Owner for any special, incidental, indirect, or consequential damages whatsoever arising out of, resulting from, or in any way related to the Project or the Agreement from any cause or causes, including but not limited to any such damages caused by the negligence, professional errors or omissions, strict liability, breach of contract, or warranties, express or implied, of Engineer or Engineer's officers, directors, partners, employees, agents, or Engineer's Consultants, or any of them.

PROPOSED MOTION

MOVED BY COUNCILMEMBER \_\_\_\_\_

SECONDED BY COUNCILMEMBER \_\_\_\_\_

Approve Resolution 14-98, Conditionally Granting the Consent to the Transfer of Control of the Cable Television Franchise and Cable Television System from Comcast Corporation to Greatland Connections, Inc.

ROLL CALL:	AYES _____	NAYS _____
Johnson	_____	_____
Quigley	_____	_____
Wickstrom	_____	_____
Withhart	_____	_____
Martin	_____	_____

Regular Council Meeting  
November 3, 2014

PROPOSED MOTION

MOVED BY COUNCILMEMBER \_\_\_\_\_

SECONDED BY COUNCILMEMBER \_\_\_\_\_

Approve an amendment to the Cable Television Franchise Ordinance Number 690 extending the existing franchise through December 31, 2016.

ROLL CALL:	AYES _____	NAYS _____
Johnson	_____	_____
Quigley	_____	_____
Wickstrom	_____	_____
Withhart	_____	_____
Martin	_____	_____

Regular Council Meeting  
November 3, 2014

**TO:** MAYOR AND COUNCIL MEMBERS

**FROM:** REBECCA OLSON  
ASSISTANT TO THE CITY MANAGER

**DATE:** NOVEMBER 3, 2014

**SUBJECT:** CONSENT TO TRANSFER CABLE FRANCHISE

### **INTRODUCTION**

The North Suburban Communications Commission (“NSCC”) manages the City’s cable television franchise on behalf of the City. Although the City has sent a letter to the NSCC indicating its intent to withdraw from the Commission, we continue to be members of the group until December 31, 2014. Negotiations between the NSCC and Comcast have continued during the last several weeks since the franchise expires on November 23, 2014.

On October 10, 2014, the NSCC reached an agreement with Comcast on the resolution of multiple cable franchising issues. This agreement is contingent upon all of the NSCC member cities (1) approving the extension of the cable television franchise ordinance through December 31, 2016; and (2) approving the pending cable franchise transfer application.

This franchise extension will benefit the NSCC and NSAC by allowing additional time to negotiate a new franchise, while maintaining the current level of PEG funding for operation of the NSAC. If the merger of Comcast and Time Warner occurs, a new franchise would potentially be negotiated with the new cable company since Comcast is in the process of transferring its Twin Cities franchise to a new corporate entity “GreatLand Connections”.

Since Shoreview is still a member of the NSCC until December 31, 2014, the City is best served by adopting an ordinance extending the current franchise as well as a resolution approving the transfer of ownership that has been negotiated by the NSCC.

### **BACKGROUND**

The following are some highlights of the extension agreement:

- Cable Franchises to be extended through December 31, 2016.
- Memorandum of Understanding to be extended through December 31, 2016, which will provide approximately \$3M in funding over the next 2 years.
- Franchises and MOU will both roll-over (i.e. month-to-month) if not renewed by extension date (December 31, 2016).

- The pending administrative hearing before the Office of Administrative Hearings, which is part of the formal renewal process, will be suspended and all motions withdrawn.
- The formal renewal process may recommence after July 1, 2015, or the closing of the transfer whichever occurs first.
- Commitment by the NSCC and Comcast to have at least monthly meetings for the informal cable franchise renewal process.
- NSCC will receive 1 HD channel with provisions for channel placement and quality.
- NSCC will have access to the Electronic Programming Guide.
- Refund of approximately \$49,000 total to cable subscribers.
- PEG Capacity and Rate Order Violation Notices will be withdrawn.
- The current I-Net will remain in place, except Comcast will not be required to extend it to new locations.
- The City Consents to the Transfer Application that has been submitted by Comcast.

#### **Transfer Application**

The NSCC has recommended approval of the cable television franchise transfer application, which will transfer ownership of the cable franchise from Comcast to a new company that will be called GreatLand Connections. The attached resolution was negotiated and accepted by both the NSCC and Comcast/GreatLand. The resolution lists several contingencies, including the actual closing of the proposed transaction, receipt of necessary federal approvals, executing a guaranty of performance and executing a guaranty regarding rates.

#### **Cable Television Franchise Ordinance Amendment**

The NSCC has prepared the attached Cable Television Franchise Ordinance Amendment for the City. It extends the existing Cable Television Franchise Ordinance through December 31, 2016, and it requires Comcast's acceptance. The NSCC has indicated to staff that Comcast has no objections to the amendment.

#### **RECOMMENDATION**

Staff recommends adoption of the proposed resolution outlining the conditions that would grant the consent to the transfer of control of the cable television franchise and cable television

system from Comcast Corporation to Greatland Connections, Inc.; and a separate motion to approve Ordinance No. 923 extending the term of the current cable franchise agreement.

**ATTACHMENTS:**

Resolution 14-98

Ordinance 923

NSSC Extension Agreement

**EXTRACT OF MINUTES OF MEETING OF THE  
CITY COUNCIL OF SHOREVIEW, MINNESOTA  
HELD NOVEMBER 3, 2014**

\* \* \* \* \*

Pursuant to due call and notice thereof, a meeting of the City Council of the City of Shoreview, Minnesota was duly called and held at the Shoreview City Hall in said City on November 3<sup>rd</sup>, 2014, at 7:00 p.m.

The following members were present:

And the following members were absent:

Member \_\_\_\_\_ introduced the following resolution and moved its adoption.

**RESOLUTION NO. 14-98**

**A RESOLUTION CONDITIONALLY GRANTING THE CONSENT  
TO THE TRANSFER OF CONTROL OF THE CABLE TELEVISION FRANCHISE  
AND CABLE TELEVISION SYSTEM FROM  
COMCAST CORPORATION TO GREATLAND CONNECTIONS, INC.**

**WHEREAS**, the North Suburban Communications Commission (hereinafter the "Commission") is a Joint Powers Commission organized pursuant to Minn. Stat. § 471.59, as amended, and includes the municipalities of Arden Hills, Falcon Heights, Lauderdale, Little Canada, Mounds View, New Brighton, North Oaks, Roseville, St. Anthony, and Shoreview, Minnesota (hereinafter, the "Member Cities"); and

**WHEREAS**, Comcast of Minnesota, Inc., ("Franchisee") holds individual franchises (collectively the "Franchise") to operate a cable television system (the "System") in the Member Cities pursuant to separate franchise ordinances (collectively the "Franchise Ordinances"); and

**WHEREAS**, Section 10.5(a) of the Franchise Ordinance requires the Commission's prior consent to a fundamental corporate change, including a merger or a change in Franchisee's parent corporation; and

**WHEREAS**, the Commission's Joint Powers Agreement includes the power to administer and enforce the Franchise on behalf of the Member Cities; and

**WHEREAS**, after a series of transfers, Comcast of Minnesota, Inc., was approved by the

Commission as the Franchise holder, pursuant to prior transfer resolutions (the "Prior Transfer Resolutions"). The Prior Transfer Resolutions, the Franchise, the Franchise Ordinance, and the Franchise Extension Agreement together with any applicable resolutions, codes, ordinances, acceptances, acknowledgments, guarantees, amendments, memoranda of understanding, social contracts and agreements, are collectively referred to as the "Franchise Documents;" and

**WHEREAS**, Comcast of Minnesota, Inc., is an indirect, wholly-owned subsidiary of Comcast Corporation ("Comcast"); and

**WHEREAS**, Comcast, as the ultimate parent corporation of Franchisee, has agreed to divest and transfer the Franchise and Cable System to Midwest Cable, Inc., in a process described in the Transfer Application (the "Proposed Transaction"); and

**WHEREAS**, immediately following the closing of the Proposed Transaction, Midwest Cable, Inc., will be renamed GreatLand Connections, Inc., and, for the purposes of this Resolution, the transfer applicant will be referred to as "GreatLand" throughout; and

**WHEREAS**, Comcast filed a Federal Communications Commission Form 394 with the Commission on June 18, 2014, together with certain attached materials, which documents more fully describe the Proposed Transaction and which documents, with their attachments, contain certain promises, conditions, representations and warranties (the "Transfer Application"); and

**WHEREAS**, under the Proposed Transaction, the Franchise and Cable System will stay with Franchisee, and its ultimate parent company will be GreatLand; and

**WHEREAS**, under the Proposed Transaction, the ultimate ownership and control of the Franchisee and the System will change, and it requires the prior written approval of the City; and

**WHEREAS**, Comcast, through its subsidiaries, provided written responses to some of the data requests issued by the Commission, including directing the representatives of the Commission to publicly filed and available information, and information posted to Comcast Corporation and other websites (the "Data Request Responses"); and

**WHEREAS**, the Commission reviewed the Transfer Application and considered all applicable and relevant factors and has recommended conditional approval by all of the Member Cities; and

**WHEREAS**, in reliance upon the representations made by and on behalf of Comcast of Minnesota, Inc., Comcast, and GreatLand, to the Commission, the City is willing to grant consent to the Proposed Transaction, so long as those representations are complete and accurate; and

**WHEREAS**, the City's approval of the Proposed Transaction is therefore appropriate if the Franchisee will continue to be responsible for all acts and omissions, known and unknown, under the Franchise Documents and applicable law for all purposes, including (but not limited to) franchise renewal.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF SHOREVIEW AS FOLLOWS:**

Section 1. The City's consent to and approval of the Transfer Application is hereby GRANTED in accordance with the Franchise Ordinances, subject to the following conditions:

- 1.1 Neither the Franchise, nor any control thereof, nor the System, nor any part of the System located in the City's public rights-of-way or on City's property, shall be assigned or transferred, in whole or in part, without filing a written application with the City and/or the Commission and obtaining the City's prior written approval of such transfer or assignment, but only to the extent required by applicable law.
- 1.2 The City's approval of the Transfer Application is made without prejudice to, or waiver of, its and/or the Commission's right to fully investigate and consider during any future franchise renewal process: (i) Franchisee's financial, technical, and legal qualifications; (ii) Franchisee's compliance with the Franchise Documents, except as set forth in the Franchise Extension Agreement; and (iii) any other lawful, relevant considerations.
- 1.3 The City's approval of the Transfer Application is made without prejudice to, or waiver of, any right of the Commission or the Member Cities to consider or raise claims based on Franchisee's defaults, any failure to provide reasonable service in light of the community's needs, or any failure to comply with the terms and conditions of the Franchise Documents, or with applicable law, except as set forth in the Franchise Extension Agreement.
- 1.4 The Commission and the Member Cities waive none of their rights with respect to the Franchisee's compliance with the terms, conditions, requirements and obligations set forth in the Franchise Documents and in applicable law. The City's approval of the Transfer Application shall in no way be deemed a representation by the Commission or the Member Cities that the Franchisee is in compliance with all of its obligations under the Franchise Documents and applicable law.
- 1.5 After the Proposed Transaction, GreatLand and Franchisee will be bound by all the commitments, duties, and obligations, present and continuing, embodied in the Franchise Documents and applicable law. The Proposed Transaction will have no effect on these obligations.
- 1.6 GreatLand shall provide an executed written certification in the form attached hereto within thirty (30) days after consummation of the Proposed Transaction, guarantying

the full performance of the Franchisee. GreatLand shall provide the Commission with written notification that the Proposed Transaction closed within ten (10) days after the closing;

- 1.7 GreatLand will comply with any and all conditions or requirements applicable to GreatLand set forth in all approvals granted by federal agencies with respect to the Proposed Transaction and Transfer Application (including any conditions with respect to programming agreements), such conditions or requirements to be exclusively enforced at the federal level;
- 1.8 GreatLand shall provide a written guarantee in the form attached hereto within thirty (30) days of the effective date of this Resolution specifying that subscriber rates and charges in the Commission area will not increase as a result of the costs of the Proposed Transaction;
- 1.9 After the Proposed Transaction is consummated, GreatLand and Franchisee will continue to be responsible for all past acts and omissions, known and unknown, under the Franchise Documents and applicable law for all purposes, including (but not limited to) Franchise renewal to the same extent and in the same manner as before the Proposed Transaction, subject to the terms of the Franchise Extension Agreement.
- 1.10 Nothing in this Resolution amends or alters the Franchise Documents or any requirements therein in any way, and all provisions of the Franchise Documents remain in full force and effect and are enforceable in accordance with their terms and with applicable law.
- 1.11 The Proposed Transaction shall not permit GreatLand and Franchisee to take any position or exercise any right with respect to the Franchise Documents and the relationship thereby established with the Member Cities and the Commission that could not have been exercised prior to the Proposed Transaction.
- 1.12 GreatLand assures that it will cause to be made available adequate financial resources to allow Franchisee to meet its current obligations under the Franchise Documents and enable Franchisee to maintain through 2015 the current operational and customer service levels taken as a whole.
- 1.13 The Commission is not waiving any rights it may have to require franchise fee payments on present and future services delivered by GreatLand or its subsidiaries and affiliates via the cable system;

1.14 The Commission is not waiving any right it may have related to any net neutrality, open access, and information services issues;

1.15 Receipt of any and all state and federal approvals and authorizations;

1.16 Actual closing of the Proposed Transaction consistent with the transfer application; and

Section 2. If any of the conditions or requirements specified in this Resolution are not satisfied, then the City's recommended consent to, and approval of, the Transfer Application and Proposed Transaction is hereby DENIED and void as of the date hereof.

Section 3. Franchisee, GreatLand, or a subsidiary shall reimburse the Commission in accordance with § 10.5(e) of the Franchise Ordinances in an amount not to exceed \$15,000. GreatLand and its subsidiaries shall not assert its right to claim that the reimbursement made under this Resolution is a franchise fee for purposes of 47 U.S.C. § 542, nor shall it be offset against or deducted from franchise fee payments made under the Franchise.

Section 4. If any of the written representations made to the Commission in the Transfer Application proceeding by (i) Comcast of Minnesota, Inc., (ii) Comcast or (iii) GreatLand, (iv) any subsidiary or representative of the foregoing prove to be materially incomplete, untrue or inaccurate in any respect, it shall be deemed a material breach of the Franchise Documents and applicable law, including, without limitation, revocation or termination of the Franchises.

Section 5. This Resolution shall not be construed to grant or imply the City's consent to any other transfer or assignment of the Franchises or any other transaction that may require the City's consent under the Franchise Ordinances or applicable law. The Commission and the Member Cities reserve all their rights with regard to any such transactions.

Section 6. This Resolution is a final decision on the Transfer Application within the meaning of 47 U.S.C. § 537.

Section 7. The transfer of control of the Franchise from Comcast to GreatLand shall not take effect until the consummation of the Proposed Transaction.

Section 8. This Resolution shall be effectively immediately upon its adoption by the City.

Adopted by the City of Shoreview this 3<sup>rd</sup> day of November, 2014.

STATE OF MINNESOTA        )  
COUNTY OF RAMSEY        )  
CITY OF SHOREVIEW        )

I, the undersigned, being the duly qualified City Manager of the City of Shoreview of Ramsey County, Minnesota, do hereby certify that I have carefully compared the attached and foregoing extract of minutes of a meeting of said City Council on the 3<sup>rd</sup> day of November, 2014, with the original thereof on file in my office and the same is full, true and complete transcript therefrom insofar as the same relates to conditionally granting the consent to the transfer of control of the cable television franchise and cable television system from Comcast Corporation to Greatland Connections, Inc.

**WITNESS MY HAND** officially as such City Manager and the corporate seal of the City of Shoreview, Minnesota this \_\_\_ day of \_\_\_\_\_, 201\_\_.

\_\_\_\_\_  
Terry C. Schwerm, City Manager

**EXTRACT OF MINUTES OF MEETING OF THE  
CITY COUNCIL OF SHOREVIEW, MINNESOTA  
HELD NOVEMBER 3, 2014**

\* \* \* \* \*

Pursuant to due call and notice thereof, a meeting of the City Council of the City of Shoreview, Minnesota was duly called and held at the Shoreview City Hall in said City on November 3<sup>rd</sup>, 2014, at 7:00 p.m.

The following members were present:

And the following members were absent:

Member \_\_\_\_\_ introduced the following ordinance and moved its adoption.

**ORDINANCE NO. 923**

**CABLE TELEVISION FRANCHISE ORDINANCE AMENDMENT**

The City of Shoreview (the "City") ordains as follows:

Section 1. Section 2, Paragraph 4, entitled "Franchise Term" of the City's Cable Television Franchise Ordinance (Ord. No. 690), shall be amended as follows:

4. Franchise Term. Pursuant to North Suburban Communications Commission Resolution No. 2014-05 (the "Extension Agreement"), this Franchise shall be in effect through December 31, 2016, unless sooner renewed, revoked or terminated as herein provided.

Section 2. This Ordinance shall be effective upon the acceptance of Comcast of Minnesota, Inc.

Passed and adopted this 3<sup>rd</sup> day of November, 2014.

Attest:

CITY OF SHOREVIEW

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

By: \_\_\_\_\_  
Its: City Manager

ACCEPTED: This Cable Television Franchise Ordinance Amendment is accepted and we agree to be bound by its terms and conditions.

**COMCAST OF MINNESOTA, INC.**

Dated: \_\_\_\_\_

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

Its: \_\_\_\_\_

STATE OF MINNESOTA)

COUNTY OF RAMSEY )

CITY OF SHOREVIEW )

I, the undersigned, being the duly qualified City Manager of the City of Shoreview of Ramsey County, Minnesota, do hereby certify that I have carefully compared the attached and foregoing extract of minutes of a meeting of said City Council on the 3<sup>rd</sup> day of November, 2014, with the original thereof on file in my office and the same is full, true and complete transcript therefrom insofar as the same relates to amending the Cable Television Franchise Ordinance.

**WITNESS MY HAND** officially as such City Manager and the corporate seal of the City of Shoreview, Minnesota this \_\_\_ day of \_\_\_\_\_, 201\_\_.

\_\_\_\_\_  
Terry C. Schwerm, City Manager

## EXTENSION AGREEMENT

**THIS AGREEMENT** is made as of the \_\_\_\_\_ day of \_\_\_\_\_, 2014, by and between the North Suburban Cable Commission d/b/a the North Suburban Communications Commission (the "NSCC"), a Minnesota municipal joint powers consortium consisting of the municipalities of Arden Hills, Falcon Heights, Lauderdale, Little Canada, Mounds View, New Brighton, North Oaks, Roseville, St. Anthony, and Shoreview, Minnesota (hereinafter, collectively the "Member Cities" or individually a "Member City") and Comcast of Minnesota, Inc., a Minnesota corporation ("Comcast"). The NSCC and Comcast are collectively referred to herein as the Parties.

**WHEREAS**, Comcast currently holds individual cable television franchises awarded by the NSCC's Member Cities, which franchises authorize Comcast to provide cable service within the territorial limits of each Member City (the "Franchises");

**WHEREAS**, Comcast, the NSCC, and the Member Cities are in the process of a formal franchise renewal proceeding as provided under Section 626 of the federal Cable Act;

**WHEREAS**, the NSCC and Comcast agree that utilizing the informal renewal process described in Section 626(h) of the Cable Act, 47 U.S.C. § 546(h), is mutually beneficial and preferable to the formal renewal procedures and timelines set out in Section 626(a)-(g) of the Cable Act, 47 U.S.C. § 546(a)-(g);

**WHEREAS**, the Parties desire to suspend the formal renewal process as described herein;

**WHEREAS**, the Parties desire to resolve certain outstanding legal and franchise issues through this Agreement;

**WHEREAS**, the Parties desire to extend the term of the Franchises and the Memorandum of Understanding, dated November 3, 1994 (the "MOU"), as stated in this Agreement;

**NOW THEREFORE, IN CONSIDERATION** of the mutual covenants, terms, conditions and representations contained herein, the parties agree as follows:

### Resolution of Legal and Franchise Issues

#### A. PEG Capacity

- 1) Upon 90 days' notice, Comcast will make available to the NSCC one high definition PEG channel ("HD PEG channel") on the cable system. The NSCC represents that it has or will have available by that date sufficient local, non-character generated programming in HD format so as to provide content of value to viewers and not have a blank channel.
- 2) The content of the HD PEG channel is up to the NSCC. The NSCC may simulcast one of the existing PEG channels in HD and SD formats, or it may choose to provide subscribers an HD channel that is programmed differently than the existing SD PEG channels (for example, the NSCC could create a "best of" HD PEG channel that carries a combination of HD public, educational and government programming from the existing 8 SD channels). If an HD PEG

channel is programmed differently, Comcast would have no additional obligation to provide an SD simulcast of that channel.

3) Comcast will make available to the NSCC the ability to place PEG channel programming information on the interactive channel guide by putting the NSCC in contact with the electronic programing guide vendor ("EPG provider") that provides the guide service. Comcast will be responsible for providing the designations and instructions necessary to ensure the channels will appear on the programming guide throughout the jurisdictions that are part of the NSCC and the costs of any necessary headend equipment associated therewith. The NSCC shall be responsible for providing programming information to the EPG provider and for any costs charged by the EPG provider, unless Comcast is required to pay for PEG EPG costs per applicable law or national commitments. As part of this Extension Agreement, Comcast is not agreeing to make detailed guide functionality available for periods where the NSCC chooses to distribute different PEG programming via the same channel number to subscribers in different communities that are part of the NSCC.

4) Comcast will deliver the high definition signal to subscribers so that it is viewable without degradation, provided that it is not required to deliver a PEG Channel at a resolution higher than the highest resolution used in connection with the delivery of local broadcast signals to the public. Comcast may implement HD carriage of the PEG channel in any manner (including selection of compression, utilization of IP, and other processing characteristics) that produces a signal as accessible, functional, useable and of a quality comparable (meaning indistinguishable to the viewer) to broadcast HD channels carried on the cable system.

5) The HD PEG channel will be assigned a number near the other high definition local broadcast stations if such channel positions are not already taken, or if that is not possible, near high definition news/public affairs programming channels if such channel positions are not already taken, or if not possible, as reasonably close as available channel numbering will allow.

6) NSCC acknowledges that HD programming may require the viewer to have special viewer equipment (such as an HDTV and an HD-capable digital device/receiver), but any subscriber who can view an HD signal delivered via the cable system at a receiver shall also be able to view the HD PEG channels at that receiver, without additional charges or equipment. By agreeing to make PEG available in HD format, Comcast is not agreeing it may be required to provide free HD equipment to customers including complimentary municipal and educational accounts and universal service accounts, nor modify its equipment or pricing policies in any manner. NSCC acknowledges that not every customer may be able to view HD PEG programming (for example, because they don't have an HDTV in their home or have chosen not to take an HD capable receiving device from Comcast or other equipment provider) or on every TV in the home.

7) Comcast will provide a bill message announcing the launch of the HD PEG channel; however NSCC acknowledges that not all customers may receive the bill message notice in advance of the channel launch in the interests of launching the channel sooner.

8) This agreement fully and finally resolves the dispute with respect to Comcast's alleged duty to provide 6MHz of capacity for each PEG channel required by the franchise for the remaining term of the current franchise agreement. The NSCC shall not argue that Comcast is in non-compliance with the obligation to provide PEG channel capacity because it is using less than 6MHz of capacity to deliver each PEG channel required by the franchise so long as Comcast complies with this agreement. The Notice of Franchise violation shall be dismissed.

#### **B. Open Meeting Law Claim**

9) By this Agreement, Comcast releases any claim under the Minnesota Open Meetings Law that it may have had concerning the NSCC's Cable Franchise Renewal Committee.

#### **C. The I-Net**

10) As part of this Extension Agreement and for its duration, the Parties agree to maintain the status quo regarding the Institutional Network (I-Net) provided under the extended Franchise. Comcast further agrees to waive any claim for damages for the use of the I-Net. For the duration of this Extension Agreement, Comcast shall have no obligation to extend the I-Net. Neither party waives any position or argument it may have in regards to the I-Net in the formal renewal proceeding.

#### **D. The Rate Order**

11) In full and final settlement of the 2012 and 2013 Rate Orders issued by the NSCC, Comcast and NSCC agree to the terms on the attached **Exhibit A**. The Notice of Franchise violation shall be dismissed.

#### **E. Future PEG Funding**

12) Comcast agrees that as part of any cable franchise renewal any mutually agreed-upon PEG funding can be used for any lawful cable-related PEG purposes.

#### **F. Informal Franchise Renewal**

13) Comcast and the NSCC may continue to meet in good faith to seek to obtain a written franchise renewal in a form acceptable to the City and Comcast by calendar-year-end 2015. The Parties agree to have their representatives meet by phone or in person at least monthly.

#### **G. The Formal Renewal Process**

14) The Parties agree to suspend the formal cable franchise renewal process, while reserving all of their rights under the formal renewal process. The Parties shall jointly notify the Office of Administrative Hearings of the suspension and all motions shall simultaneously be withdrawn. After the sooner of the completion of the cable franchise transfer to Midwest Cable (to be known as GreatLand Connections, Inc.) or July 1, 2015, either Party may recommence the formal renewal process by filing a 60-day written notice with the other Party.

## **H. Release**

15) Except as otherwise stated herein, the Parties release and forever discharge each other, including their respective agents, employees, Commissioners, Member Cities, and Council Members, from any and all claims, including the Open Meeting Law, and release and forever discharge each other from all currently known or unknown Franchise violations and Franchise-related compliance issues as of the effective date of this Agreement. The Parties further agree that this release does not waive any arguments either party may raise in the formal renewal process except as to the issues resolved herein (i.e. having been released herein, there are no known franchise non-compliance issues that predate this agreement that may serve as grounds for denial of renewal in the formal process).

## **I. FCC Form 394 Transfer Application**

16) This Agreement is subject to the Member Cities' adoption of the Transfer Resolution, attached hereto and incorporated herewith as **Exhibit B**, no later than their December 2014 meetings.

## **J. Extension of the Franchises**

17) Comcast agrees and this Agreement is subject to the Member Cities' approval to extend the term of the Franchises and the MOU through December 31, 2016. This agreement will remain in force as long as Comcast (and any successors and assigns) continues to operate subject to the Franchises, including as it may be extended pending completion of the renewal process. The parties further agree that in the event the Franchises are extended by formal action of the parties, or by operation of law pending completion of the renewal process, such extension shall include the obligations in the Franchises and the November 3, 1994, MOU. Provided that, with one hundred twenty (120) days advance notice, either party may terminate this agreement at any time after December 31, 2016, and after notice, for the period after the termination, may exercise any rights and pursue any remedy that could have been exercised or pursued prior to the date of this Agreement except that the release of claims as specified in paragraph 15 of the Agreement shall remain effective. In the event a Member City withdraws from the Commission, the financial obligations of the extended Franchise and MOU shall be adjusted proportionately to the number of subscribers in the departing Member City.

## **K. Miscellaneous Terms**

18) This Agreement is a compromise. The Parties agree that this agreement may not be used in the formal renewal process to prove a community need or interest.

19) Each Party represents that it has the power and authority to enter into this Agreement. Any breach of this Agreement shall be subject to all remedies available to the Parties at law or in equity and shall be enforceable as a franchise obligation.

20) This Agreement sets forth the entire agreement of the Parties with respect to its subject matter, there being no other promise or inducement to or for the execution of the Agreement

other than the consideration cited above. There are no contingencies, conditions precedent, representations, warranties, or other agreement, or otherwise, regarding settlement between the Parties not stated herein.

21) The Parties acknowledge that this Agreement is the product of negotiations between the Parties and does not constitute, and shall not be construed as an admission of liability on the part of any Party.

22) This Agreement shall inure to the benefit of, and shall be binding on, the Parties and their respective successors and assigns.

23) This Agreement may not be modified or amended, nor any of its terms waived, except by an amendment signed by duly authorized representatives of the Parties.

24) This Agreement shall be construed and enforced in accordance with the laws of the State of Minnesota without regard to conflicts of law principles.

25) This Agreement shall be effective upon the date when it is executed on behalf of both Parties.

**IN WITNESS WHEREOF**, the Parties have caused this Agreement to be executed by duly authorized representatives of each Party on the dates written below.

**NORTH SUBURBAN COMMUNICATIONS  
COMMISSION**

**COMCAST OF MINNESOTA,  
INC.:**

\_\_\_\_\_

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

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

\_\_\_\_\_

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

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

## EXHIBIT A

### RATE ORDER SETTLEMENT AGREEMENT

**THIS AGREEMENT** is made as of the \_\_\_\_\_ day of \_\_\_\_\_, 2014, by and between the North Suburban Cable Commission d/b/a the North Suburban Communications Commission (the "NSCC"), a Minnesota municipal joint powers consortium consisting of the municipalities of Arden Hills, Falcon Heights, Lauderdale, Little Canada, Mounds View, New Brighton, North Oaks, Roseville, St. Anthony, and Shoreview, Minnesota (hereinafter, collectively the "Member Cities" or individually a "Member City") and Comcast of Minnesota, Inc., a Minnesota corporation ("Comcast"). The NSCC and Comcast are collectively referred to herein as the Parties.

#### Resolution of Franchise Violation Notice Re: 2012 & 2013 Rate Orders

##### A. Rate Order Refund Issues

- 1) In full resolution of the Rate Order refund issues, Comcast agrees to refund \$49,003.22 to the cable subscribers in the NSCC Area.

##### B. Unbundling Equipment and Service Fees

- 2) Comcast and the NSCC agree that the equipment cost disclosure method already implemented by Comcast satisfies its obligations under the Rate Orders and through December 31, 2016, after which time the franchisee and the NSCC may revisit the issue in accordance with then applicable law. The equipment cost disclosure method already implemented by Comcast is in the form of an explanatory disclosure of the value of the equipment included in the Digital Transport Adapter Additional Outlet Service Fee immediately below that fee on the customer bill.

##### C. Franchise Violation Notice(s) Dismissed

- 3) The NSCC agrees to dismiss the Franchise Violation Notice dated January 10, 2014.

##### D. Miscellaneous Terms

- 4) This Agreement is a compromise. The Parties agree that this agreement may not be used in the formal renewal process except to bar the NSCC from raising any purported non-compliance with the Rate Orders as grounds for denial of renewal.
- 5) Each Party represents that it has the power and authority to enter into this Agreement. Any breach of this Agreement shall be subject to all remedies available to the Parties at law or in equity.
- 6) This Agreement sets forth the entire agreement of the Parties with respect to its subject matter, there being no other promise or inducement to or for the execution of the Agreement other than the consideration cited above. There are no contingencies, conditions precedent,

representations, warranties, or other agreement, or otherwise, regarding settlement between the Parties not stated herein.

7) The Parties acknowledge that this Agreement is the product of negotiations between the Parties and does not constitute, and shall not be construed as an admission of liability on the part of any Party.

8) This Agreement shall inure to the benefit of, and shall be binding on, the Parties and their respective successors and assigns.

9) This Agreement may not be modified or amended, nor any of its terms waived, except by an amendment signed by duly authorized representatives of the Parties.

10) This Agreement shall be construed and enforced in accordance with the laws of the State of Minnesota without regard to conflicts of law principles.

11) This Agreement shall be effective upon the date when it is executed on behalf of both Parties.

**IN WITNESS WHEREOF**, the Parties have caused this Agreement to be executed by duly authorized representatives of each Party on the dates written below.

**NORTH SUBURBAN COMMUNICATIONS  
COMMISSION**

**COMCAST OF MINNESOTA,  
INC.:**

\_\_\_\_\_

\_\_\_\_\_

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

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

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

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

PROPOSED MOTION

MOVED BY COUNCILMEMBER \_\_\_\_\_

SECONDED BY COUNCILMEMBER \_\_\_\_\_

To authorize the Mayor and City Manager to enter into a Standstill Agreement to Pursue Informal Franchise Renewal with Comcast of Minnesota, Inc.

ROLL CALL:	AYES _____	NAYS _____
Johnson	_____	_____
Quigley	_____	_____
Wickstrom	_____	_____
Withhart	_____	_____
Martin	_____	_____

Regular Council Meeting  
November 3, 2014

**TO: MAYOR AND COUNCILMEMBERS**

**FROM: REBECCA OLSON**  
**ASSISTANT TO THE CITY MANAGER**

**DATE: November 3, 2014**

**SUBJECT: AUTHORIZATION TO ENTER INTO A STANDSTILL AGREEMENT WITH COMCAST**  
**FOR INFORMAL FRANCHISE RENEWAL**

### **INTRODUCTION**

The City has belonged to the North Suburban Communications Commission (NSCC) since its inception in 1982. The NSCC is a joint powers organization of ten cities whose purpose is to monitor the operations and activities of the cable system; provide coordination and administration of the franchise; and administer and develop community cable television programming.

At its August 18, 2014 meeting, the City Council authorized the Mayor to send a letter of intent of withdrawal from the North Suburban Communications Commission (NSCC) effective December 31, 2014. A letter of intent has been sent to the NSCC. The Council also authorized the retention of Kennedy & Graven to assist in negotiating a franchise agreement with Comcast and to handle the pending transfer of ownership of the franchise. Although the City has reserved its right to rescind this withdrawal prior to the end of the year, the City has begun informal negotiations with Comcast representatives.

### **BACKGROUND**

Cable operators such as Comcast need access to public rights-of-way to offer cable service to the public. To obtain access, cable operators typically obtain franchises from municipalities. The City of Shoreview has previously enacted Ordinance No. 690 granting the right to operate a cable system and offer cable service in the City and Comcast currently holds this franchise.

The NSCC, representing its member cities, is currently in the middle of formal franchise renewal proceedings with Comcast, and reviewing the pending transfer of ownership of the franchise. With the City's intent to withdraw effective December 31, 2014, it is necessary to begin working on negotiating a new franchise directly with Comcast.

The City and Comcast need to establish terms under which the City's withdrawal from the Commission can be done without compromising either's rights related to the pending renewal and transfer of the franchise. Therefore, a Standstill Agreement which outlines the mutual terms and conditions has been drafted by Robert Vose, an attorney at Kennedy & Graven, and reviewed and agreed to by Comcast and is being presented for Council consideration.

This Standstill Agreement states that:

- The City will proceed in good faith with negotiations with Comcast in an effort to reach agreement on terms and conditions of a renewed franchise.
- The formal procedures and timelines for renewal (as set out in the Cable Act) are effectively put on hold, but can be reinstated upon written notification by either party.
- Any findings, recommendations or conclusions by the Administrative Law Judge in the NSCC's process are not binding or applicable to the City's renewal unless the City rescinds our withdrawal or the City and Comcast agree to it in writing.
- The City and Comcast may utilize any reports, documents or other information that has previously been produced or received from the NSCC as long as it is relevant to the City.

The Council is also being asked to approve an agreement tonight between the NSCC and Comcast on the resolution of multiple cable franchising issues as well as an amendment extending the franchise until December 31, 2016. Staff has spoken to our attorney in light of this new agreement and he has recommended that we also move forward with the Standstill Agreement as it remains of some value. It assures the City the right to use whatever has been produced by the Commission to advance our renewal goals individually with Comcast. We retain rights to the some of the Commission's work and avoid any issues if the Commission and Comcast renew a formal hearing process. This Standstill agreement also helps to clarify Shoreview's unique status during this process.

**RECOMMENDATION**

Staff recommends the City Council approve the Standstill Agreement with Comcast, Inc. for informal franchise renewal.

**STANDSTILL AGREEMENT  
TO PURSUE INFORMAL FRANCHISE RENEWAL**

**THIS AGREEMENT** is made as of the \_\_\_ day of November, 2014, by and between the City of Shoreview (“City”) and Comcast of Minnesota, Inc. (“Comcast”).

**RECITALS**

**Background**

**WHEREAS**, the City is a member of the North Suburban Cable Commission, d/b/a the North Suburban Communications Commission (“Commission”), a municipal joint powers body under Minn. Stat. § 471.59, as amended, comprised of ten (10) member cities including the City; and

**WHEREAS**, the Commission was established by the “Amended North Suburban Cable Commission Joint and Cooperative Agreement for the Administration of a Cable Communications System,” dated June 1990 (the “JPA”) in order to, among other things, coordinate, administer and enforce the members’ cable franchises; and;

**WHEREAS**, the Commission’s member cities each enacted separate franchise ordinances and entered into individual agreements authorizing MediaOne North Central Communications Corp. to provide cable service in each community; and

**WHEREAS**, the City enacted Ordinance No. 690 granting the right to operate a cable system and offer cable service in the City (the “Franchise”); and

**WHEREAS**, as a result of several transfers of the Franchise, Comcast currently holds the Franchise; and

**WHEREAS**, the Franchise expires on or about December 23, 2014;

**Franchise Renewal**

**WHEREAS**, Section 626(a)(1) of the Cable Communications Policy Act of 1984, as amended (the “Cable Act”) (47 U.S.C. § 546(a)(1)), provides that if a cable operator makes a timely written request to renew its franchise such operator will enjoy certain procedural protections regarding renewal of its franchise; and

**WHEREAS**, by letters from Comcast to the Commission’s member cities, including the City, Comcast timely invoked the formal franchise renewal procedures under 47 U.S.C. § 546; and

**WHEREAS**, by resolution, the Commission's member cities stated their intention to have the Commission commence, manage and conduct the formal franchise renewal process under the Cable Act on their behalf; and

**WHEREAS**, the Commission commenced formal renewal proceedings and, as contemplated by 47 U.S.C. § 546(a), assessed the member cities' and their communities' present and future cable-related needs and interests and evaluated Comcast's past performance under the member cities' franchises and applicable laws and regulations; and

**WHEREAS**, the Commission and Comcast endeavored to complete franchise renewal via informal negotiation as contemplated by 47 U.S.C. § 546(h) but have been unsuccessful in reaching agreement; and

**WHEREAS**, on or about December 20, 2013, Comcast submitted a formal franchise renewal proposal ("Proposal") to the Commission which, among other things, includes a proposed franchise; and

**WHEREAS**, the Commission held a public hearing regarding the Proposal, and;

**WHEREAS**, the Commission recommended preliminary denial of the Proposal, and;

**WHEREAS**, upon the Commission's recommendation, the City adopted a resolution preliminarily denying the Proposal, and;

**WHEREAS**, the Commission and Comcast have begun, or intend to begin, an administrative hearing to consider whether the Proposal meets the criteria for franchise renewal under applicable law; and

**WHEREAS**, as a result of the foregoing efforts, the Commission has produced or received multiple reports related to renewal listed in the Appendix, attached ("Renewal Reports"); and

### **Franchise Transfer**

**WHEREAS**, Comcast Corporation ("Comcast Corp") is the ultimate parent company of Comcast; and

**WHEREAS**, on April 25, 2014, Comcast Corp and Charter Communications, Inc. ("Charter") entered into an agreement under which Comcast would be converted from a corporation to a limited liability company, and would become a wholly-owned subsidiary of Midwest Cable, Inc. ("Midwest")(the "Transaction"); and

**WHEREAS**, the Transaction is premised and conditioned upon consummation of certain other pending transactions including the proposed merger of Comcast Corp and Time Warner, Inc.; and

**WHEREAS**, Comcast and Midwest filed an FCC Form 394 dated June 17, 2014 with the Commission requesting its member cities' approval to transfer or assign the franchises, including the City's Franchise, to Midwest; and

**WHEREAS**, on behalf of its member cities, the Commission has begun review of the FCC Form 394, the Transaction and Midwest's qualifications; and

**WHEREAS**, among other things, the Commission's attorney has posed questions related to the Transaction and Midwest's qualifications, and the Commission has retained consultants to review the financial qualifications of the companies associated with the Transaction and such consultants have independently posed additional questions; and

**WHEREAS**, by letter dated August 22, 2014, Comcast and Midwest have extended the City's time to review and act on the FCC Form 394 and Transaction until December 15, 2014; and

**WHEREAS**, counsel for Comcast and Midwest have represented that certain additional information regarding the Transaction will be provided by the end of September, 2014; and

#### **City Withdrawal from Cable Commission**

**WHEREAS**, the City Council has directed that the City give timely notice of its intent to withdraw from the Commission in accordance with the provisions of the JPA; and

**WHEREAS**, such withdrawal will become effective as of January 1, 2015, unless the City earlier rescinds its notice of withdrawal; and

**WHEREAS**, the City and Comcast wish to establish terms under which the City's withdrawal from the Commission can be completed in an orderly fashion without compromising or diminishing either party's procedural or substantive rights related to the pending renewal and transfer of the Franchise.

**NOW THEREFORE, IN CONSIDERATION** of the mutual covenants, terms, conditions and representations contained herein, the parties agree as follows:

1. The City and Comcast will proceed promptly and in good faith with negotiations and other communications in an effort to reach agreement on appropriate terms and conditions of a renewed Franchise.
2. Notwithstanding any prior communications or action by the Commission or Comcast, the formal procedures and timelines for renewal set out in the Cable Act are hereby tolled

with respect to the City. The City or Comcast may reinstate such formal procedures under the Cable Act upon written notification to the other party.

3. The formal administrative hearing process initiated by the Commission, at Comcast's request, and any recommendations, findings or conclusions reached by the ALJ in such proceedings, shall not be binding upon or applicable to renewal of the City's Franchise unless:
  - a. the City and Comcast so agree in writing, or;
  - b. the City rescinds its notice of withdrawal from the Commission, and remains a member of the Commission after January 1, 2015.
4. The parties agree that the City's notice of withdrawal from the Commission and direct negotiations with Comcast are intended to enhance, not interfere with, the City's ability to negotiate reasonable and appropriate franchise renewal terms. To that end, the parties agree that the City may incorporate the substance of any franchise term or condition agreed to between the Commission and Comcast (or its successor) into any renewed franchise the City subsequently issues, subject to any adjustments, negotiated in good faith, necessary to ensure such term or condition is City-specific.
5. Except as indicated in paragraph 3, the City and Comcast shall have the right to rely on and utilize any reports, documents, communications, data, or other information described or referenced above ("Reports") in relation to renewal of the City's Franchise, provided, however, that the parties agree to work in good faith to limit use of such Reports in order to exclude data or information that is not relevant or germane to the City.
6. The City and Comcast shall have the right to rely on and utilize any and all Reports in relation to the pending transfer of the Franchise.
7. Except as expressly provided herein, neither party waives any rights including any procedural protections established by the Cable Act. Nothing herein shall be deemed to extend the term of the Franchise, or to waive any claim of a prior, current or future violation or breach of the Franchise.

**IN WITNESS WHEREOF**, the parties hereto have entered into this Agreement as of this \_\_\_\_\_ day of November, 2014.

CITY OF SHOREVIEW

Date: November, \_\_\_\_, 2014

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

Its: Mayor

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

Its: City Manager

COMCAST OF MINNESOTA, INC.

Date: November, \_\_ 2014

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

Its: \_\_\_\_\_

## APPENDIX

Buske Group's "Community Needs Ascertainment – North Suburban Communications Commission (Arden Hills, Falcon Heights, Lauderdale, Little Canada, Mounds View, New Brighton, North Oaks, Roseville, St. Anthony and Shoreview, Minnesota)" (July 15, 2013) (the "*Needs Assessment Report*")

Group W Communications, LLC's, telephone survey and report titled "North Suburban Communications Commission Cable Subscriber Survey (September 2011)" (the "*Telephone Survey Report*")

CBG Communications, Inc.'s, "Final Report - Evaluation of Comcast's Subscriber System, Evaluation of the Existing Institutional Network and Evaluation of PEG Access Signal Transport and Distribution for the North Suburban Communications Commission" (July 2013) (the "*Technical Review Report*")

Front Range Consulting, Inc.'s, "Financial Analysis of Comcast Corporation 2012 SEC Form 10K" (May 2013) (the "*Comcast Financial Report*")

Commission staff's "Report on Cable-Related Needs and Interests and the Past Performance of Comcast of Minnesota, Inc." (July 22, 2013) (the "*Staff Report*")

"Request for Renewal Proposal for Cable Television Franchise" ("RFRP") summarizing the communities' cable-related needs and interests and establishing requirements for facilities, equipment and channel capacity on Comcast's cable system.

Comcast's Proposal.

Executive Summaries and Analysis of Comcast's Proposal by Commission staff, The Buske Group, CBG Communications, Inc., and Front Range Consulting, Inc., (collectively the "*Executive Summary Reports*").