



City of South St. Paul

COUNCIL AGENDA

Monday, April 4, 2016

7:15 p.m.

(If you use the hearing assistance PA system, please remove your hearing aid so it does not cause a feedback problem.)

1. CALL TO ORDER:

2. ROLL CALL:

3. INVOCATION:

4. PLEDGE OF ALLEGIANCE:

5. PRESENTATIONS:

- A. Presentation: Relay For Life of IGH-SSP-WSP
- B. Presentation: Recognition Retiring Boards and Commission Members
- C. McMorrow Field Renovation.

6. CITIZEN'S COMMENTS *(Comments are limited to 3 minutes in length.)*

7. AGENDA:

- A. *Approval of Agenda*
Action – Motion to Approve
Action – Motion to Approve as Amended

8. CONSENT AGENDA:

All items listed on the Consent Agenda are items, which are considered to be routine by the City Council and will be approved by one motion. There will be no separate discussion of these items unless a Council member or citizen so requests, in which event the item will be removed from the consent agenda and considered at the end of the Consent Agenda.

- A. City Council Meeting Minutes of March 21, 2016
- B. Accounts Payable
- C. Approving Land Lease at Fleming Field with R.A. Icenogle and H.E. Icenogle
- D. Approving Land Lease at Fleming Field with K. Miesel
- E. Acceptance of Donation for Giant Egg Hunt at Kaposia Park
- F. 2016 Sealcoat Streets

- G. Approving Land Lease at Fleming Field with Sela Holdings, LLC
- H. Business Licenses
- I. Approve Revised Job Description and Authorize Recruitment Process for the position of Economic Development Division Manager
- J. Approve Agreement with Ban-Koe Systems Group Inc. for CelerTime and Scheduler Pro Enterprise Software

9. PUBLIC HEARINGS:

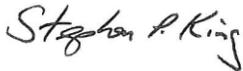
10. GENERAL BUSINESS:

- A. Approve Joint Powers Agreement for preparation of the Dakota County Broadband Systems Plan
- B. Award of Bid – Sanitary Sewer Improvements with UPRR

11. MAYOR AND COUNCIL COMMUNICATIONS:

12. ADJOURNMENT:

Respectfully Submitted,



Stephen P. King, City Administrator

**SOUTH ST. PAUL CITY COUNCIL
MINUTES OF MARCH 21, 2016**

The regular meeting of the City Council was called to order by Mayor Beth Baumann at 7:15 P.M. on Monday, March 21, 2016.

ROLL CALL:

Present,	Mayor Baumann Councilmembers Flatley, Hansen, Niederkorn, Podgorski, Rothecker,
Absent,	Councilmember Seaberg
Also Present,	City Administrator, Steve King City Attorney, Kori Land City Engineer, John Sachi City Clerk, Christy Wilcox City Engineer, Chris Hartzell

5) Presentations

- Union Pacific Railroad Donation to *All Aboard 55075 Food Drive Express*

6) Citizens' Comments

- Derek Burington, 437 12th Avenue North addressed the City Council regarding an unresolved utility bill and charges that were applied to his account. This item was referred to a City Council Worksession.

7) Agenda

Moved by Hansen/Flatley

MOVED: To approve the agenda.

Motion carried 6 ayes/0 nays

8) Consent Agenda

Moved by Niederkorn/Rothecker

Resolved, that the South St. Paul City Council does hereby approve the following:

1. City Council meeting minutes of March 7, 2016
2. Resolution No. 2016-53, approving accounts payable
3. Amendment to the City Administrators Contract to modify the Limited Health Reimbursement Account
4. Resolution No. 2016-45, participation in All-Hazard Mitigation Planning Process
5. Business Licenses – New Rental Properties
6. Resolution No. 2016-48, approving an Engineering Services Agreement between the City and WSB & Associates, Inc. for 2016 MSA Traffic Counting

7. Accept the proposal from TruGreen Limited Partnership for turf maintenance services for 2016-2018 as outlined in the proposal dated February 25, 2016
8. Resolution No. 2016-51, approving an Engineering Services Agreement between the City and Kimley-Horn & Associates, Inc. for Concord Street Planning Study
9. Settlement Agreement with Michael & Nicole Heiss for their property at 513 8th Avenue North regarding sewer service line repair

Motion carried 6 ayes/0 nays

8e) Business Licenses

Moved by Niederkorn/Hansen

MOVED: To approve the list of Business Licenses as presented on council report.

Motion carried 6 ayes/0 nays

9a) Public Hearing – 2016-005 Mill & Overlay Projects

Moved by Niederkorn/Podgorski

MOVED: To adopt Resolution No. 2016-46, ordering improvement and preparation of final plans and specifications for Mill & Overlay Projects 2016-005 A – I.

Motion carried 6 ayes/0 nays

9b) Public Hearing – 2016-007 Bituminous Removal & Replacement Projects

Moved by Hansen/Flatley

MOVED: To adopt Resolution NO. 2016-47, ordering improvement and preparation of final plans and specifications for 2016-007 A-G Bituminous Removal & Placement Projects.

Motion carried 6 ayes/0 nays

9c) 2nd Reading – Ordinance Granting Cable Communications Franchise to Century Link

Moved by Rothecker/Podgorski

MOVED: To adopt Resolution No. 2016-44, regarding an ordinance granting a competitive cable franchise to Qwest Broadband Services, Inc. dba CenturyLink and authorize its publication.

Motion carried 6 ayes/0 nays

10a) Special Event License Requests by the VFW Post #295

Moved by Rothecker/Nieder Korn

MOVED: To approve the following Special Event Licenses for the VFW Post #295 located at 111 South Concord Exchange for the following dates subject to the speakers being directed to the east:

- Ride For Wishes – Saturday, June 4th from noon to 12:00 midnight
- Kaposia Days Street Dance – Saturday, June 25th from noon to 12:00 midnight

Motion carried 6 ayes/0 nays

10b) 2nd Reading – Ordinance Amending Chapter 26 Regarding Fees

Moved by Flatley/Hansen

MOVED: To adopt Ordinance No. 1304, An Ordinance Amending Chapter 26 Regarding Fees and authorize its publication.

Motion carried 6 ayes/0 nays

10c) Rental License Application Request for 220 4th Avenue North – William Bernier

Moved by Podgorski/Hansen

MOVED: To adopt Resolution No. 2016-54, denying the rental license application for 220 4th Avenue North.

Motion carried 6 ayes/0 nays

10d) Plans and Specifications – Street Projects

Moved by Hansen/Flatley

MOVED: To approve combining the Mill & Overlay projects and Bituminous Removal & Replacement project for bidding purposes and adopt Resolution No. 2016-52, approving the plans and specifications for 2016 Street Rehabilitation Projects and ordering advertisement for bids.

Motion carried 6 ayes/0 nays

10e) Award of Bid – 2016-008 Oak Park Street Rehabilitation Phase 3

Moved by Niederkorn/Rothecker

MOVED: To reject the bid from Danner, Inc. for Project 2016-008 Oak Park Street Rehabilitation Phase 3.

Councilmember Niederkorn withdrew his motion

Moved by Hansen/Flatley

MOVED: To adopt Resolution No. 2016-49, accepting the bids and awarding Project 2016-008 Oak Park Street Rehabilitation Phase 3 to Danner, Inc.

Motion carried 6 ayes/0 nays

10f) Request to allow three (3) dogs at 405 16th Avenue North

Moved by Hansen/Podgorski

MOVED: To deny the request to allow three (3) dogs at the property located at 405 16th Avenue North and allow for forty-five (45) days for the owner to find a new home for the third dog.

Motion carried 6 ayes/0 nays

10g) Amend Section 5 (Term) of Resolution No. 2016-37 which established the EDA Advisory Board

Moved by Hanse/Flatley

MOVED: To adopt Resolution No. 2016-50, resolution amending and replacing Resolution No. 2016-37, establishing an Economic Development Advisory Board.

Motion carried 6 ayes/0 nays

10h) Appointments to Economic Development Advisory Board (EDAB)

Moved by Flatley/Hansen

MOVED: To concur with the following appointments to the Economic Development Advisory Board:

- Chad Schlemmer and Sharon Bellcourt for one (1) year terms
- Amy Piggee and Daniel Schadegg for two (2) year terms
- Kelton Glewwe, Steven Doody and Anthony Leitner for three (3) year terms

11) Adjournment

Moved by Rothecker/Niederhorn

MOVED: That the meeting of the City Council adjourn at 9:05 p.m.

Motion carried 6 ayes/0 nays

Approved: April 4, 2016

City Clerk



CITY COUNCIL AGENDA REPORT

DATE: APRIL 4, 2016

DEPARTMENT: Finance

ADMINISTRATOR: _____

8-B

AGENDA ITEM: Accounts Payable

ACTION TO BE CONSIDERED:

Motion to adopt Resolution 2016-060 approving accounts payable.

OVERVIEW:

The City Council approves all payments of claims. Approval of audited claims is required before issuance of payment.

SOURCE OF FUNDS:

N/A

City of South St. Paul
Dakota County, Minnesota

RESOLUTION NO. 2016-060

RESOLUTION APPROVING ACCOUNTS PAYABLE

WHEREAS, the City Council is required to approve payment of claims;

NOW, THEREFORE, BE IT RESOLVED that the audited claims listed in the check register attachment are hereby approved for payment:

Check and wires:	
122031-122172	\$ 456,117.56
2016097-2016116	<u>\$ 147,015.16</u>
Total	\$ 603,132.72

Adopted this 4th day of April, 2016.

Christy Wilcox, City Clerk

CITY OF SOUTH ST PAUL
 Council Check Register by GL
 Council Check Register and Summary

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Check #	Date	Amount	Supplier / Explanation	PO #	Doc No	Inv No	Account No	Subledger	Account Description	Business Unit
122031	3/25/2016		1016 ACE HARDWARE & PAINT							
		12.98	DRILL BIT PERCUSSION		37256	527386/5	20245.6220		REPAIR & MAINTENANCE SUPPLIES	AIRPORT
		51.21	LADDER/BLEACH/TOILET SCREWSET		37258	527503/5	50678.6220		REPAIR & MAINTENANCE SUPPLIES	JOHN CARROLL APT BLDG
		17.47	ADHESIVE POWER GRAB/TAPE		37259	527578/5	50678.6220		REPAIR & MAINTENANCE SUPPLIES	JOHN CARROLL APT BLDG
		23.99	BULBS		37260	527389/5	50677.6220		REPAIR & MAINTENANCE SUPPLIES	NAN MCKAY APT BLDG
		39.50	BONDING CABLE		37261	527420/5	20245.6220		REPAIR & MAINTENANCE SUPPLIES	AIRPORT
		38.97	NYLON ROPE		37262	527468/5	10340.6220		REPAIR & MAINTENANCE SUPPLIES	PARKS FACILITIES AND MTNCE
		38.97	NYLON ROPE		37263	527433/5	10340.6220		REPAIR & MAINTENANCE SUPPLIES	PARKS FACILITIES AND MTNCE
		4.98	KEY DUPLICATES		37264	527489/5	20245.6220		REPAIR & MAINTENANCE SUPPLIES	AIRPORT
		74.65	PAINT/TRAY/BRUSHES/TAPE		37265	527358/5	10210.6210		OPERATING SUPPLIES	POLICE PROTECTION
		27.55	COMMAND STRIPS/NUTS/BOLTS/MAIL		37266	527469/5	50678.6220		REPAIR & MAINTENANCE SUPPLIES	JOHN CARROLL APT BLDG
		35.95	SPRAY PAINT/PLIERS/BOLTS		37267	527549/5	50678.6220		REPAIR & MAINTENANCE SUPPLIES	JOHN CARROLL APT BLDG
		4.99	FIX A FLAT		37268	527590/5	20245.6220		REPAIR & MAINTENANCE SUPPLIES	AIRPORT
		9.47	ROLLER/ROLLER TRAY/PAINT		37363	527569/5	60703.6220		REPAIR & MAINTENANCE SUPPLIES	CENTRAL GARAGE FUND
		29.92	FASTENERS		37364	527575/5	10340.6220		REPAIR & MAINTENANCE SUPPLIES	PARKS FACILITIES AND MTNCE
		410.60								
122032	3/25/2016		1018 ADVANCED GRAPHIX, INC.							
		15.00	MAGNETIC DECAL		37269	194121	10210.6210		OPERATING SUPPLIES	POLICE PROTECTION
		15.00								
122033	3/25/2016		5257 AL SERVICES LLC							
		2,574.00	CIP #SW-15-1		37270	46746	40402.6220		REPAIR & MAINTENANCE SUPPLIES	CAPITAL PROGRAMS FUND
		2,574.00								
122034	3/25/2016		6679 AMERICAN ENGINEERING TESTING, INC							
		9,418.80	455 HARDMAN AV ENVIRON MONITOR		37365	90962	40490.6510		LAND	CONCORD TIF
		9,418.80								
122035	3/25/2016		1067 ASTRONOMY MAGAZINE							
		42.95	1 YR SUBSCRIPTION RENEWAL		37271	3/1/2016	20230.6230		BOOKS, MATERIALS & PERIODICALS	LIBRARY
		42.95								
122036	3/25/2016		6676 BDS LAUNDRY MANAGEMENT CO							
		731.62	LAUNDRY EQUIPMENT RENTAL APRIL		37272	V313267	50678.6381		OTHER RENTALS	JOHN CARROLL APT BLDG
		548.71	LAUNDRY EQUIPMENT RENTAL		37273	V313263	50677.6381		OTHER RENTALS	NAN MCKAY APT BLDG
		125.00	PURCHASE/NEW LAUNDRY CARDS		37274	V312981	50677.6220		REPAIR & MAINTENANCE SUPPLIES	NAN MCKAY APT BLDG
		125.00	PURCHASE/NEW LAUNDRY CARDS		37274	V312981	50678.6220		REPAIR & MAINTENANCE SUPPLIES	JOHN CARROLL APT BLDG
		1,530.33								
122037	3/25/2016		1093 BEACON ATHLETICS							

CITY OF SOUTH ST PAUL
 Council Check Register by GL
 Council Check Register and Summary

Check #	Date	Amount	Supplier / Explanation	PO #	Doc No	Inv No	Account No	Subledger	Account Description	Business Unit
122037	3/25/2016		1093 BEAGON ATHLETICS						Continued...	
		492.44	CHALKER		37275	0454315-JN	10340.6240		MINOR EQUIPMENT AND FURNITURE	PARKS FACILITIES AND MTNCE
		492.44								
122038	3/25/2016		6732 BERGANKDV							
		29,165.40	AUDIT YEAREND FINANCES		37366	909092	20260.6302		PROFESSIONAL SERVICES	HOUSING GENERAL
		29,165.40								
122039	3/25/2016		6733 BESTER BROS TRANSFER & STORAGE CO, INC							
		288.00	MOVE EMPLOYEES TO NEW DEPT		37367	2291	10330.6375		OTHER CONTRACTED SERVICES	BUILDINGS
		288.00								
122040	3/25/2016		3632 BOLTON & MENK, INC.							
		4,400.70	APRON RECONSTRUCTION		37368	0187752	40404.6530	201415	IMPR OTHER THAN BUILDING	AIRPORT CAPITAL FUND
		4,400.70								
122041	3/25/2016		1125 BONUS BUILDING CARE IN MINNEAPOLIS							
		725.00	CLEANING SERVICE MARCH 2016		37276	603018002-31	20230.6375		OTHER CONTRACTED SERVICES	LIBRARY
		725.00								
122042	3/25/2016		6736 BRAUN INTERTEC CORPORATION							
		500.00	ABATEMENT FIRE ALARM PROJECT		37524	B052884	50677.6560		BUILDING FIXTURES AND IMPRS	NAN MCKAY APT BLDG
		500.00								
122043	3/25/2016		3615 CAMPBELL KNUTSON, P.A.							
		16,491.03	FEB PROSECUTION FEES POLICE		37277	2/29/2016	10130.6304		PROFESSIONAL SVCS-CRIMINAL	CITY ATTORNEY
		16,491.03								
122044	3/25/2016		6726 CAPITAL ONE COMMERCIAL							
		12.63	MONTHLY CC STATEMENT		37278	301706216086023	50677.6220		REPAIR & MAINTENANCE SUPPLIES	NAN MCKAY APT BLDG
		12.63								
122045	3/25/2016		3885 CARM DISTRIBUTING, INC.							
		149.85	CAR WASH BRUSH/WASH N WAX		37279	72487	10210.6210		OPERATING SUPPLIES	POLICE PROTECTION
		149.85								
122046	3/25/2016		1173 CDW GOVERNMENT INC							
		140.69	FIREWALL REPLACEMENT		37369	CGP4025	40407.6571		COMPUTER HARDWARE	EQUIPMENT ACQUISITION F
		1,426.63	FIREWALL REPLACEMENT		37370	CHN4414	40407.6571		COMPUTER HARDWARE	EQUIPMENT ACQUISITION F
		393.02	PRINTER		37371	CGT4288	10160.6210		OPERATING SUPPLIES	INFORMATION TECHNOLOGY
		204.19	CABLES		37372	CFB0027	10160.6240		MINOR EQUIPMENT AND FURNITURE	INFORMATION TECHNOLOGY

CITY OF SOUTH ST PAUL
 Council Check Register by GL
 Council Check Register and Summary

Check #	Date	Amount	Supplier / Explanation	PO #	Doc No	Inv No	Account No	Subledger	Account Description	Business Unit
122046	3/25/2016		1173 CDW GOVERNMENT INC						Continued...	
		87.51	CABLES		37373	CFK0121	10160.6240		MINOR EQUIPMENT AND FURNITURE	INFORMATION TECHNOLOGY
		2,252.04								
122047	3/25/2016		6727 CITY OF DULUTH							
		95.00	HASH LAB TRAINING		37280	2016-00000071	10210.6331		CONFERENCES, TRAINING, TRAVEL	POLICE PROTECTION
		95.00								
122048	3/25/2016		1214 COOK'S ILLUSTRATED							
		28.95	1 YR SUBSCRIPTION RENEWAL		37281	3/1/2016	20230.6230		BOOKS, MATERIALS & PERIODICALS	LIBRARY
		28.95								
122049	3/25/2016		1240 DAKOTA COMMUNICATIONS CENTER							
		49,356.00	APRIL DUES/PROJECT FUND		37282	SO2016-04	10210.6305		DISPATCH SERVICES	POLICE PROTECTION
		49,356.00								
122050	3/25/2016		6672 DAKOTA LAWN CARE							
		755.00	PARKING LOT MAINTENANCE FEB		37283	3727	50677.6375		OTHER CONTRACTED SERVICES	NAN MCKAY APT BLDG
		725.00	PARKING LOT MAINTENANCE FEB		37284	3726	50678.6375		OTHER CONTRACTED SERVICES	JOHN CARROLL APT BLDG
		1,480.00								
122051	3/25/2016		4902 DISNEY JUNIOR MAGAZINE							
		27.84	2 YR SUBSCRIPTION RENEWAL		37288	3/1/2016	20230.6230		BOOKS, MATERIALS & PERIODICALS	LIBRARY
		27.84								
122052	3/25/2016		6723 DISNEY PRINCESS							
		27.84	2 YR SUBSCRIPTION RENEWAL		37287	3/1/2016	20230.6230		BOOKS, MATERIALS & PERIODICALS	LIBRARY
		27.84								
122053	3/25/2016		3612 DNL BUILDERS, LLC							
		4,075.00	CIP #POL-14-105		37285	1225-279	40402.6371		REPAIRS & MAINT CONTRACTUAL	CAPITAL PROGRAMS FUND
		1,100.00	CIP #POL-14-105		37286	1225-280	40402.6371		REPAIRS & MAINT CONTRACTUAL	CAPITAL PROGRAMS FUND
		532.45	CIP #POL-14-105		37374	1225-281	40402.6220		REPAIR & MAINTENANCE SUPPLIES	CAPITAL PROGRAMS FUND
		5,707.45								
122054	3/25/2016		1341 EHLERS & ASSOCIATES, INC							
		2,580.00	FINANCIAL MGMT PLAN		37375	70033	10150.6302		PROFESSIONAL SERVICES	FINANCE
		1,720.00	UTILITY RATE STUDY		37376	70034	50600.6302		PROFESSIONAL SERVICES	UTILITY ADMINISTRATION
		4,300.00								
122055	3/25/2016		1386 FAMILY FUN							

CITY OF SOUTH ST PAUL
 Council Check Register by GL
 Council Check Register and Summary

Check #	Date	Amount	Supplier / Explanation	PO #	Doc No	Inv No	Account No	Subledger	Account Description	Business Unit
122055	3/25/2016		1386 FAMILY FUN						Continued...	
		5.00	1 YR SUBSCRIPTION RENEWAL		37289	3/9/2016	20230.6230		BOOKS, MATERIALS & PERIODICALS	LIBRARY
		5.00								
122056	3/25/2016		6658 FIRST SCRIBE							
		80.00	WEB SITE HOSTING		37290	2468707	20260.6375		OTHER CONTRACTED SERVICES	HOUSING GENERAL
		80.00								
122057	3/25/2016		4725 FIRST SUPPLY LLC - TWIN CITIES							
		20.36	TUBING		37377	1326027-00	50605.6220		REPAIR & MAINTENANCE SUPPLIES	WATER UTILITY
		12.00	CABLES TIES		37378	1326258-00	50605.6220		REPAIR & MAINTENANCE SUPPLIES	WATER UTILITY
		16.70	POLY UN CONN SPEEDFIT		37525	1326027-01	50605.6220		REPAIR & MAINTENANCE SUPPLIES	WATER UTILITY
		49.06								
122058	3/25/2016		1440 FREEDOM SERVICES INC							
		38.75	FEB 2016 ADMIN GRACE PERIOD		37380	GMA 17595	10150.6375		OTHER CONTRACTED SERVICES	FINANCE
		38.75	MAR 2016 ADMIN GRACE PERIOD		37381	GMA 17596	10150.6375		OTHER CONTRACTED SERVICES	FINANCE
		28.50	MAR 2016 ADMIN FEE		37382	2775	10150.6375		OTHER CONTRACTED SERVICES	FINANCE
		15.00	MAR 2016 ONLINE ACCESS		37382	2775	10150.6375		OTHER CONTRACTED SERVICES	FINANCE
		121.00								
122059	3/25/2016		1485 GLOBE PRINTING & OFFICE SUPPLIES INC							
		54.56	PERF PAPER		37291	588052	20260.6201		OFFICE SUPPLIES	HOUSING GENERAL
		54.56								
122060	3/25/2016		1489 GOLDCOM INC							
		1,602.00	REPLACEMENT RACKS		37315	186513	40407.6571		COMPUTER HARDWARE	EQUIPMENT ACQUISITION F
		157.73	REPLACEMENT RACKS		37316	186442	40407.6571		COMPUTER HARDWARE	EQUIPMENT ACQUISITION F
		1,759.73								
122061	3/25/2016		1497 GOPHER STATE ONE-CALL							
		47.13	LOCATES		37293	6020713	50605.6302		PROFESSIONAL SERVICES	WATER UTILITY
		47.12	LOCATES		37293	6020713	50606.6302		PROFESSIONAL SERVICES	SEWER UTILITY
		94.25								
122062	3/25/2016		5857 GREATAMERICA FINANCIAL SERVICES							
		219.90	POSTAGE MACHINE RENT MAR16		37383	18444739	10150.6371		REPAIRS & MAINT CONTRACTUAL	FINANCE
		219.90								
122063	3/25/2016		6659 HAB INC							
		303.50	MONTHLY SOFTWARE SUPPORT		37294	0069336-IN	50677.6375		OTHER CONTRACTED SERVICES	NAN MCKAY APT BLDG

CITY OF SOUTH ST PAUL
 Council Check Register by GL
 Council Check Register and Summary

Check #	Date	Amount	Supplier / Explanation	PO #	Doc No	Inv No	Account No	Subledger	Account Description	Business Unit
122068	3/25/2016		6728 INTEGRA REALTY RESOURCES-MPLS/ST. PAUL						Continued...	
122069	3/25/2016		4560 IPMA-HR MN							
		200.00	ANDERSON AND HAIMA		37385	3/1/2016	10125.6331		CONFERENCES, TRAINING, TRAVEL	HUMAN RESOURCES
		200.00								
122070	3/25/2016		1718 KAPOSIA CONVENIENCE CENTER CORP							
		45.50	CAR WASHES		37309	2/1/2016	10210.6210		OPERATING SUPPLIES	POLICE PROTECTION
		45.50								
122071	3/25/2016		1724 KEEPRS, INC.							
		156.17	EAR MOLD/MAGAZINE		37310	302293	10210.6245		CLOTHING ALLOWANCE	POLICE PROTECTION
		272.40	AMMUNITION		37311	296773-01	10210.6210		OPERATING SUPPLIES	POLICE PROTECTION
		231.00	MAGAZINES		37312	302110	10210.6210		OPERATING SUPPLIES	POLICE PROTECTION
		659.57								
122072	3/25/2016		1757 KNOWLANS SUPER MARKETS INC.							
		19.18	LEMONADE/COOKIES		37313	1211	50678.6210		OPERATING SUPPLIES	JOHN CARROLL APT BLDG
		16.45	MILK AND COOKIES		37314	7247	50677.6210		OPERATING SUPPLIES	NAN MCKAY APT BLDG
		35.63								
122073	3/25/2016		1803 LANGUAGE LINE SERVICES							
		51.75	OVER THE PHONE TRANSLATION		37317	3774239	10210.6390		POSTAGE AND TELEPHONE	POLICE PROTECTION
		51.75								
122074	3/25/2016		1811 LAWSON PRODUCTS INC.							
		184.18	DRILL SET		37318	9303926213	60703.6220		REPAIR & MAINTENANCE SUPPLIES	CENTRAL GARAGE FUND
		184.18								
122075	3/25/2016		1813 LEAGUE OF MN CITIES INSURANCE TRUST							
		5,341.29	2ND QUARTER PREMIUM		37319	52092	10110.6361		INSURANCE	MAYOR AND COUNCIL
		13,551.08	2ND QUARTER PREMIUM		37319	52092	10210.6361		INSURANCE	POLICE PROTECTION
		6,836.75	2ND QUARTER PREMIUM		37319	52092	10320.6361		INSURANCE	PUBLIC WORKS
		2,336.03	2ND QUARTER PREMIUM		37319	52092	10330.6361		INSURANCE	BUILDINGS
		5,550.03	2ND QUARTER PREMIUM		37319	52092	10340.6361		INSURANCE	PARKS FACILITIES AND MTNCE
		2,522.23	2ND QUARTER PREMIUM		37319	52092	20230.6361		INSURANCE	LIBRARY
		3,036.25	2ND QUARTER PREMIUM		37319	52092	20243.6361		INSURANCE	DOUG WOOG ARENA
		13,007.10	2ND QUARTER PREMIUM		37319	52092	20245.6361		INSURANCE	AIRPORT
		7,325.94	2ND QUARTER PREMIUM		37319	52092	50605.6361		INSURANCE	WATER UTILITY
		1,763.87	2ND QUARTER PREMIUM		37319	52092	50606.6361		INSURANCE	SEWER UTILITY
		5,828.43	2ND QUARTER PREMIUM		37319	52092	60703.6361		INSURANCE	CENTRAL GARAGE FUND

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122081	3/25/2016		1434 MADDEN GALANTER HANSEN, LLP						Continued...	
122082	3/25/2016		1867 MADISON NATIONAL LIFE INSURANCE CO.							
		1,800.01	PREMIUMS APRIL 2016		37329	03012016	10101.2177		DISABILITY INSURANCE	GENERAL FUND
		11.57	ADDITIONS		37329	03012016	10101.2177		DISABILITY INSURANCE	GENERAL FUND
		113.25	SALARY CHANGES		37329	03012016	10101.2177		DISABILITY INSURANCE	GENERAL FUND
		20.95	TERMINATIONS		37329	03012016	10101.2177		DISABILITY INSURANCE	GENERAL FUND
		1,903.88								
122083	3/25/2016		6681 MANN ENTERPRISES							
		214.50	WATER SOFTENER SALT		37328	3/4/2016	50677.6210		OPERATING SUPPLIES	NAN MCKAY APT BLDG
		214.50	WATER SOFTENER SALT		37328	3/4/2016	50678.6210		OPERATING SUPPLIES	JOHN CARROLL APT BLDG
		429.00								
122084	3/25/2016		1900 MCMULLEN INSPECTING, INC.							
		1,093.60	ELECTRICAL FEES THRU 3/1/2016		37330	2/24/2016	10420.6302		PROFESSIONAL SERVICES	CODE ENFORCEMENT
		1,093.60								
122085	3/25/2016		1911 MENARDS, INC-WEST ST PAUL							
		31.44	LEVER AND CASING NAIL		37332	4939	50605.6220		REPAIR & MAINTENANCE SUPPLIES	WATER UTILITY
		180.38	STUD/TILEBOARD		37333	4309	10340.6220		REPAIR & MAINTENANCE SUPPLIES	PARKS FACILITIES AND MTNCE
		6.84	FRP INSIDE CORNER		37334	4325	10340.6220		REPAIR & MAINTENANCE SUPPLIES	PARKS FACILITIES AND MTNCE
		46.24	PVC TRIM/OUTLETPLATE/NAILS		37335	4469	10340.6220		REPAIR & MAINTENANCE SUPPLIES	PARKS FACILITIES AND MTNCE
		23.51	PVC ELBOWS/GAP FILLER		37336	4471	10340.6220		REPAIR & MAINTENANCE SUPPLIES	PARKS FACILITIES AND MTNCE
		142.94	MOP BUCKET/COTTON MOP		37337	4632	10340.6220		REPAIR & MAINTENANCE SUPPLIES	PARKS FACILITIES AND MTNCE
		8.96	PVC TRIM/SILICON		37338	4635	10340.6220		REPAIR & MAINTENANCE SUPPLIES	PARKS FACILITIES AND MTNCE
		845.40	SHIMS/STEEL SOFFIT/TRIM/SCREWS		37339	4652	50605.6220		REPAIR & MAINTENANCE SUPPLIES	WATER UTILITY
		34.66	BASE WHITE VINYL		37340	4696	10340.6220		REPAIR & MAINTENANCE SUPPLIES	PARKS FACILITIES AND MTNCE
		66.72	FLEXZILLA CORD/PAINT		37341	4840	10340.6220		REPAIR & MAINTENANCE SUPPLIES	PARKS FACILITIES AND MTNCE
		15.55	FOAM BRUSH/POLYURETHANE		37342	5300	10340.6220		REPAIR & MAINTENANCE SUPPLIES	PARKS FACILITIES AND MTNCE
		45.94	HD FORGED SCRAP / CHOP		37343	5315	10320.6220		REPAIR & MAINTENANCE SUPPLIES	PUBLIC WORKS
		7.26	LEMON OIL/ VENEER		37344	5396	10340.6220		REPAIR & MAINTENANCE SUPPLIES	PARKS FACILITIES AND MTNCE
		16.74	PAINT		37345	5093	10340.6220		REPAIR & MAINTENANCE SUPPLIES	PARKS FACILITIES AND MTNCE
		31.72	LAMINATED DIVIDER BAR/LP EXCHA		37346	5128	10340.6220		REPAIR & MAINTENANCE SUPPLIES	PARKS FACILITIES AND MTNCE
		10.47	CREDIT FOR RETURN		37347	5181	10340.6220		REPAIR & MAINTENANCE SUPPLIES	PARKS FACILITIES AND MTNCE
		28.13	ULTRA WHITE/3M 14 DAY		37348	5182	10340.6220		REPAIR & MAINTENANCE SUPPLIES	PARKS FACILITIES AND MTNCE
		24.68	PAINT		37349	5240	10340.6220		REPAIR & MAINTENANCE SUPPLIES	PARKS FACILITIES AND MTNCE
		44.57	CLASSIC OAK WOOD		37350	5271	10340.6220		REPAIR & MAINTENANCE SUPPLIES	PARKS FACILITIES AND MTNCE
		1,591.21								
122086	3/25/2016		1923 METRO SALES INC.							

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122086	3/25/2016		1923 METRO SALES INC.						Continued...	
		872.48	PHOTOCOPIER CONTRACT		37351	INV480072	20260.6201		OFFICE SUPPLIES	HOUSING GENERAL
		872.48								
122087	3/25/2016		1995 MINNESOTA ELEVATOR, INC.							
		175.50	BI MONTHLY SERVICE MARCH		37331	654918	20230.6371		REPAIRS & MAINT CONTRACTUAL	LIBRARY
		175.50								
122088	3/25/2016		2009 MINNESOTA PIPE & EQUIPMENT							
		1,397.53	NORTHVIEW POOL		37387	0351725	50605.6220		REPAIR & MAINTENANCE SUPPLIES	WATER UTILITY
		225.52	NORTHVIEW POOL		37388	0351726	50605.6220		REPAIR & MAINTENANCE SUPPLIES	WATER UTILITY
		538.01	SLINKY CURB KEY		37389	0351581	50605.6220		REPAIR & MAINTENANCE SUPPLIES	WATER UTILITY
		2,161.06								
122089	3/25/2016		2024 MINNESOTA VALLEY TESTING LABS							
		84.75	WATER TESTING		37392	798729	50605.6302		PROFESSIONAL SERVICES	WATER UTILITY
		84.75								
122090	3/25/2016		6734 MN SEX CRIMES INVESTIGATORS ASSOC.							
		60.00	BASIC INV TRAINING/CAVALIER		37390	01254	10210.6331		CONFERENCES, TRAINING, TRAVEL	POLICE PROTECTION
		60.00	BASIC INV TRAINING/SILIDA		37391	01253	10210.6331		CONFERENCES, TRAINING, TRAVEL	POLICE PROTECTION
		120.00								
122091	3/25/2016		2078 MYHRE, COLLEEN							
		29.99	CLOTHING REIMBURSEMENT		37352	3/16/2016	10210.6245		CLOTHING ALLOWANCE	POLICE PROTECTION
		29.99								
122092	3/25/2016		2098 NATURE CALLS INC							
		314.40	PORTA POTTIES		37353	24552	10340.6379		CONT SERV/REFUSE & SANITATION	PARKS FACILITIES AND MTNCE
		314.40								
122093	3/25/2016		6662 OPTAGE HOME DELIVERED MEALS							
		1,450.34	FEBRUARY MEALS FOR ILP		37354	30899	50671.6375		OTHER CONTRACTED SERVICES	CHSP PROGRAM
		1,450.34								
122094	3/25/2016		2166 O'REILLY AUTO PARTS							
		114.90	BED ARMOR / WEATER STRIP		37355	1767 193642	60703.6220		REPAIR & MAINTENANCE SUPPLIES	CENTRAL GARAGE FUND
		6.49	16 OUNCE PROTECT		37356	1767 193637	10340.6220		REPAIR & MAINTENANCE SUPPLIES	PARKS FACILITIES AND MTNCE
		121.39								
122095	3/25/2016		2176 OXYGEN SERVICES COMPANY							

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122103	3/25/2016		1636 RICOH USA, INC.						Continued...	
		60.00	B & W COPIES		37398	5040998408	10520.6378		COPIER MAINTENANCE AGREEMENT	PARKS ADMINISTRATION
		265.16	COLOR COPIES		37398	5040998408	10520.6378		COPIER MAINTENANCE AGREEMENT	PARKS ADMINISTRATION
		64.62	COPIER USAGE 12/11/15-3/10/16		37399	5040999063	10320.6378		COPIER MAINTENANCE AGREEMENT	PUBLIC WORKS
		1,194.20	COPIER USAGE 12/11/15-3/10/16		37399	5040999063	10160.6378		COPIER MAINTENANCE AGREEMENT	INFORMATION TECHNOLOGY
		422.50	COPIER USAGE 12/11/15-3/10/16		37399	5040999063	10315.6378		COPIER MAINTENANCE AGREEMENT	ENGINEERING
		17.98	COPIER USAGE 12/11/15-3/10/16		37399	5040999063	20243.6378		COPIER MAINTENANCE AGREEMENT	DOUG WOOG ARENA
		124.64	COPIER USAGE 12/11/15-3/10/16		37399	5040999063	20245.6378		COPIER MAINTENANCE AGREEMENT	AIRPORT
		2,149.10								
122104	3/25/2016		2415 SCHMIDTY'S LAWN, SNOW AND TREE							
		70.00	SIDEWALK AT 600 8TH AVE S		37519	3512	10420.6371		REPAIRS & MAINT CONTRACTUAL	CODE ENFORCEMENT
		70.00	SIDEWALK AT 248 4TH AVE S		37520	3513	10420.6371		REPAIRS & MAINT CONTRACTUAL	CODE ENFORCEMENT
		140.00								
122105	3/25/2016		6703 SENTRY SYSTEMS, INC							
		30.00	3/1-3/30/2016		37502	713191	50678.6375		OTHER CONTRACTED SERVICES	JOHN CARROLL APT BLDG
		30.00								
122106	3/25/2016		2460 SHI							
		7,410.00	MICROSOFT ADD LICENSE/HRA		37506	B04666533	10160.6375		OTHER CONTRACTED SERVICES	INFORMATION TECHNOLOGY
		14,669.16	MICROSOFT ENTERPRISE AGREEMENT		37507	B04648574	10160.6375		OTHER CONTRACTED SERVICES	INFORMATION TECHNOLOGY
		22,079.16								
122107	3/25/2016		2505 SOUTH EAST TOWING INC							
		190.00	TOW CHARGE		37503	196174	10210.6371		REPAIRS & MAINT CONTRACTUAL	POLICE PROTECTION
		95.00	TOW CHARGE		37504	200091	10210.6371		REPAIRS & MAINT CONTRACTUAL	POLICE PROTECTION
		285.00								
122108	3/25/2016		2509 SOUTH ST, PAUL HIGH SCHOOL							
		100.00	YEARBOOK ADVERTISEMENT		37505	3/21/2016	20250.6341		ADVERTISING	CENTRAL SQUARE
		100.00								
122109	3/25/2016		2558 STATE CHEMICAL MFG. COMPANY							
		97.00	AIR CARE PROGRAM		37508	97701876	50678.6375		OTHER CONTRACTED SERVICES	JOHN CARROLL APT BLDG
		244.23	DRAIN MAINTENANCE PROGRAM		37509	97639198	50678.6375		OTHER CONTRACTED SERVICES	JOHN CARROLL APT BLDG
		97.00	AIR CARE PROGRAM		37510	97660195	50678.6375		OTHER CONTRACTED SERVICES	JOHN CARROLL APT BLDG
		244.23	DRAIN MAINTENANCE PROGRAM		37511	97679981	50678.6375		OTHER CONTRACTED SERVICES	JOHN CARROLL APT BLDG
		682.46								
122110	3/25/2016		2648 T-MOBILE							

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122110	3/25/2016		2648 T-MOBILE						Continued...	
		32.80	PHONE SERVICE		37522	941459303 3/11/16	50677.6385		UTILITY SERVICE	NAN MCKAY APT BLDG
		32.80	PHONE SERVICE		37522	941459303 3/11/16	50678.6385		UTILITY SERVICE	JOHN CARROLL APT BLDG
		60.02	PHONE SERVICE		37523	828792863 3/11/16	20260.6385		UTILITY SERVICE	HOUSING GENERAL
		117.12	PHONE SERVICE		37523	828792863 3/11/16	50671.6385		UTILITY SERVICE	CHSP PROGRAM
		88.57	PHONE SERVICE		37523	828792863 3/11/16	50677.6385		UTILITY SERVICE	NAN MCKAY APT BLDG
		147.70	PHONE SERVICE		37523	828792863 3/11/16	50678.6385		UTILITY SERVICE	JOHN CARROLL APT BLDG
		<u>479.01</u>								
122111	3/25/2016		2664 TRACTOR SUPPLY CREDIT PLAN							
		10.07	BULK LP		37512	223963	10340.6220		REPAIR & MAINTENANCE SUPPLIES	PARKS FACILITIES AND MTNCE
		9.38	WALL ANCHORS		37513	224085	10320.6220		REPAIR & MAINTENANCE SUPPLIES	PUBLIC WORKS
		<u>19.45</u>								
122112	3/25/2016		2681 TRUCK UTILITIES MFG CO INC							
		278.89	PRONG WELDMENT		37514	0295687	60703.6220		REPAIR & MAINTENANCE SUPPLIES	CENTRAL GARAGE FUND
		<u>278.89</u>								
122113	3/25/2016		3646 U.S. BANK EQUIPMENT FINANCE							
		102.00	COPY MACHINE LEASE/MARCH		37516	300139490	20230.6378		COPIER MAINTENANCE AGREEMENT	LIBRARY
		<u>102.00</u>								
122114	3/25/2016		2731 USABLE LIFE							
		1,723.55	LIFE INSURANCE APRIL 2016		37515	4000643139	10101.2178		LIFE INSURANCE	GENERAL FUND
		10.30	TERMINATIONS		37515	4000643139	10101.2178		LIFE INSURANCE	GENERAL FUND
		<u>1,713.25</u>								
122115	3/25/2016		2744 VAN PAPER COMPANY							
		249.15	TISSUE/SOAP/TOWELS		37517	379775-00	10330.6210		OPERATING SUPPLIES	BUILDINGS
		<u>249.15</u>								
122116	3/25/2016		2804 WELLS FARGO REMITTANCE CENTER							
		6.67	AMAZON-SCANNER/MICE/MOUSE PAD		37406	6STF	20230.6240		MINOR EQUIPMENT AND FURNITURE	LIBRARY
		14.77	AMAZON-SCANNER/MICE/MOUSE PAD		37407	MEQD	20230.6240		MINOR EQUIPMENT AND FURNITURE	LIBRARY
		210.89	AMAZON-SCANNER/MICE/MOUSE PAD		37408	8FSM	20230.6240		MINOR EQUIPMENT AND FURNITURE	LIBRARY

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		14.77	AMAZON-SCANNER/MICE/MOUSE PAD		37409	VQMS	20230.6240		MINOR EQUIPMENT AND FURNITURE	LIBRARY
		323.22	ORIENTAL TRADING-BUNNY/PUPPET		37410	AJ4G	20217.6430	227637	MISCELLANEOUS	GRANTS/DONATIONS LIBRARY
		58.80	ORIENTAL TRADING-FAM LITERACY		37411	AJ4G	20230.6430		MISCELLANEOUS	LIBRARY
		44.95	MN BOOKSTORE-STATE BUILD CODE		37412	92MX	10420.6230		BOOKS, MATERIALS & PERIODICALS	CODE ENFORCEMENT
		59.99	WMV-WASTE MAN BAGSTER		37413	7HR7	10420.6371		REPAIRS & MAINT CONTRACTUAL	CODE ENFORCEMENT
		400.00	POLLUTIONCONTROL-MPCA PERMIT		37414	PQPY	40432.6371	201608	REPAIRS & MAINT CONTRACTUAL	2016 LOCAL IMPROVEMENTS
		369.78	DELTA-HILGER GFOA CONFERENCE		37415	3SFG	10150.6331		CONFERENCES, TRAINING, TRAVEL	FINANCE
		369.78	DELTA-PIETRICK GFOA CONFERENCE		37416	3SG2	10150.6331		CONFERENCES, TRAINING, TRAVEL	FINANCE
		50.00	BEST BUY-TV DISPOSAL		37417	YMSM	50677.6379		CONT SERV/REFUSE & SANITATION	NAN MCKAY APT BLDG
		46.40	BAUDVILLE-ID BADGE HOLDERS		37418	FLTZ	10170.6201		OFFICE SUPPLIES	RECYCLING PROGRAM
		2,182.00	SU ZS-STAFF UNIFORMS		37419	VKKQ	20210.6430	227575	MISCELLANEOUS	DONATIONS/CONTRIBUTIONS
		670.85	SU ZS-STAFF UNIFORMS		37420	DFLK	20210.6430	227575	MISCELLANEOUS	DONATIONS/CONTRIBUTIONS
		3,883.75	CHARLES VANGELDER-ENTRANCE MAT		37421	WFYE	10330.6430		MISCELLANEOUS	BUILDINGS
		3,094.10	MN GLOVE-STAFF UNIFORMS		37422	PVHV	20210.6430	227575	MISCELLANEOUS	DONATIONS/CONTRIBUTIONS
		103.80	KNOWLANS-TREATS AND SNACKS		37423	W47N	20216.6210	227573	OPERATING SUPPLIES	GRANTS/DONATIONS COMM AFFAIRS
		94.75	VISTA PRINTS-SHIRTS/BAGS		37424	RH6B	20216.6210	227573	OPERATING SUPPLIES	GRANTS/DONATIONS COMM AFFAIRS
		31.55	KNOWLANS-COFFEE		37425	1M4R	10530.6210		OPERATING SUPPLIES	COMMUNITY AFFAIRS
		9.50	CARBONES-LUNCH FOR MEETING		37426	1STD	10530.6210		OPERATING SUPPLIES	COMMUNITY AFFAIRS
		89.47	CLEARBAGS-DOOR KNOB BAGS		37427	KFW0	20216.6210	227573	OPERATING SUPPLIES	GRANTS/DONATIONS COMM AFFAIRS
		262.56	VISTA PRINTS-BANNERS/T SHIRTS		37428	HZ56	20216.6210	227573	OPERATING SUPPLIES	GRANTS/DONATIONS COMM AFFAIRS
		109.21	ORIENTAL TRADING-EASTER TOYS		37429	WY3	20216.6210	227573	OPERATING SUPPLIES	GRANTS/DONATIONS COMM AFFAIRS
		17.74	KNOWLANS-TREATS		37430	QMNJ	10530.6210		OPERATING SUPPLIES	COMMUNITY AFFAIRS
		35.98	WALGREENS-DOUG WOOG BOOKS		37431	FXAT	10530.6210		OPERATING SUPPLIES	COMMUNITY AFFAIRS
		9.85	CROWM TROPHY-CHILI TROPHY		37432	TP54	10530.6210		OPERATING SUPPLIES	COMMUNITY AFFAIRS
		58.65	SAMS-CANDY FOR TASKFORCE		37433	SSV5	20216.6210	227573	OPERATING SUPPLIES	GRANTS/DONATIONS COMM AFFAIRS
		600.00	SNAP ON TOOL-PROGRAM UPGRADE		37434	8NAG	60703.6580		OTHER EQUIPMENT	CENTRAL GARAGE FUND
		125.00	DAK. CO.-3 YR PERMIT/TRAFFIC M		37435	12TM	10320.6302		PROFESSIONAL SERVICES	PUBLIC WORKS
		461.86	FAIRCHILD EQUIP-PUMP FOR FORKL		37436	12M7	60703.6220		REPAIR & MAINTENANCE SUPPLIES	CENTRAL GARAGE FUND
		149.95	WALTERS REBUILDERS-REPAIR FORK		37437	316X	60703.6371		REPAIRS & MAINT CONTRACTUAL	CENTRAL GARAGE FUND
		149.95	WALTERS REBUILDERS-REPAIRGENER		37438	316X	50605.6371		REPAIRS & MAINT CONTRACTUAL	WATER UTILITY
		35.03	CUB FOODS-REFRESHMENTS POLZIN		37439	9TJY	10210.6430		MISCELLANEOUS	POLICE PROTECTION
		68.55	FLUEGEL ELEVATOR-SAMMY FOOD		37440	LVOP	10210.6210		OPERATING SUPPLIES	POLICE PROTECTION
		114.65	PERSONALIZED CAUSE-SERVICE PIN		37441	VS0J	10210.6430		MISCELLANEOUS	POLICE PROTECTION
		71.99	OFFICE DEPOT-KEYBOARD		37442	TDWE	10210.6201		OFFICE SUPPLIES	POLICE PROTECTION
		85.33	OFFICE DEPOT-MARKERS/MOUSE PAD		37443	TE22	10210.6201		OFFICE SUPPLIES	POLICE PROTECTION
		151.99	OFFICE DEPOT-TONER		37444	RTE4M	10210.6210		OPERATING SUPPLIES	POLICE PROTECTION
		31.24	OFFICE MAX-OFFICE SUPPLIES		37445	2G6B	10210.6430		MISCELLANEOUS	POLICE PROTECTION
		52.36	HOME DEPOT-BUCKET/HOSE/MENDER		37446	E8KS	10210.6210		OPERATING SUPPLIES	POLICE PROTECTION
		250.00	GLOCK PROFESSIONAL-TRAINING		37447	P81Z	10210.6331		CONFERENCES, TRAINING, TRAVEL	POLICE PROTECTION

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		250.00	GLOCK PROFESSIONAL-TRAINING		37448	P827	10210.6331		CONFERENCES, TRAINING, TRAVEL	POLICE PROTECTION
		18.99	WALMART-HANDWARMERS		37449	Q9NS	10210.6210		OPERATING SUPPLIES	POLICE PROTECTION
		68.55	FLUEGEL ELEVATOR-SAMMY FOOD		37450	LSSJ	10210.6210		OPERATING SUPPLIES	POLICE PROTECTION
		.51	MN DVS-FORFIT TITLE TAX		37451	VFAT	10210.6210		OPERATING SUPPLIES	POLICE PROTECTION
		20.75	MN DVS-FORFIT TITLE FEE		37452	VFKL	10210.6210		OPERATING SUPPLIES	POLICE PROTECTION
		11.46	FAMILY DOLLAR-KITCHEN CLEANER		37453	D4JY	10210.6210		OPERATING SUPPLIES	POLICE PROTECTION
		6.99	OPTICS PLANET-HOLSTER		37454	NHJX	10210.6245		CLOTHING ALLOWANCE	POLICE PROTECTION
		35.89	OPTICS PLANET-		37455	NHJ3	10210.6210		OPERATING SUPPLIES	POLICE PROTECTION
		2.97	WALMART-DISPLAY BOARD		37456	NDNT	10210.6220		REPAIR & MAINTENANCE SUPPLIES	POLICE PROTECTION
		8.39	KAT KEYS-GUN LOCKER		37457	39GA	10210.6220		REPAIR & MAINTENANCE SUPPLIES	POLICE PROTECTION
		.29	MN DVS-TITLE TAX		37458	A0JE	10210.6210		OPERATING SUPPLIES	POLICE PROTECTION
		12.00	MN DVS-TITLE FEE		37459	A137	10210.6210		OPERATING SUPPLIES	POLICE PROTECTION
		12.88	FED EX OFFICE-FTO MANUALS		37460	ZR5T	10210.6342		PRINTING AND BINDING	POLICE PROTECTION
		9.65	KNOWLANS-GRANOLA BARS		37461	XGRY	20250.6210		OPERATING SUPPLIES	CENTRAL SQUARE
		128.05	OFFICE MAX-OFFICE SUPPLIES		37462	POA4	10520.6201		OFFICE SUPPLIES	PARKS ADMINISTRATION
		116.95	DYNMMIX MUSIC-WORKOUT MUSIC		37463	FXZY	20250.6210		OPERATING SUPPLIES	CENTRAL SQUARE
		13.97	WALMART-BATTERIES		37464	8KLM	20250.6210		OPERATING SUPPLIES	CENTRAL SQUARE
		127.52	WALMART-FANS		37465	8KP8	20250.6210		OPERATING SUPPLIES	CENTRAL SQUARE
		32.72	LIFEGAURD STORE-MASKS		37466	4XV1	10528.6210		OPERATING SUPPLIES	NORTHVIEW POOL
		32.73	LIFEGAURD STORE-MASKS		37467	4XV1	10527.6210		OPERATING SUPPLIES	SPLASH POOL
		44.20	AMER RED CROSS-LIFEGAURD BOOKS		37468	HVM1	10527.6210		OPERATING SUPPLIES	SPLASH POOL
		44.20	AMER RED CROSS-LIFEGAURD BOOKS		37469	HVM1	10528.6210		OPERATING SUPPLIES	NORTHVIEW POOL
		44.19	AMER RED CROSS-LIFEGAURD BOOKS		37470	HVM1	20250.6210		OPERATING SUPPLIES	CENTRAL SQUARE
		27.57	AMAZON-GYMNASTIC CHALK		37471	K1QB	20250.6210		OPERATING SUPPLIES	CENTRAL SQUARE
		51.94	OFFICE MAX-PLANNER/DIVIDER		37472	X8S1	10529.6210		OPERATING SUPPLIES	RECREATIONAL PROGRAMS
		115.50	FAST SIGNS-CENTERAL SQ SIGN		37473	R4VD	20250.6371		REPAIRS & MAINT CONTRACTUAL	CENTRAL SQUARE
		66.06	MICHAELS-PAINT AND STENCILS		37474	3VJ9	10529.6210		OPERATING SUPPLIES	RECREATIONAL PROGRAMS
		5.97	WALMART-BATTERIES		37475	QEQS	10529.6210		OPERATING SUPPLIES	RECREATIONAL PROGRAMS
		40.00	CROWN TROPHY-DESK NAME BLOCK		37476	TP3N	10110.6430		MISCELLANEOUS	MAYOR AND COUNCIL
		23.04	TARGET-SNACKS FOR TRAINING		37477	AELT	10125.6331		CONFERENCES, TRAINING, TRAVEL	HUMAN RESOURCES
		137.10	JIMMY JOHNS-FOOD FOR TRAINING		37478	ZT41	10125.6331		CONFERENCES, TRAINING, TRAVEL	HUMAN RESOURCES
		449.10	WAG AERO-WINCH		37479	68HL	20245.6220		REPAIR & MAINTENANCE SUPPLIES	AIRPORT
		84.14	SAMS-VENDING MACHINE CANDY		37480	R4QP	20245.6250		MERCHANDISE FOR RESALE	AIRPORT
		40.08	SAMS-CUPS		37481	R4QP	20245.6201		OFFICE SUPPLIES	AIRPORT
		69.64	FED EX-OVERNIGHT WATER SAMPLE		37482	0YFZ	20245.6390		POSTAGE AND TELEPHONE	AIRPORT
		70.57	1000BULBS-HANGER BULBS		37483	RK3A	20245.6220		REPAIR & MAINTENANCE SUPPLIES	AIRPORT
		33.54	USPS-LETTERS TO BODNARUK		37484	PRSS	20245.6390		POSTAGE AND TELEPHONE	AIRPORT
		139.98	UNCAGED ERGONOMICS-KEYBOARDTRA		37485	TR48	20245.6201		OFFICE SUPPLIES	AIRPORT
		275.00	AAAE-DUES		37486	RWQV	20245.6471		DUES & SUBSCRIPTIONS	AIRPORT

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Check #	Date	Amount	Supplier / Explanation	PO #	Doc No	Inv No	Account No	Subledger	Account Description	Business Unit
122122	4/1/2016		1969 MINNESOTA AFSCME, COUNCIL NO. 5						Continued...	
122123	4/1/2016		1973 MINNESOTA BENEFIT ASSOCIATION							
		195.63				37631 0330161445477	10101.2170		ACCRUED PAY DED PAYABLE	GENERAL FUND
		195.63								
122124	4/1/2016		2096 NATIONWIDE RETIREMENT SOLUTIONS							
		5,170.00				37618 03301614454711	10101.2175		OTHER RETIREMENT	GENERAL FUND
		5,170.00								
122125	4/1/2016		2243 POLICE FLOWER FUND							
		29.00				37620 03301614454713	10101.2170		ACCRUED PAY DED PAYABLE	GENERAL FUND
		29.00								
122126	4/1/2016		1016 ACE HARDWARE & PAINT							
		4.48	SIGNS/NO TRESPASS/KEEP OUT			37526 527531/5	50606.6220		REPAIR & MAINTENANCE SUPPLIES	SEWER UTILITY
		19.99	WATEROUS LIFTSTATION			37651 527687/5	50610.6220		REPAIR & MAINTENANCE SUPPLIES	STORM WATER UTILITY
		19.99	CREDIT FOR PART RETURN			37652 527688/5	50610.6220		REPAIR & MAINTENANCE SUPPLIES	STORM WATER UTILITY
		19.99	PURCHASE NEW PART/WATEROUS LS			37652 527688/5	50610.6220		REPAIR & MAINTENANCE SUPPLIES	STORM WATER UTILITY
		4.98	KEY COPIES			37653 527684/5	20245.6220		REPAIR & MAINTENANCE SUPPLIES	AIRPORT
		19.27	FUSE KIT/SCREWS/DOOR HOLD			37654 527634/5	20245.6220		REPAIR & MAINTENANCE SUPPLIES	AIRPORT
		48.72								
122127	4/1/2016		6670 BROTHERS FIRE & SECURITY							
		315.00	FIRE ALARM PROJECT JOHNCARROLL			37527 98087	50678.6560		BUILDING FIXTURES AND IMPRS	JOHN CARROLL APT BLDG
		3,690.63	FIRE ALARM PROJECT JOHNCARROLL			37528 98406	50678.6560		BUILDING FIXTURES AND IMPRS	JOHN CARROLL APT BLDG
		4,005.63								
122128	4/1/2016		1173 CDW GOVERNMENT INC							
		709.07	NEW IPAD FOR STREET LEAD			37533 CGK9905	10320.6390		POSTAGE AND TELEPHONE	PUBLIC WORKS
		709.07	NEW IPAD FOR PARKS LEAD			37533 CGK9905	10340.6390		POSTAGE AND TELEPHONE	PARKS FACILITIES AND MTNCE
		1,418.14								
122129	4/1/2016		1184 CINTAS CORPORATION #754							
		20.54	WORK SHIRTS			37529 754565093	10320.6245		CLOTHING ALLOWANCE	PUBLIC WORKS
		17.24	WORK SHIRTS			37529 754565093	10340.6245		CLOTHING ALLOWANCE	PARKS FACILITIES AND MTNCE
		6.47	WORK SHIRTS			37529 754565093	50605.6245		CLOTHING ALLOWANCE	WATER UTILITY
		6.46	WORK SHIRTS			37529 754565093	50606.6245		CLOTHING ALLOWANCE	SEWER UTILITY
		30.96	WORK SHIRTS			37529 754565093	60703.6245		CLOTHING ALLOWANCE	CENTRAL GARAGE FUND
		162.62	MATS			37530 754565935	10320.6210		OPERATING SUPPLIES	PUBLIC WORKS
		40.54	WORK SHIRTS			37531 754567754	10320.6245		CLOTHING ALLOWANCE	PUBLIC WORKS

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122129	4/4/2016		1184 CINTAS CORPORATION #754						Continued...	
		17.24	WORK SHIRTS		37531	754567754	10340.6245		CLOTHING ALLOWANCE	PARKS FACILITIES AND MTNCE
		6.47	WORK SHIRTS		37531	754567754	50605.6245		CLOTHING ALLOWANCE	WATER UTILITY
		6.46	WORK SHIRTS		37531	754567754	50606.6245		CLOTHING ALLOWANCE	SEWER UTILITY
		30.96	WORK SHIRTS		37531	754567754	60703.6245		CLOTHING ALLOWANCE	CENTRAL GARAGE FUND
		20.54	WORK SHIRTS		37532	754570362	10320.6245		CLOTHING ALLOWANCE	PUBLIC WORKS
		17.24	WORK SHIRTS		37532	754570362	10340.6245		CLOTHING ALLOWANCE	PARKS FACILITIES AND MTNCE
		6.47	WORK SHIRTS		37532	754570362	50605.6245		CLOTHING ALLOWANCE	WATER UTILITY
		6.46	WORK SHIRTS		37532	754570362	50606.6245		CLOTHING ALLOWANCE	SEWER UTILITY
		30.96	WORK SHIRTS		37532	754570362	60703.6245		CLOTHING ALLOWANCE	CENTRAL GARAGE FUND
		20.54	WORK SHIRTS		37635	754573008	10320.6245		CLOTHING ALLOWANCE	PUBLIC WORKS
		17.24	WORK SHIRTS		37635	754573008	10340.6245		CLOTHING ALLOWANCE	PARKS FACILITIES AND MTNCE
		6.47	WORK SHIRTS		37635	754573008	50605.6245		CLOTHING ALLOWANCE	WATER UTILITY
		6.46	WORK SHIRTS		37635	754573008	50606.6245		CLOTHING ALLOWANCE	SEWER UTILITY
		62.06	WORK SHIRTS		37635	754573008	60703.6245		CLOTHING ALLOWANCE	CENTRAL GARAGE FUND
		20.54	WORK SHIRTS		37636	754575616	10320.6245		CLOTHING ALLOWANCE	PUBLIC WORKS
		17.24	WORK SHIRTS		37636	754575616	10340.6245		CLOTHING ALLOWANCE	PARKS FACILITIES AND MTNCE
		6.47	WORK SHIRTS		37636	754575616	50605.6245		CLOTHING ALLOWANCE	WATER UTILITY
		6.46	WORK SHIRTS		37636	754575616	50606.6245		CLOTHING ALLOWANCE	SEWER UTILITY
		30.96	WORK SHIRTS		37636	754575616	60703.6245		CLOTHING ALLOWANCE	CENTRAL GARAGE FUND
		622.07								
122130	4/4/2016		2884 COMCAST							
		110.92	INTERNET		37534	877210595029685 1 3/17/16	50677.6385		UTILITY SERVICE	NAN MCKAY APT BLDG
		110.92	INTERNET		37534	877210595029685 1 3/17/16	50678.6385		UTILITY SERVICE	JOHN CARROLL APT BLDG
		221.84								
122131	4/4/2016		2884 COMCAST							
		142.39	CABLE SERVICES MARCH 2016		37647	877210595021377 3 3/19/16	20250.6375		OTHER CONTRACTED SERVICES	CENTRAL SQUARE
		142.39								
122132	4/4/2016		2884 COMCAST							
		142.39	CABLE SERVICES FEB 2016		37648	877210595021377 3 2/19/16	20250.6375		OTHER CONTRACTED SERVICES	CENTRAL SQUARE
		142.39								
122133	4/4/2016		1204 COMMERS, AMY							
		17.50	MILEAGE TO SCHOOLS/300 BOOKS		37634	3/21/2016	20217.6331	227637	CONFERENCES, TRAINING, TRAVEL	GRANTS/DONATIONS LIBRARY

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122139	4/4/2016		4851 EXPRESS AUTO PARTS						Continued...	
122140	4/4/2016		1380 FACTORY MOTOR PARTS CO							
		18.58	DEGREASER		37552	1-4929318	60703.6220		REPAIR & MAINTENANCE SUPPLIES	CENTRAL GARAGE FUND
		179.98	BATTERY CORE		37553	1-Z07018	60703.6220		REPAIR & MAINTENANCE SUPPLIES	CENTRAL GARAGE FUND
		198.56								
122141	4/4/2016		4662 FLEETPRIDE, INC							
		55.29	GLASS HYDR		37554	75777752	60703.6220		REPAIR & MAINTENANCE SUPPLIES	CENTRAL GARAGE FUND
		55.29								
122142	4/4/2016		1444 FRONTIER AG & TURF							
		180.66	TIRE AND WHEEL ASSEMBLY		37555	P84895	60703.6220		REPAIR & MAINTENANCE SUPPLIES	CENTRAL GARAGE FUND
		180.66								
122143	4/4/2016		1460 GAS TANK RENU MN & RADIATOR							
		350.00	FORKLIFT CORE		37556	68084	60703.6220		REPAIR & MAINTENANCE SUPPLIES	CENTRAL GARAGE FUND
		175.00	LABOR		37556	68084	60703.6371		REPAIRS & MAINT CONTRACTUAL	CENTRAL GARAGE FUND
		50.00	LABOR PRESSURE TEST STRAP		37557	68085	60703.6371		REPAIRS & MAINT CONTRACTUAL	CENTRAL GARAGE FUND
		575.00								
122144	4/4/2016		1485 GLOBE PRINTING & OFFICE SUPPLIES INC							
		169.00	#9 RETURN ENVELOPES		37558	69647 J	10150.6201		OFFICE SUPPLIES	FINANCE
		169.00								
122145	4/4/2016		6738 GREGER, MICHAEL							
		204.00	ESCROW REFUND VARIANCE		37640	2/6/2014	10101.2205	100055	DEPOSITS	GENERAL FUND
		204.00								
122146	4/4/2016		6739 HEISS, MICHAEL AND NICOLE							
		2,325.50	SETTLEMENT AGREEMENT513 8AVE N		37641	3/21/2016	50606.6371		REPAIRS & MAINT CONTRACTUAL	SEWER UTILITY
		2,325.50								
122147	4/4/2016		6740 HOME INTERIOR CONCEPTS LLC							
		25.00	CANCEL BUILDINGPERMIT#SS021041		37642	PERMIT #SS201041	10420.4263		BUILDING	CODE ENFORCEMENT
		1.00	STATE SURCHARGE		37642	PERMIT #SS201041	10101.2083		SURCHARGES	GENERAL FUND
		26.00								
122148	4/4/2016		6398 INNOVATIVE OFFICE SOLUTIONS LLC							

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122159	4/4/2016		1634 RICOH USA, INC.						Continued...	
		31.50	WOOG COPIER		37649	96539379	40407.6580		OTHER EQUIPMENT	EQUIPMENT ACQUISITION F
		494.84	PRINCIPAL		37649	96539379	40407.6603		CAPITAL LEASE-PRINCIPAL	EQUIPMENT ACQUISITION F
		33.66	INTEREST		37649	96539379	40407.6613		CAPITAL LEASE-INTEREST	EQUIPMENT ACQUISITION F
		550.00								
122160	4/4/2016		2389 SAINT PAUL PUBLISHING COMPANY							
		25.00	SSP VOICE SPONSORSHIP LISTING		37646	24094	20250.6341		ADVERTISING	CENTRAL SQUARE
		25.00								
122161	4/4/2016		2403 SCHADEGG MECHANICAL INC							
		100.00	ESCROW REFUND/SITE PLAN REVIEW		37656	RECEIPT #12311	10101.2205	100074	DEPOSITS	GENERAL FUND
		100.00								
122162	4/4/2016		6664 SCREENING REPORTS							
		93.50	TENANT VERIFICATION		37600	220165439	50677.6375		OTHER CONTRACTED SERVICES	NAN MCKAY APT BLDG
		25.00	FIRE ALARM PROJECT/NAN MCKAY		37600	220165439	50677.6560		BUILDING FIXTURES AND IMPRS	NAN MCKAY APT BLDG
		93.50	TENANT VERIFICATION		37600	220165439	50678.6375		OTHER CONTRACTED SERVICES	JOHN CARROLL APT BLDG
		212.00								
122163	4/4/2016		6703 SENTRY SYSTEMS, INC							
		30.00	RESIDENTIAL MONITORING		37602	713064	50677.6375		OTHER CONTRACTED SERVICES	NAN MCKAY APT BLDG
		30.00								
122164	4/4/2016		2464 SHORT ELLIOTT HENDRICKSON INC							
		1,184.37	2016ODOR ORDINANCE TECHSUPPORT		37601	312160	10420.6302		PROFESSIONAL SERVICES	CODE ENFORCEMENT
		1,184.37								
122165	4/4/2016		2509 SOUTH ST. PAUL HIGH SCHOOL							
		25.00	DRAMA CLUB ROMEO JULIET 2016		37645	4/1/2016	20250.6341		ADVERTISING	CENTRAL SQUARE
		25.00								
122166	4/4/2016		2510 SOUTH ST. PAUL PUBLIC SCHOOLS							
		1,665.35	CSCC OFFICE DOOR READER		37650	3/9/2016	20250.6560		BUILDING FIXTURES AND IMPRS	CENTRAL SQUARE
		1,665.35								
122167	4/4/2016		6697 SUPERIOR HOME REMODELING, LLC							
		11,830.00	312 10TH AVE S ENGEL/PYMT#3		37603	1170	20295.1101		ACCOUNTS RECEIVABLE	REHAB LOANS-HRA MONEY
		11,830.00								
122168	4/4/2016		2648 T-MOBILE							

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Check #	Date	Amount	Supplier / Explanation	PO #	Doc No	Inv No	Account No	Subledger	Account Description	Business Unit
122168	4/4/2016		2648 T-MOBILE						Continued...	
		33.84	HOT SPOT		37604	487685314	10315.6390		POSTAGE AND TELEPHONE	ENGINEERING
						3/17/16				
		33.84								
122169	4/4/2016		2664 TRACTOR SUPPLY CREDIT PLAN							
		11.98	AIR HOSE PARTS		37605	183994	20245.6220		REPAIR & MAINTENANCE SUPPLIES	AIRPORT
		9.99	ROPE		37606	183996	10340.6220		REPAIR & MAINTENANCE SUPPLIES	PARKS FACILITIES AND MTNCE
		21.97								
122170	4/4/2016		2767 W.D. LARSON COMPANIES LTD, INC.							
		32.34	RATCHET STRAP		37607	B-260780122	60703.6220		REPAIR & MAINTENANCE SUPPLIES	CENTRAL GARAGE FUND
		160.41	ALTERNATOR/PARTS FOR #334		37608	B-260610202	60703.6220		REPAIR & MAINTENANCE SUPPLIES	CENTRAL GARAGE FUND
		160.41	PARTS FOR #334/ALTERNATOR		37609	B-260640216	60703.6220		REPAIR & MAINTENANCE SUPPLIES	CENTRAL GARAGE FUND
		353.16								
122171	4/4/2016		2786 WATER CONSERVATION SERVICE INC.							
		278.75	LEAK LOCATE FOR CRESTHAVEN		37610	6613	50605.6371		REPAIRS & MAINT CONTRACTUAL	WATER UTILITY
		278.75								
122172	4/4/2016		6639 WHEELCO BREAK & SUPPLY, INC.							
		59.03	SEAL		37611	5260630015	60703.6220		REPAIR & MAINTENANCE SUPPLIES	CENTRAL GARAGE FUND
		37.84	SUCTION HOSE		37612	5260640024	60703.6220		REPAIR & MAINTENANCE SUPPLIES	CENTRAL GARAGE FUND
		59.03	SEAL		37613	5260630015	60703.6220		REPAIR & MAINTENANCE SUPPLIES	CENTRAL GARAGE FUND
		39.14	SEAL		37614	5260690010	60703.6220		REPAIR & MAINTENANCE SUPPLIES	CENTRAL GARAGE FUND
		12.90	PIPE		37615	5260780045	60703.6220		REPAIR & MAINTENANCE SUPPLIES	CENTRAL GARAGE FUND
		207.94								
2016097	3/22/2016		2013 MINNESOTA REVENUE (C)							
		190.88	SALES TAX FEB 2016		37658	FEB 2016	10101.2081		DUE TO OTHER GOVT-SALES	GENERAL FUND
		.47	SALES TAX FEB 2016		37658	FEB 2016	10101.4673		CASH OVER/SHORT	GENERAL FUND
		16.87	SALES TAX FEB 2016		37658	FEB 2016	20230.2081		DUE TO OTHER GOVT-SALES	LIBRARY
		883.82	SALES TAX FEB 2016		37658	FEB 2016	20243.2081		DUE TO OTHER GOVT-SALES	DOUG WOOG ARENA
		13.83	SALES TAX FEB 2016		37658	FEB 2016	20245.2081		DUE TO OTHER GOVT-SALES	AIRPORT
		889.86	SALES TAX FEB 2016		37658	FEB 2016	20250.2081		DUE TO OTHER GOVT-SALES	CENTRAL SQUARE
		406.21	SALES TAX FEB 2016		37658	FEB 2016	50605.2081		DUE TO OTHER GOVT-SALES	WATER UTILITY
		2,401.00								
2016098	3/22/2016		6037 HEALTHPARTNERS-DENTAL							
		1,209.20	DENTAL CLAIMS PAID		37659	03/10-03/16/201	60709.6132		DENTAL CLAIMS PAID	SELF-INSURED DENTAL

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Check #	Date	Amount	Supplier / Explanation	PO #	Doc No	Inv No	Account No	Subledger	Account Description	Business Unit
2016098	3/22/2016	1,209.20	6037 HEALTHPARTNERS-DENTAL						Continued...	
2016099	3/25/2016	405.35	1559 HEALTHPARTNERS HRA REIMBURSEMENT		37660	03/16-03/22/2016	70805.6131		EMPLOYEE HRA REIMBURSEMENT	EMPLOYEE HEALTH REIMBUR
		405.35				6				
2016100	3/28/2016	1,231.12	6037 HEALTHPARTNERS-DENTAL DENTAL CLAIMS PAID		37661	03/17-03/23/2016	60709.6132		DENTAL CLAIMS PAID	SELF-INSURED DENTAL
		1,231.12				6				
2016101	3/28/2016	50.00	6673 LARSON, DEBRA KEYPERSON NAN MCKAY		37662	03/28/2016	50677.6371		REPAIRS & MAINT CONTRACTUAL	NAN MCKAY APT BLDG
		50.00								
2016102	4/1/2016	328.48	1559 HEALTHPARTNERS HRA REIMBURSEMENT		37663	03/23-03/29/2016	70805.6131		EMPLOYEE HRA REIMBURSEMENT	EMPLOYEE HEALTH REIMBUR
		328.48				6				
2016103	4/1/2016	332.59	6037 HEALTHPARTNERS-DENTAL DENTAL CLAIMS PAID		37664	03/24-03/30/2016	60709.6132		DENTAL CLAIMS PAID	SELF-INSURED DENTAL
		332.59				6				
2016104	4/1/2016	228.18	1338 EFTPS		37401	0323161516071	10101.2171		FEDERAL WITHHOLDING	GENERAL FUND
		634.88			37402	0323161516072	10101.2173		FICA TAX WITHHOLDING	GENERAL FUND
		863.06								
2016105	4/1/2016	151.09	2013 MINNESOTA REVENUE (C)		37403	0323161516073	10101.2172		STATE WITHHOLDING	GENERAL FUND
		151.09								
2016106	4/1/2016	382.00	2200 PERA		37404	0323161516074	10101.2174		PERA	GENERAL FUND
		382.00								
2016107	4/1/2016		6372 GREAT-WEST TRUST COMPANY, LLC (EFT)							

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2016116	3/21/2016		6537 FDGL LEASE PAYMENT						Continued...	

603,132.72 Grand Total

Payment Instrument Totals

Checks	456,117.56
EFT Payments	<u>147,015.16</u>
Total Payments	603,132.72



CITY COUNCIL AGENDA REPORT

DATE: APRIL 4, 2016

DEPARTMENT: Airport

ADMINISTRATOR: _____

SPK

8-C

AGENDA ITEM: **Approving Land Lease at Fleming Field with Roger A. Icenogle and Hanna E. Icenogle**

ACTION TO BE CONSIDERED:

Adopt Resolution No. 2016-55 Approving Land Lease at the Fleming Field Airport with Roger A. Icenogle and Hanna E. Icenogle.

Overview:

The City Council is required to approve land leases at the airport. City staff has prepared a land lease for the East 70 feet of Lot 1, Block 13 of Outlot C, Airport Rearrangement, also known as 271 Foxtrot Lane in the East Hangar Area, with Roger A. Icenogle and Hanna E. Icenogle on the approved lease form.

The lease is a non-commercial lease that does not allow for an aviation business to operate on the property, but will allow for Roger A. Icenogle and Hanna E. Icenogle to sublet space to store aircraft. The lease is a 10-year lease with two additional 10-year renewals for a total of 30 years.

Source of Funds:

The lease is at the new rates for 2016 adopted by City Council.

City of South St. Paul
Dakota County, Minnesota

RESOLUTION NO. 2016-55

**RESOLUTION RELATING TO AIRPORT:
APPROVING LAND LEASE AT FLEMING FIELD
WITH ROGER A. ICENOGLE AND HANNA E. ICENOGLE.**

WHEREAS, The City Council has reviewed and considered a Lease for the East 70 feet of Lot 1, Block 13 of Outlot C, Airport Rearrangement (the "Lease");

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of South St. Paul, Minnesota, as follows:

1. That the forms, terms and provisions of the Leases and the transactions contemplated thereby are in all respects, hereby approved and adopted.
2. That the Mayor and the City Clerk are hereby authorized and directed to sign the Leases in the name and on behalf of the City in the form hereby approved.

Adopted this 4th day of April, 2016.

City Clerk

**AIRPORT LAND LEASE AGREEMENT
[GROUND LEASE – EAST SIDE]**

**CITY OF SOUTH ST. PAUL
[Landlord]**

AND

Roger A. Icenogle and Hanna E. Icenogle

[TENANT]

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LEASE AGREEMENT

THIS LEASE AGREEMENT (“Lease”) is made as of the _____ of March, 2016, between the City of South St. Paul, a municipal corporation of the State of Minnesota, (“Landlord”) and **Roger A. Icenogle and Hanna E. Icenogle** (“Tenant”), each of the foregoing being sometimes referred to individually as “party” or collectively as “parties.”

IN CONSIDERATION OF the mutual agreements herein expressed and for valuable consideration, the parties agree as follows:

SECTION 1 LEASE

- 1.1 Landlord hereby leases to Tenant and Tenant hereby leases from Landlord the following real property situated upon the South St. Paul Municipal Airport (“Airport”), a public Airport owned and operated by Landlord, located in the County of Dakota, State of Minnesota:

The East 70 Feet of Lot 1, Block 13, Outlot C Airport Rearrangement

according to the plat thereof on file and of record in the office of the Dakota County Recorder (“Leased Premises”), together with buildings and improvements, if any, located on the Leased Premises. Said Lease Premises has 4,900 total square feet.

- 1.2 Tenant shall have the privilege of using the public portions of the Airport, such as runways and other public facilities provided by Landlord, upon such terms and subject to the rules, regulations and charges for such use as they now exist or may hereafter be established by Landlord by ordinance, resolution or agreement with Tenant.
- 1.3 Tenant agrees that Tenant is leasing the Leased Premises on an “as-is,” “where is” and “with all faults” basis, based upon Tenant’s own judgment, and Tenant disclaims any reliance upon any statement or representation whatsoever made by Landlord regarding the Leased Premises or the Airport. Landlord makes no warranty with respect to the Leased Premises, either express or implied. Landlord specifically disclaims any warranty of merchantability or fitness for any particular purpose and liability for any consequential damages arising out of the use or the inability to use the Leased Premises, or any part thereof.

SECTION 2 LEASE TERM

The term of this Lease (“Term”) shall be ten (10) years commencing on December 8, 2015

("Commencement Date"), unless earlier terminated as provided in this Lease.

SECTION 3
LEASE RENEWAL

- 3.1 Tenant shall have the option to extend the initial Term of this Lease for an additional term of ten (10) years ("First Extended Term") from and after the expiration of the initial Term of this Lease, by giving written notice of the exercise of this option to Landlord not less than one (1) year prior to the expiration of the initial Term of this Lease. Tenant shall also have an option to extend the First Extended Term of this Lease for an additional term of ten (10) years ("Second Extended Term") from and after the expiration of the First Extended Term of this Lease, by giving written notice of the exercise of this option to Landlord not less than one (1) year prior to the expiration of the First Extended Term of this Lease. Each option to renew and each extended term is subject to the following terms and conditions:
- (i) No default exists in the performance by Tenant of any of the terms of this Lease;
 - (ii) Each extended term shall be on the terms, covenants and conditions of the then current lease terms for the same type of tenants (noncommercial, commercial with direct access to public road, or commercial without direct access to public road) and at the highest rental rate for the particular type of tenancy;
 - (iii) With respect to the Second Extended Term that the option for the First Extended Term has been exercised; and
 - (iv) That the Lease Term and any extension term shall not cause the Lease to continue for more than thirty (30) years from the Commencement Date of the Lease.

SECTION 4
RENT

- 4.1 During each year of this Lease, Tenant shall pay to Landlord **on or before March first of each year** an annual rent ("Rent") as provided in Exhibit A, attached hereto and incorporated herein by reference. In the event of any fractional year occurring during the Term of this Lease, Tenant shall pay rent on a pro rata basis calculated on the ratio of the actual number of days of possession by Tenant to the total number of days in the year in question.
- 4.2 In addition to being an event of default entitling Landlord to terminate this Lease, failure to pay Rent by March 1st of each year shall result in a late fee equal to \$50 or five percent (5%) of the Rent due, whichever is greater, per month for each month that the Rent is late.

Nothing in this paragraph shall be interpreted as a waiver of any of the Landlord's rights on the Tenant's default pursuant to any other provision of this Lease.

- 4.3 The Annual Rent shall be adjusted upward as of the first day of March of each year ("Adjustment Date") beginning in the second year of the Lease Term and each year thereafter by three percent (3%) each year for the duration of the Lease Term as set forth in the attached Rent schedule on Exhibit A, attached hereto and incorporated herein by reference. At the commencement of any Extended Lease Term, the Annual Rent shall be adjusted upward to the highest rental rate for the Tenant's particular type of tenancy. Thereafter, the Annual Rent shall be increased by three percent (3%) each year for the duration of the First Extended Term or the Second Extended Term.

SECTION 5
USE OF LEASED PREMISES

- 5.1 The Leased Premises and the building(s) presently thereon shall be used solely for the following purposes and for no other purpose by Tenant or by other parties to whom Tenant may assign this Lease: [check use(s)]

Aircraft storage and uses customarily incidental to aircraft storage, including aircraft storage for rent

Other (specify) _____

- 5.2 Use of the Leased Premises for any purpose not expressly provided for in this Section shall constitute a default under this Lease unless Landlord provides written approval for such use prior to commencement of the use.

SECTION 6
CONDUCT OF OPERATIONS

- 6.1 In the conduct of their authorized activities on the Leased Premises and in the Airport, Tenant and any person or entity operating under any agreement with Tenant, shall furnish services on a fair, equal and non-discriminatory basis to all users thereof, and shall charge fair, reasonable and non-discriminatory prices for each unit of sale or service; provided, however, that Tenant and those operating under agreement with Tenant shall be allowed to make reasonable and non-discriminatory discounts, rebates or other similar types of price reductions to volume purchasers.
- 6.2 Tenant shall have the nonexclusive privilege to use the public portions of the Airport, including, without limitation, parking areas, taxiways and roads, subject to the rules and regulations which now exist or are hereafter enacted by Landlord regarding such use and

subject to such usage charges as may be established by Landlord.

- 6.3 This Lease shall not be construed in any manner to grant Tenant, or those claiming under Tenant, the exclusive right to use any part of the Airport, except the Leased Premises.

SECTION 7
TENANT'S IMPROVEMENT OF THE LEASED PREMISES

- 7.1 Tenant agrees that any improvements constructed by Tenant upon the Leased Premises shall be constructed at no cost to Landlord.
- 7.2 The construction of all improvements on the Leased Premises and the improvements themselves must be built pursuant to the Building Standards Policy attached as Exhibit B, which is herein incorporated by reference.
- 7.3 Before commencing any erection, rebuilding, enlargement, extension or any other improvement of a building, and before commencing any repair or alteration costing in excess of One Thousand Dollars (\$1,000), Tenant shall furnish to Landlord for Landlord's approval:
- (i) The plans for such work;
 - (ii) The estimated cost of completing the work;
 - (iii) Unless waived in writing by Landlord, a bond or other security in amount, form and with surety satisfactory to Landlord, conditioned for the commencement and completion and payment for such work, and against loss or damage by reason of mechanic's liens; and
 - (iv) An insurance policy issued by an insurance company approved by Landlord and in an amount satisfactory to Landlord naming Landlord as an additional insured and protecting Landlord from all liability to persons or property for damages arising out of the contemplated work.
- 7.4 Tenant shall only proceed with the construction of an improvement to a building upon the Leased Premises after receipt of written approval from Landlord for the plans for the building.
- 7.5 Regardless of whether or not the foregoing bonds, security and insurance are waived by Landlord, Tenant shall:
- (i) Prior to the commencement of any construction, repair or alteration, procure from

the necessary authorities any building or other permits that may be required;

- (ii) Do or cause the work to be done in a good and workmanlike manner and to be completed within the required time and in conformity with such building codes, zoning ordinances and regulations and orders of any lawful authority applicable to the Airport;
- (iii) Keep the Leased Premises and every building, structure and improvement on the Leased Premises free and clear from all liens for labor performed and materials furnished therefore;
- (iv) Defend, at Tenant's own cost and expense, each and every lien asserted or filed against any portion of the Leased Premises, or against the building, structure or improvement thereon and pay each and every judgment made or given against any portion of the Leased Premises, or against the building, structure or improvement thereon; and
- (v) Indemnify and hold Landlord harmless from each and every claim, demand, action and cause of action arising out of or in connection with any act or omission of Tenant, or of any agent, employee or contractor of Tenant, with respect to the removal, erection, alteration, enlargement or extension of any building, structure or improvement on the Leased Premises, or arising out of or in connection with the assertion or filing of any lien on said land or against any building, structure or improvement thereon.

SECTION 8 **BUILDING MAINTENANCE**

8.1 **OBLIGATIONS OF TENANT.** Tenant shall: Tenant, at Tenant's own cost and expense, shall take good care of the Leased Premises and shall repair, replace and maintain the buildings, structures and improvements located thereon and shall keep and maintain the same in good order and repair and in a clean and neat condition. Tenant shall not suffer or permit any waste or nuisance on the Leased Premises or anything thereon which interferes with the rights of other tenants or the Landlord in connection with the use of the Airport Leased Premises not leased to Tenant. Landlord shall not be required to repair, replace or maintain any buildings, structures or improvements on the Leased Premises.

SECTION 9 **INSURANCE**

9.1 At all times during the Term of this Lease, Tenant shall keep all buildings on the Leased Premises insured against fire, vandalism, malicious mischief, and windstorm loss or

damage for an aggregate amount equal to one hundred percent (100%) of the fair market value of the buildings or the insurable value, whichever is greater, and any money received from said insurance as a result of any loss or damage to the building shall be divided between Tenant and Landlord as their interest may appear. The policies shall be in a form satisfactory to Landlord, and copies of the insurance policies or certificates thereof evidencing such coverage and that such insurance is payable to Landlord and Tenant shall be furnished to Landlord. Upon the occurrence of loss of or damage to the building, Tenant shall within thirty (30) days repair, rebuild, replace or remove the building, unless Landlord consents in writing to an extended time, which consent shall not be unreasonably withheld or delayed.

- 9.2 Tenant shall, at Tenant's sole cost and expense, maintain in effect at all times during the Term of this Lease a "Commercial General Liability Insurance" policy on an "occurrence" rather than on a "claims made" basis, with a total combined policy limit of not less than the limitation of liability of Landlord under Minnesota Statutes Chapter 466, or any successor statute, which policy shall include, but not be limited to, coverages for Bodily Injury, Property Damage, Personal Injury and Contractual Liability (applying to this Lease), or an equivalent form (or forms), so long as such equivalent form (or forms) affords coverage which is at least as broad as the above. Such policy shall name Landlord as an additional insured. Policies for such liability coverage shall be in a form and issued by an insurer reasonably acceptable to Landlord and shall require at least thirty (30) days prior written notice to Landlord of termination or material alteration. Tenant's liability insurance shall be primary with respect to Landlord and its agents and not participating with any other available insurance. Tenant shall deliver to Landlord on the Commencement Date of this Lease and on each Anniversary Date thereafter insurer-certified copies of such policies, certificates or other evidence reasonably satisfactory to Landlord confirming the terms of such insurance, confirming that premiums thereon have been paid at least one (1) year in advance and confirming that the policies are in full force and effect.
- 9.3 Tenant shall carry owners-tenants combined single limit coverage for bodily injury, property damage and all damages for any one incident of at least One Million Dollars (\$1,000,000.00).
- 9.4 Each party hereto waives all claims for recovery from the other party for any loss or damage to any of its property insured under valid and collectible insurance policies to the extent of any recovery collectible under such insurance, subject to the limitation that this waiver shall apply only when permitted by the applicable policy of insurance. The parties agree to use good faith efforts to have any and all fire, extended coverage or any and all material damage insurance which may be carried endorsed with the following subrogation clause: "This insurance shall not be invalidated should the insured waive any writing prior to a loss, any or all right of recovery against any party for loss occurring to the property described therein."

SECTION 10
INDEMNIFICATION

- 10.1 Tenant agrees to indemnify and hold Landlord harmless from any and all loss, damage, claims, judgments, litigation expenses and costs for any injury to persons or damage to property from any act or omission of Tenant, its employees, agents, subsidiaries, licensees and sublessees while on or about the Airport or the Leased Premises, and Landlord shall not be liable to any extent for, nor will Tenant make any claim against Landlord for or on account of any injury, loss or damage to the Leased Premises, the buildings or structures thereon, the personal property and facilities located therein, or to any person or property at any time on the Leased Premises whether occasioned by fire, water, smoke, steam, gas, electricity or other agency or instrumentality which may come or be on the Leased Premises or occasioned by any other cause. The Tenant's indemnity obligation is not limited by the insurance required in Sections 9.1 and 9.2.
- 10.2 Nothing in this Lease shall cause Landlord in any way to be construed as partner, joint venturer or associated in any way with Tenant in the operation of the Leased Premises, or subject Landlord to any obligation, loss, charge or expense connected with or arising from the operation or use of the Leased Premises or any part thereof.

SECTION 11
PAYMENT OF TAXES AND OTHER CHARGES

Tenant shall pay all taxes, assessments, license fees or other charges that may be levied or assessed during the Term of this Lease upon or against the Leased Premises, any improvements or equipment on the Leased Premises, or on account of the transacting of business thereon by Tenant, including but not limited to all real and personal property taxes. If Tenant shall fail to pay any of the taxes, assessments, license fees or other charges when the same become due, Landlord may pay the same, together with any cost or penalty which may accrue thereon, and collect the entire amount so paid from Tenant and Tenant agrees to pay the entire amount to Landlord upon demand. Tenant recognizes and agrees that the word "taxes" as used in this Section includes any tax which may be imposed and required to be collected pursuant to Minnesota Statutes Section 272.01, subd. 2, or similar successor statute, for the privilege of using and possessing the Leased Premises, which are tax exempt, in the same amount and to the same extent as though Tenant were the owner of the Leased Premises. Tenant acknowledges that the Leased Premises is assessed separately from the Airport for purposes of assessing property taxes, and that Tenant is responsible for paying all such personal property taxes or property taxes to Dakota County.

SECTION 12
SERVICES AND UTILITIES

- 12.1 All utilities for the Leased Premises shall be separately metered. Tenant shall be responsible for any repairs to utilities or utility connections on the Leased Premises. If Tenant fails to make required repairs to any utilities or utility connections within ten (10) days after Landlord has sent written notice to Tenant that the repairs need to be made, Landlord may make such required repairs and Tenant shall pay to Landlord the cost of performing such repair within five (5) days after receipt of a bill for the repair charges.
- 12.2 Tenant agrees to promptly pay all claims, in addition to Rent, for all utilities or other services supplied to or consumed by Tenant on the Leased Premises, including, without limitation, gas, electricity, water, telephone, trash collection, storm water utility and all similar services provided by Landlord.
- 12.3 Tenant shall provide, at Tenant's expense, security lighting and proper electrical service to the Leased Premises. All utility connections, electrical or otherwise, shall be underground.

SECTION 13
TENANT'S FINANCING

- 13.1 Tenant shall have the right to subject the leasehold estate and any and all improvements to one or more mortgages as security for a loan or loans or other obligation of Tenant, provided that:
- (i) The mortgage and all rights acquired under it shall be subject to all of the terms, covenants conditions and restrictions contained in this Lease and to all rights and interests of Landlord, except as otherwise provided in this Lease; and
 - (ii) Tenant shall give Landlord prior notice of any mortgage, together with a copy of it.
- 13.2 If Tenant defaults under the terms of any permitted leasehold mortgage, and the mortgagee acquires Tenant's leasehold estate, whether by exercising its power of sale by judicial foreclosure, or by an assignment in lieu of foreclosure, or of exercise of power of sale, Landlord agrees to postpone the obligation to pay Rent during the sixty (60) days following the mortgagee's acquisition, conditioned upon the following:
- (i) Payments of all taxes, assessment, and insurance premiums required by this Lease to be paid by Tenant are current, or are brought current by mortgagee, and are kept current;
 - (ii) Payments of all utility charges are current or are brought current by mortgagee, and are kept current;
 - (iii) The mortgagee performs all Tenant's obligations with respect to the Leased

Premises and keeps any improvements in good order and repair; and

- (iv) Within seventy-five (75) days following mortgagee's acquisition, mortgagee cures any Rent default of Tenant out of income and rent remaining after paying items (ii) through (iii) above and after mortgagee's reasonable expenses incurred in operating the Leased Premises and improvements.

SECTION 14
RIGHT TO REMOVE BUILDING(S) AT END OF LEASE TERM

- 14.1 Upon termination of this Lease, whether on account of default or by lapse of time, if Tenant shall have paid all taxes, assessments, Rent and other charges payable by Tenant under the terms of this Lease, and shall have kept and performed all the terms and conditions of this Lease, Tenant shall have the right to remove from the Leased Premises all buildings or property thereon belonging to Tenant and shall restore the Leased Premises to as good condition as they were in when they were entered upon by Tenant, reasonable wear and tear excepted, provided Tenant does so within sixty (60) days after the termination of this Lease. If said buildings or property are not so removed within said sixty (60) day period, Tenant hereby conveys and transfers the same to Landlord and the title thereto shall vest in Landlord without further act or conveyance; provided, however, that if following commencement of removal or notice of intention to remove, Tenant shall demonstrate to Landlord that for reasons beyond the control of Tenant such removal cannot be completed within said sixty (60) day period, Landlord may allow Tenant a reasonable extension of time for such removal.
- 14.2 At Landlord's sole discretion, Tenant may be required to remove any and all buildings from the Leased Premises at the end of the Lease Term, regardless of whether the requirements of Section 14.1 have been met. Landlord shall inform Tenant in writing no less than ninety (90) days prior to the end of the Lease Term or Extension Term if Landlord will require Tenant to remove the building(s) from the Leased Premises. Tenant's failure to remove the building(s) at Landlord's direction shall result in Landlord removing the building(s) at Tenant's sole expense.

SECTION 15
TENANT'S RIGHT TO SUBLEASE OR ASSIGN

- 15.1 Sublease. Tenant may not sublease all or any part of the Leased Premises without the prior written approval of Landlord, which approval may not be withheld if all of the conditions in Section 15.3 are met.
- 15.2 Assignment. Tenant may not, voluntarily or by operation of law, assign, mortgage, pledge or otherwise transfer this Lease without the prior written consent of Landlord. If Tenant is

a corporation, then any transfer of this Lease by merger, consolidation or liquidation, or any change in ownership of the shares of voting stock so as to result in a change of the present effective voting control of Tenant shall constitute an assignment of this Lease, and as such, shall require the prior written consent of Landlord.

- 15.3 Landlord's written consent to any proposed assignment or transfer shall not be withheld or delayed if, in the sole discretion of the Landlord, all of the following conditions are satisfied:
- (i) The proposed assignee or sublessee has a net worth at least equal to Tenant's net worth as of the date of the signing of this Lease, or the date of the proposed assignment, whichever is greater;
 - (ii) The proposed assignee or sublessee is creditworthy considering the obligations to be assumed under the Lease;
 - (iii) The proposed assignee or sublessee has experience in operations similar to that being conducted on the Leased Premises;
 - (iv) The use of the Leased Premises will comply with all the requirements of this Lease;
 - (v) Tenant and Tenant's guarantor(s) (if any) and the proposed assignee or sublessee agree to a written amendment to the Lease, in form and substance acceptable to Landlord, that the Rent as of the effective date of such assignment shall be equal to the highest per square foot rent charged for a similar lease at the Airport; and
 - (vi) The proposed assignee or sublessee will continue to use the Leased Premises for the same purpose as the Tenant or for a similar purpose as determined and approved by Landlord at Landlord's sole discretion;
 - (vii) Tenant pays a lease transfer fee to the Landlord in the amount of \$1,000.
- 15.4 If the Lease is assigned to an entity or person other than a member of the Tenant's immediate family before the Infrastructure Fee and accrued interest are fully paid, the Infrastructure Fee and accrued interest shall be due and payable in full on the date the assignment is approved by Landlord.
- 15.5 If Tenant desires to assign the Lease, Tenant shall so notify Landlord in writing at least thirty (30) days prior to the proposed effective date of the assignment. Tenant shall provide Landlord with a copy of the proposed assignment and any other relevant information requested by Landlord.

SECTION 16
QUIET ENJOYMENT

- 16.1 Landlord covenants and agrees with Tenant that upon Tenant's paying said Rent and keeping, paying and performing all the terms, covenants and conditions of this Lease on Tenant's part to be kept, paid and performed, Tenant may, except for reasons beyond the control of Landlord, peaceably and quietly have and hold the Leased Premises for the Term of this Lease.
- 16.2 Notwithstanding the above, Landlord and its agents or representatives shall have the right to enter the Leased Premises and buildings thereon, to inspect the same for operations conducted from and on the Leased Premises and for the purpose of making repairs or improvements to any adjoining premises or to the Airport and to install through or upon the Leased Premises such pipes, wires and appurtenances as it may deem necessary or useful to the operation of the Airport, but the making of such repairs, improvements, or installations shall be done in such manner as will not interfere materially with the use and enjoyment of the Leased Premises by Tenant, except in cases of emergency.

SECTION 17
LANDLORD'S OPERATION OF AIRPORT

Landlord shall properly maintain, operate and manage the Airport at all times in a safe manner consistent with generally accepted good practice in the State of Minnesota for airports of similar size and character. If, for any reason beyond the control of Landlord (including without limitation, war, strikes, riots or acts of God) Landlord shall fail to properly maintain, operate and manage the Airport, such failure shall not operate as a breach of this Lease or render Landlord liable for damages. This section shall not be construed to bind Landlord to operate a traffic control tower at the Airport, nor be construed to bind Landlord to maintain the Leased Premises.

SECTION 18
DEFAULT BY TENANT

- 18.1 The following shall constitute a default by Tenant:
- (i) Tenant fails to pay Rent and such failure to pay shall is not cured within five (5) days from the due date of the payment;
 - (ii) Tenant fails to pay all taxes, assessments, license fees or other charges that may be levied or assessed during the Term of this Lease upon or against the Leased Premises, any improvements or equipment on the Leased Premises, or on account of the transacting of business thereon by Tenant, including but not limited to all real and personal property taxes and such default shall continue for thirty (30) days

after notice of said failure to pay is given to Tenant by the Landlord or Dakota County.

- (iii) Tenant fails to observe or perform any of the non-monetary terms, covenants or conditions of this Lease, and such default shall continue for ten (10) days after notice of default is given by the Landlord or Tenant shall have failed to commence the cure of such default within ten (10) days after such notice;
- (iv) Notwithstanding the requirement contained in Section 18.1(iii) hereof relating to giving the Tenant a ten (10) day period to cure a non-monetary default, in the event of an emergency as determined by the Landlord, the Landlord may perform the work or improvement to be performed by the Tenant without giving any notice to the Tenant and without giving the Tenant the ten (10) day period to cure the default. In such case, the Tenant shall within thirty (30) days after written billing by the Landlord reimburse the Landlord for any and all costs incurred by the Landlord.
- (v) A petition to reorganize Tenant or for an arrangement of its unsecured debts is filed;
- (vi) Tenant is adjudicated bankrupt;
- (vii) A receiver or trustee of Tenant's property is appointed by any Court;
- (viii) Tenant makes a general assignment for the benefit of creditors;
- (ix) The entirety of Tenant's interest in Tenant's property shall be taken by garnishment, attachment, execution or other process of law; or
- (x) The Leased Premises is abandoned for a period of thirty (30) days.

18.2 In the event of any default, in addition to any other remedies available to Landlord at law or equity, Landlord shall have the following rights:

- (i) Immediately, or at any time thereafter, without further notice to Tenant, to re-enter into or upon the Leased Premises, or any part thereof, and take possession of the same fully and absolutely without such re-entry working a forfeiture of the Rents or other charges to be paid and of the covenants, terms and conditions to be performed by Tenant for the full Term of this Lease, and in the event of such re-entry Landlord may seek the collection of the Rents or other charges to be paid under this Lease or for the properly measured damages and for the collection of its reasonable attorney's fees; and
- (ii) Landlord shall further have all other rights and remedies including injunctive relief,

ejectment or summary proceedings in unlawful detainer, and any or all legal remedies, actions and proceedings, and all such shall be cumulative Landlord shall be entitled to its reasonable attorney's fees arising from or attributable to any such breach.

18.3 In the event of any default, in addition to any other remedies available to Landlord at law or in equity, including those set forth in Paragraph 18.2, Landlord shall have the immediate right and option to terminate this Lease and all rights of Tenant hereunder by giving written notice of such intention to terminate. In the event that Landlord shall so terminate this Lease as a result of Tenant's default, Landlord may:

- (i) Retain any payment(s) made by Tenant as provided in Section 4 *[for Rent]* prior to the termination of this Lease.
- (ii) Recover from Tenant the amount of any unpaid Rent which had been earned at the time of such termination;
- (iii) Recover from Tenant all expenses incurred by Landlord in terminating, repossessing and reletting the Leased Premises including but not limited to costs of repairs, brokerage and legal fees, and the collection of Rent;
- (iv) Recover from Tenant any deficiency between the Rent for the remainder of the Term and the payments, if any, received by Landlord from any reletting of the Leased Premises, or, if elected by Landlord as liquidated and final damages for lost Rent, in addition to the deficiencies accruing through the date of such election, a lump sum equal to the present value (calculated by discounting at the stated rate of interest payable under any first mortgage or deed of trust on the Property or one (1) percent per annum over the discount rate of the Federal Reserve Bank of Minneapolis, whichever is less) as of the date of such election of the amount by which Rent for the remainder of the Term exceeds the then reasonable rental value of the Leased Premises over the remainder of the Term; and
- (v) Recover from Tenant any reasonable attorneys' fees incurred by Landlord in enforcing its rights hereunder.

SECTION 19
WAIVER

Landlord's waiver of any of the rights remedies, terms or conditions of this Lease on any occasion shall not constitute a waiver of any rights, remedies, terms or conditions with respect to any subsequent breach or default under the terms of this Lease.

SECTION 20
LEGAL COSTS

If Landlord incurs any costs to collect or recover any amount due or to become due under this Lease or to recover possession of the Leased Premises or files suit upon Tenant for the collection of any amount due or to become due or the recovery of possession of the Leased Premises or the enforcement of any of Tenant's covenants hereunder, Landlord will be entitled to reimbursement of its reasonable attorneys' fees and costs where Landlord is successful in its efforts for the collection of any amounts due or the recovery of possession of the Leased Premises.

SECTION 21
LIEN ON TENANT'S PROPERTY

As security for the payment to Landlord of all sums required to be paid by Tenant under the terms of this Lease, Tenant does hereby grant a lien upon and does mortgage to Landlord the buildings, structures and/or improvements located or to be located upon the Leased Premises at any time during the Term of this Lease, and does hereby authorize Landlord upon failure of Tenant to cure any default within the time provided for in Section 18, to take said property and sell and dispose of the same, to foreclose the lien hereby created in the manner provided by the laws of the State of Minnesota subject, however, to the lien of mortgages given by Tenant to finance the construction of the building to be constructed pursuant to this Lease, retaining such amount as shall pay any sums due and owing Landlord under the terms of this Lease, and any attorney's fees and expenses as may have been incurred in connection therewith, and returning the excess, if any, to Tenant. In the event of sale, Landlord may bid in and become the purchaser of the property sold under foreclosure hereunder.

SECTION 22
CONDEMNATION

If it shall be in the public interest, Landlord shall have the power to condemn any part or the entirety of the Leased Premises even though it is a party to the Lease. In the event Landlord receives notification of any condemnation proceedings affecting the Leased Premises, Landlord will provide notice of the proceeding to Tenant within fifteen (15) days. If a condemning authority takes all or any part of the Leased Premises as part of a taking or condemnation action, this Lease will automatically terminate as of the day of the taking or condemnation. Tenant waives any and all claim to any portion of a condemnation award awarded to Landlord.

SECTION 23
DESTRUCTION OF LEASED PREMISES

If the buildings on the Leased Premises are partially or completely destroyed, either Landlord or Tenant shall have the right to terminate this Lease upon thirty (30) days written notice

to the other party.

SECTION 24
LEASE AMENDMENTS

- 24.1 Any of the terms of this Lease may be amended upon the mutual agreement, in writing, of Landlord and Tenant, which must be executed with the same formalities as this instrument.
- 24.2 This Lease is subject to the approval of federal and state agencies. The parties agree to modify this Lease as may be necessary to obtain approval by any federal or state agencies, provided, however, that such modification does not substantially change the Term, Rent or area leased. If the modification would substantially change the Term, Rent or area leased, either party may terminate this Lease by written notice to the other party.

SECTION 25
BINDING ON SUCCESSORS

Except as herein otherwise provided, all the terms, covenants and conditions of this Lease shall be binding upon and inure to the benefit of the legal representatives, successors, assigns and subsidiaries of both Landlord and Tenant.

SECTION 26
COMMITMENTS TO FEDERAL OR STATE AGENCIES

Nothing herein shall be construed to prevent Landlord from making such commitments as it desires to the Federal Government or to the State of Minnesota in order to qualify for the expenditure of federal or state funds on the Airport.

SECTION 27
AIRCRAFT REGISTRATION

Tenant agrees that any aircraft that is based at, stored at or utilizes the Airport under this Lease shall be currently in compliance with the aircraft registration requirements set forth in Minnesota Statutes Chapter 360.

SECTION 28
APRON AND TAXIWAY

- 28.1 Apron. At Tenant's own expense, Tenant shall construct, maintain, repair and replace an apron to serve the Leased Premises.
- 28.2 Taxiway. If Landlord constructs a taxiway to serve the Leased Premises as well as other areas, Landlord may require Tenant to pay the amount resulting from the following

formula:

- (i) First, Landlord shall calculate the total cost of construction of the taxiway, including all engineering, legal and administrative costs associated therewith;
- (ii) Second, the amounts that Landlord actually receives from federal and state grants for the taxiway, if any, shall be subtracted from the total cost;
- (iii) Third, the resulting figure from steps (i) and (ii) above shall be multiplied by a factor where the denominator is the total amount of leased or to be leased frontage that abuts taxiway (including the frontage leased to Tenant as well as others) and the numerator is the frontage of the Leased Premises abutting the taxiway;
- (iv) The figure resulting from step (iii) above shall be paid by Tenant.

SECTION 29 **SIGNS**

Tenant may erect suitable advertising signs on the Leased Premises to advertise Tenant's business, provided that the form, type, size and method of installation shall first be approved by Landlord.

SECTION 30 **AVIATION FUEL**

Tenant shall not have the right to sell, dispense, give or transfer aviation fuel, except to fuel aircraft owned by or exclusively leased to Tenant. There shall be no storage of flammable materials, liquids or fuels in open containers in or upon the Leased Premises.

SECTION 31 **LEASE SUBJECT TO GOVERNMENT DEED RESTRICTIONS**

31.1 Tenant understands and agrees that all terms and conditions of the deed between Landlord and the Navy Department, which deed is known as the Surplus Property Deed, which consists of a Quit Claim Deed dated December 22, 1950, and a corrected deed October 4, 1951, are herewith incorporated by reference into the terms of this Lease. In the event of any conflict between this Lease and that deed and all conditions imposed by the deed or other governmental grants, reservations, statutes or regulations, this Lease shall stand amended to conform thereto. In the event such reformation substantially impairs the rights and obligations of this Lease, the Lease shall stand terminated by written notice from Landlord to Tenant, such notice to include the basis for the termination and Rents to be prorated as of that date. Specifically, but not in limitation hereof, it is understood and

agreed that this Lease is also subject to the so-called "Sponsor's Assurances" made by Landlord to the State and/or Federal Governments in connection with improvement grants, parts of which are as follows:

"The Sponsor agrees that it will operate the Airport for the use and benefit of the public, on fair and reasonable terms, and without unjust discrimination. In furtherance of this covenant (but without limiting its general applicability and effect), the Sponsor specifically covenants and agrees:

- (a) That in any agreement, contract, lease or other arrangement under which a right or privilege at the Airport is granted to any person, firm or corporation to render any service or furnish any parts, materials or supplies (including the sale thereof) essential to the operation of aircraft at the Airport, the Sponsor will insert and enforce provisions requiring the contractor:
 - (1) to furnish good, prompt and efficient service adequate to meet all the demands for its service at the Airport;
 - (2) to furnish said service on a fair, equal and nondiscriminatory basis to all users thereof, and
 - (3) to charge fair, reasonable and nondiscriminatory prices for each unit of sale or service: Provided, however, that the contractor may be allowed to make reasonable and nondiscriminatory discounts, rebates or similar types of price reductions to volume purchasers.
- (b) That it will not exercise or grant any right or privilege which would operate to prevent any person, firm or corporation operating aircraft at the Airport from performing any services on its own aircraft with its own employees (including but not limited to, maintenance and repair) that it may choose to perform;
- (c) That if the Sponsor exercises any of the rights or privileges set forth in subsection (a) of this paragraph, it will be bound by and adhere to the condition specified for contractors set forth in said subsection (a)."

SECTION 32

HAZARDOUS SUBSTANCES

- 32.1 Tenant shall take no act or allow any act to be taken that will subject the Leased Premises to “superfund” type liens or claims by regulatory agencies or other entities arising from the actual or threatened release, deposit or existence of hazardous substances (defined below) in, on or about the Leased Premises. Tenant agrees to indemnify, defend and hold Landlord harmless from and against any and all claims, penalties, forfeitures, suits or liabilities of any type or nature (including cost of defense, settlement and reasonable attorneys’ fees) incurred by Landlord hereafter or for which Landlord shall become responsible for or pay as a result of any or all of the following:
- (i) Death or bodily injury to any person;
 - (ii) Structural damage to any property;
 - (iii) Contamination of or detrimental effect upon the environment; or
 - (iv) Violation of governmental laws, orders or regulations
- as a result of or due to the actual or threatened release of hazardous substances claimed or alleged to have been deposited, stored, disposed of, placed or otherwise located in, on or about the Leased Premises.
- 32.2 Tenant shall not store or possess any hazardous substances on the Leased Premises unless the same are stored or possessed in a manner that complies with all applicable laws, and in no event shall Tenant dispose of any hazardous substances on the Leased Premises without the express prior written consent of Landlord, which consent may be withheld at Landlord’s sole discretion.
- 32.3 As used in this Lease, the term “hazardous substances” is defined to include any substances, wastes, contaminants or pollutants that are now or hereafter shall be included within the definition of such term or similar replacement term, under any federal, state or local statute, ordinance, code or regulation now existing or hereafter enacted or amended, including but not limited to the Minnesota Environmental Response and Liability Act, Minnesota Statutes Chapter 115B; Minnesota Petroleum Tank Release Clean-Up Act, Minnesota Statutes Chapter 115C as amended by Superfund Amendments and Reauthorization Act of 1986; the Asbestos Abatement Act, Minnesota Statutes Sections 326.70 through 326.81; and the State Environmental Lien Statute, Minn. Stat. §514.672, et. Seq.
- 32.4 Tenant shall promptly provide Landlord with copies of all notices or reports received or submitted by it to or from any governmental agency or other third party with respect to the

storage, processing, disposal, release or threatened release of hazardous substances into or onto the Leased Premises or any adjacent property.

SECTION 33
GENERAL PROVISIONS

- 33.1 The Leased Premises are to be used primarily for the storage of aircraft. No more than twenty (20) percent of the floor area of a building may be used for non-aviation vehicles or items, and any non-aviation vehicles may not exceed forty-eight (48) inches in height as measured from the floor to the highest point of the vehicle. No vehicle may be stacked or placed on top of another vehicle or any object in such a manner that the total height of the combination of the vehicle(s) exceeds forty-eight (48) inches in height.
- 33.2 Tenant shall comply with all terms and conditions set forth in the most recently adopted South St. Paul Airport Operations Manual and any amendments or revisions to the Manual.
- 33.3 Tenant shall comply with the all terms and conditions set forth in the Airport Contract Requirements attached as Exhibit C and incorporated herein by reference, and any amendments or revisions to the same.
- 33.4 Tenant and Tenant's employees, agents, contractors and invitees shall, at all times while on or about any part of the Airport, obey all Airport traffic rules and regulations.
- 33.5 Tenant agrees that this Lease shall terminate in the event of the withdrawal or revocation of any permit or approval to operate the Airport granted to Landlord by the agencies or agency having jurisdiction over the Airport, or the revocation of the licenses issued to Landlord for the operation of the Airport with the rents prorated as of such termination.
- 33.6 Tenant agrees that the Leased Premises are subject to all easements and encumbrances of record. Tenant shall not interfere with said easements.
- 33.7 Tenant agrees that the Leased Premises are subject to the right of Landlord to locate, construct, maintain, reconstruct and repair an Airport beacon and wiring relating thereto on the subject Leased Premises; Landlord shall also have a right of access to the Leased Premises for the purpose of locating, construction, maintaining, reconstructing and repairing the Airport beacon and wiring.

SECTION 34

NOTICES

34.1 All notices or communications required or permitted by this Lease must be written and may be given personally, electronically, or sent by certified United States mail, postage prepaid, or overnight courier at the following addresses:

If to Landlord: Terminal Building
1725 Henry Avenue
South St. Paul, MN 55075
Attn: Airport Manager

If to Tenant: Roger A. Icenogle and Hanna E. Icenogle
8832 River Heights Way
Inver Grove Heights, MN 55076

Email: icenogle5@comcast.net
Phone: (651) 457-5946

34.2 Either party may change their address by providing written notice of the party's new address to the other party.

SECTION 35 DATA PRACTICES ACT

Information supplied by Tenant to Landlord is subject to the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13 (the "Act"). Such information shall become public unless it falls into one of the exceptions of the Act. Tenant shall notify Landlord in writing of any data Tenant believes is classified as non-public.

SECTION 36 ENTIRE AGREEMENT

This Lease contains the entire agreement between the parties. No promise, representation, warranty, or covenant not included in this Lease has been or is relied on by either party. Each party has relied on his/her/its own examination of this Lease, the counsel of her/her/its own advisors and the warranties, representations, and covenants in the Lease itself. The failure or refusal of either party to inspect the Leased Premises or improvements, to read the Lease or other documents or to obtain legal or other advice relevant to this transaction constitutes a waiver of any objection, contention or claim that might have been based on such reading, inspection or advice.

SECTION 37

CAPTIONS; TABLE OF CONTENTS

The table of contents and the captions of the various sections of this Lease are for convenience and ease of reference only and do not define, limit, augment or describe the scope, content, or intent of this Lease or of any part or parts of this Lease.

SECTION 38 **COUNTERPARTS**

This Lease may be executed in two or more counterparts, each of which shall be an original, but all of which shall constitute one and the same instrument.

SECTION 39 **GOVERNING LAW**

This Lease shall be governed, construed and enforced in accordance with the laws of the State of Minnesota.

SECTION 40 **CONFLICT OF INTEREST**

Tenant represents and warrants that no official, officer, or employee of Landlord has or will have any interest, direct or indirect, in this Lease or the transactions contemplated by it.

SECTION 41 **MEMORANDUM OF LEASE**

If either party requests the other party to do so, the parties shall execute a memorandum of lease in recordable form acceptable to both parties. The memorandum of lease may be recorded by either party at its expense in the appropriate land records office.

SECTION 42 **THIRD PARTY BENEFICIARIES**

Neither this Lease nor any provision of it shall create any right in favor of or impose any obligation upon any person or entity other than the parties to this Lease and their respective successors and permitted assigns.

SECTION 43 **COMPLIANCE WITH LAWS AND REGULATIONS**

Tenant shall comply with all laws of the United States the State of Minnesota and with all

ordinances, rules, regulations and orders of any of the foregoing, and of any department thereof. Tenant shall comply with all ordinances, rules and regulations of Landlord relating to the Leased Premises and with respect to control of ground and air traffic, aircraft operations and the general use of the Airport.

SECTION 44
FORCE MAJEURE

The time within which any of the parties hereto shall be required to perform any act or acts under this Lease, except for payment of monies, shall be extended to the extent that the performance of such act or acts shall be delayed by acts of God, fire, windstorm, flood, explosion, collapse of structures, riot, war, labor and/or legal disputes, delays or restrictions by government bodies, inability to obtain or use necessary materials, or any cause beyond the reasonable control of such party (any such delay being called "unavoidable delay" in this Lease), provided however, that the party entitled to such extension hereunder shall give prompt notice to the other party of the occurrence causing such delay.

SECTION 45
NON-DISCRIMINATION

Tenant, Tenant's successors in interest and permitted assigns, as a part of the consideration hereof, do covenant and agree to the following as covenants running with the land:

- (i) That no person shall be excluded from participation in, denied the benefits of or be otherwise subjected to discrimination in the use of the facilities on the Leased Premises on the grounds of race, sex, color, creed or national origin;
- (ii) That in the construction of any improvements on, over, or under such land and the furnishing of services thereon, no person shall be excluded from participation in, denied the benefits of or otherwise be subjected to discrimination on the grounds of race, sex, color, creed or national origin; and
- (iii) That Tenant shall use the Leased Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federal-assisted programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and said Regulations as may be amended. In the event of a breach of any of the above nondiscrimination covenants, Landlord shall have the right to terminate this Lease and to re-enter and repossess the Leased Premises, and hold the same as if said Lease had never been made or issued.

SECTION 46
SEVERABILITY

If any provision of this Lease or the application thereof to either party or any circumstance is unenforceable to any extent, the remainder of this Lease and the application of such provision to the other party or circumstances will not be affected thereby and will be enforceable to the greatest extent permitted by law.

IN WITNESS WHEREOF, the parties have executed this Lease, or caused it to be executed by their or its duly authorized representative(s), as of the day and year first above written.

LANDLORD:
CITY OF SOUTH ST. PAUL

TENANT:
Roger A. Icenogle and Hanna E. Icenogle

By: _____
Name: Beth Baumann
Title: Mayor

By: _____

Attest:

By: _____
Name: Christy M. Wilcox
Title: City Clerk

STATE OF MINNESOTA)

)

ss.

Landlord Acknowledgment

COUNTY OF DAKOTA)

)

The foregoing instrument was acknowledged before me this ___ day of _____, 2016, by Beth Baumann and Christy Wilcox, the Mayor and the City Clerk of the City of South St. Paul, a Minnesota municipal corporation, on behalf of the corporation.

Notary Public

STATE OF MINNESOTA)

)

ss.

Tenant Acknowledgment

COUNTY OF DAKOTA)

)

[Individual]

The foregoing instrument was acknowledged before me this ___ day of _____, 2016, by Roger A. Icenogle and Hanna E. Icenogle.

Notary Public

EXHIBIT A

RENT SCHEDULE

The Rent for the Leased Premises shall be as follows.

INITIAL LEASE TERM	RENT/ SQ.FOOT	ANNUAL RENT
December 8, 2015 - December 31, 2015	\$ 0.248	\$ 76.57 ¹
January 1, 2016 – December 31, 2016	\$ 0.255	\$ 1,249.50
January 1, 2017 – December 31, 2017	\$ 0.263	\$ 1,288.70
January 1, 2018 – December 31, 2018	\$ 0.271	\$ 1,327.90
January 1, 2019 – December 31, 2019	\$ 0.279	\$ 1,367.10
January 1, 2020 – December 31, 2020	\$ 0.287	\$ 1,406.30
January 1, 2021 – December 31, 2021	\$ 0.296	\$ 1,450.40
January 1, 2022 – December 31, 2022	\$ 0.305	\$ 1,494.50
January 1, 2023 – December 31, 2023	\$ 0.314	\$ 1,538.60
January 1, 2024 – December 31, 2024	\$ 0.323	\$ 1,582.70
January 1, 2025 – December 7, 2025	\$ 0.333	\$ 1,528.88 ²

¹ - .248 * 4,900 * (23/365)

² - .333 * 4,900 * (342/365)

EXHIBIT B

BUILDING STANDARDS POLICY

The City of South St Paul will require the following for hangar built in Airport Rearrangement 3rd, 4th and 5th Additions:

Soffits - a minimum of 12 inches

Gable Overhangs- a minimum of 12 inches

Wainscot- a minimum of 42 inches with a maximum of 48 inches

Siding- 29-gauge factory painted baked on enamel paint

Colors:

Building- Pebble Beige

Wainscot, Soffit, Fascia, Overhangs and Trim- Evergreen, Vintage Burgundy, or Slate Blue

Roof- White, or match the wainscot

EXHIBIT C

AIRPORT CONTRACT REQUIREMENTS

1. (/a) Tenant for itself, its heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land, that in the event facilities are constructed, maintained, or otherwise operated on the Leased Premises for a purpose for which a DOT program or activity is extended or for another purpose involving the provision of similar services or benefits, Tenant shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to 49 CFR Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation, and as said Regulations may be amended. (49 CFR Part 21 – DOT Title VI Assurance – AC 150/5100-15A)

2. (/a) Tenant for itself, its personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that:
 - (a) No person on the grounds of race, color or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of the Leased Premises;
 - (b) That in the construction of any improvements on, over, or under such Leased Premises and the furnishing of services thereon, no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination; and
 - (c) That Tenant shall use the Leased Premises in compliance with all other requirements imposed by or pursuant to 49 CFR Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation, and as said Regulations may be amended. (49 CFR Part 21 – DOT Title VI Assurance – AC 150/5100-15A)

3. (/b) Tenant agrees to furnish service on a fair, equal and not unjustly discriminatory basis to all users thereof, and to charge fair, reasonable, and no unjustly discriminatory prices for each unit or service, PROVIDED, that Tenant may be allowed to make reasonable and nondiscriminatory discounts, rebates, or other similar types of price reductions to volume purchasers. (Grant Assurance 22)

4. (/b) Tenant assures that it will comply with pertinent statutes, Executive Orders and such rules as are promulgated to assure that no person shall, on the grounds of race, creed, color, national origin, sex, age, or handicap be excluded from participating in any activity

conducted with or benefiting from Federal assistance. This Provision obligates Tenant or its transferee for the period during which Federal assistance is extended to the airport program, except where Federal assistance is to provide, or is in the form of personal property or real property or interest therein or structures or improvements thereon. In these cases, the Provision obligates Tenant or any transferee for the longer of the following periods:

- (a) The period during which the Leased Premises is used by the sponsor or any transferee for a purpose for which Federal assistance is extended, or for another purpose involving the provision of similar services or benefits; or
- (b) The period during which the Airport sponsor or any transferee retains ownership or possession of the Leased Premises.

In the case of contractors, this Provision binds the contractors from the bid solicitation period through the completion of the contract. (AAIA of 1982, Section 520 – AC 150/5100-15A)

- 5. (b) Tenant agrees that it practices nondiscrimination in their activities and will provide DBE participation in their leases as required by the sponsor, in order to meet the sponsor's goals, or required by the FAA in order to obtain an exemption from the prohibition against Long-term exclusive leases. (49 CFR Part 23 – AC 150/5100-15A)
- 6. (b) Tenant agrees that it shall insert the above five provisions in any lease (agreement, contract, etc.) by which Tenant grants a right or privilege to any person, firm or corporation to render accommodations and/or services to the public on the Leased Premises. (See the documents referenced for the above clauses)
- 7. (b) It is hereby specifically understood and agreed that nothing herein contained shall be construed to grant or authorize the granting of an exclusive right to provide aeronautical services to the public as prohibited by Section 308(a) of the Federal Aviation Act of 1958, as amended, and Landlord reserves the right to grant to others the privilege and right of conducting any one or all activities of an aeronautical nature. (Federal Aviation Act of 1958 Section 308(a) – AC 150/5100-16A)
- 8. (c) Landlord reserves the right to further develop or improve the landing area of the Airport as it sees fit, regardless of the desires or view of Tenant, and without interference or hindrance. (FAA Order 5190.6A - AGL-600)
- 9. (c) Landlord reserves the right, but shall not be obligated to Tenant, to maintain and keep in repair the landing area of the Airport and all publicly-owned facilities of the Airport, together with the right to direct and control all activities of Tenant in this regard. (FAA

Order 5190.5A – AGL-600)

10. (/c) This Lease shall be subordinate to the provisions of and requirements of any existing or future agreement between Landlord and the United States, relative to the development, operation, or maintenance of the Airport. (FAA Order 5190.6A – AGL-600)
11. Tenant agrees to comply with the notification and review requirements covered in Part 77 of the Federal Aviation Regulations in the event any future structure or building is planned for the Leased Premises, or in the event of any planned modification or alteration of any present or future building or structure situated on the Leased Premises. (FAA Order 5190.6A – AGL-600)
12. There is hereby reserved to Landlord, its successors and assigns, for the use and benefit of the public, a right of flight for the passage of aircraft in the airspace above the surface of the Leased Premises. This public right of flight shall include the right to cause in said airspace any noise inherent in the operation of any aircraft used for navigation or flight through the said airspace or landing at, taking off from, or operation on the Airport. (FAA Order 5190.6A – AGL-600)
13. By accepting this, Tenant expressly agrees for itself, its successors and assigns that it will not erect nor permit the erection of any structure or object nor permit the growth of any tree on the Leased Premises, above a mean sea level elevation of _____* feet. In the event the aforesaid covenants are breached, Landlord reserves the right to enter upon the Leased Premises and to remove the offending structure or object and cut the offending tree, all of which shall be at the expense of Tenant. (FAA Order 5190.6A – AGL-600)
14. By accepting this Lease, Tenant expressly agrees for itself, its successors and assigns that it will not make use of the Leased Premises in any manner which might interfere with the landing and taking off of aircraft from the Airport or otherwise constitute a hazard. In the event the aforesaid covenant is breached, Landlord reserves the right to enter upon the Leased Premises and cause the abatement of such interference at the expense of Tenant. (FAA Order 5190.6A – AGL-600)
15. (/d)** This Lease and all the provisions hereof shall be subject to whatever right the United States Government now has or in the future may have or acquire affecting the control, operation, regulation, and taking over of the Airport or the exclusive or nonexclusive use of the Airport by the United States during the time of war or national emergency. (Surplus Property Act of 1944 – FAA Order 5190.6A – AGL-600)
16. (/b) It is clearly understood by Tenant that no right or privilege has been granted which would operate to prevent any person, firm, or corporation operating aircraft on the Airport from performing any services on its own aircraft with its own regular employees (including, but

not limited to maintenance and repair) that it may choose to perform. (Assurance 22 – FAA Order 5190.6A – AGL-600)

17. (/e) This Lease is subject to the requirements of the U.S. Department of Transportation’s regulations 49 CFR Part 23, Subpart F. Tenant agrees that it will not discriminate against any business owner because of the owner’s race, color, national origin, or sex in connection with the award or performance of any concession agreement covered by 49 CFR Part 23, Subpart F. Tenant also agrees to include the above statements in any subsequent complementary aeronautical activity agreements that it enters into and cause those businesses to similarly include the statements in further agreements. (49 CFR Part 23, Subpart F)

Notes

- /a Mandatory in all leases/agreements if airport is obligated by a Federal Agreement since January 30, 1965.
- /b Mandatory in all leases/agreements for aeronautical services at airports subject to continuing obligations under FAAP/ADAP/AIP Agreements.
- /c Mandatory in all Use Agreements permitting aeronautical operations from adjoining non-airport property.
- /d Mandatory in all leases/agreements at airports acquired in whole or in part under Federal Surplus Property Transfer (unless the National Emergency Use Provision of the Surplus Transfer Document has been specifically released by the FAA).
- /e Mandatory in all complementary aeronautical activity leases/agreements executed after June 1, 1992.
- * Insert the number of feet mean sea level applicable to the most critical area of the parcel contained in this Lease in accordance with Part 77 of the Federal Aviation Regulations. If required, the area of a lease may be subdivided as shown on a property map to provide more than one height limitation, or more restrictive height limitations may be imposed at the discretion of the Sponsor.
- ** If the airport is not subject to the National Emergency Use Provision generally contained in Surplus Property Instruments of Disposal, Paragraph 15 above may be modified to exclude that portion of the provision, “or the exclusive or nonexclusive use of the Airport by the United States during the time of war or national emergency.”

BILL OF SALE

FOR VALUABLE CONSIDERATION, Howard J. Mondry and Alice J. Mondry, husband and wife, Seller (whether one or more), hereby sell and convey to Roger A. Icenogle and Hanna E. Icenogle, husband and wife, as joint tenants, Buyer (whether one or more), the following personal property:

That certain aircraft hangar, being a pole building having the dimensions of 48' by 50' and situated at 271 Foxtrot Lane of the South St. Paul Municipal Airport, a/k/a Richard E. Fleming Field, or simply, Fleming Field, 1725 Henry Avenue South, South St. Paul, Dakota County, Minnesota.

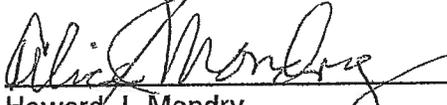
subject to the following liens, claims or encumbrances: None.

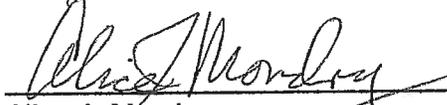
Seller agrees that Seller is the owner of the personal property described above; that the personal property is free from all encumbrances; and that Seller has the right to sell and convey the personal property to Buyer. Seller agrees to warrant and defend the sale of the personal property to Buyer against any and all person(s) who claim title to the above described personal property. This Bill of Sale shall bind the Seller and benefit the Buyer and their successors and assigns.

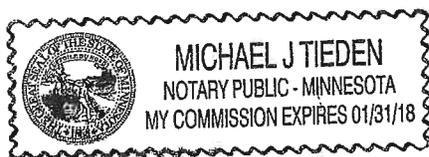
Dated this 9th day of December, 2015.

x 
Notary Public

SELLER


Howard J. Mondry,
by Alice J. Mondry, Attorney-in-Fact


Alice J. Mondry





CITY COUNCIL AGENDA REPORT

DATE: APRIL 4, 2016

DEPARTMENT: Airport

ADMINISTRATOR: _____

SPK

8-D

AGENDA ITEM: Approving Land Lease at Fleming Field with Keith Miesel

ACTION TO BE CONSIDERED:

Adopt Resolution No. 2016-56 Approving Land Lease at the Fleming Field Airport with Keith Miesel.

Overview:

The City Council is required to approve land leases at the airport. City staff has prepared a land lease for the Lot 2, Block 2, Airport Rearrangement – 3rd Addition, also known as 1911 Southgate Lane in the East Hangar Area, with Mr. Keith Miesel on the approved lease form.

The lease is a non-commercial lease that does not allow for an aviation business to operate on the property, but will allow for Keith Miesel to sublet space to store aircraft. The lease is a 10-year lease with two additional 10-year renewals for a total of 30 years.

Source of Funds:

The lease is at the new rates for 2016 adopted by City Council.

City of South St. Paul
Dakota County, Minnesota

RESOLUTION NO. 2016-56

**RESOLUTION RELATING TO AIRPORT:
APPROVING LAND LEASE AT FLEMING FIELD
WITH KEITH MIESEL**

WHEREAS, The City Council has reviewed and considered a Lease for Lot 2, Block 2, Airport Rearrangement – 3rd Addition (the “Lease”);

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of South St. Paul, Minnesota, as follows:

1. That the forms, terms and provisions of the Leases and the transactions contemplated thereby are in all respects, hereby approved and adopted.
2. That the Mayor and the City Clerk are hereby authorized and directed to sign the Leases in the name and on behalf of the City in the form hereby approved.

Adopted this 4th day of April, 2016.

City Clerk

**AIRPORT LAND LEASE AGREEMENT
[GROUND LEASE – EAST SIDE]**

**CITY OF SOUTH ST. PAUL
[Landlord]**

AND

Keith Miesel

[TENANT]

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LEASE AGREEMENT

THIS LEASE AGREEMENT (“Lease”) is made as of the 25th of March, 2016, between the City of South St. Paul, a municipal corporation of the State of Minnesota, (“Landlord”) and **Keith Miesel** (“Tenant”), each of the foregoing being sometimes referred to individually as “party” or collectively as “parties.”

IN CONSIDERATION OF the mutual agreements herein expressed and for valuable consideration, the parties agree as follows:

SECTION 1 **LEASE**

- 1.1 Landlord hereby leases to Tenant and Tenant hereby leases from Landlord the following real property situated upon the South St. Paul Municipal Airport (“Airport”), a public Airport owned and operated by Landlord, located in the County of Dakota, State of Minnesota:

Lot 2, Block 2, Airport Rearrangement – 3rd Edition

according to the plat thereof on file and of record in the office of the Dakota County Recorder (“Leased Premises”), together with buildings and improvements, if any, located on the Leased Premises. Said Lease Premises has **6022** total square feet.

- 1.2 Tenant shall have the privilege of using the public portions of the Airport, such as runways and other public facilities provided by Landlord, upon such terms and subject to the rules, regulations and charges for such use as they now exist or may hereafter be established by Landlord by ordinance, resolution or agreement with Tenant.
- 1.3 Tenant agrees that Tenant is leasing the Leased Premises on an “as-is,” “where is” and “with all faults” basis, based upon Tenant’s own judgment, and Tenant disclaims any reliance upon any statement or representation whatsoever made by Landlord regarding the Leased Premises or the Airport. Landlord makes no warranty with respect to the Leased Premises, either express or implied. Landlord specifically disclaims any warranty of merchantability or fitness for any particular purpose and liability for any consequential damages arising out of the use or the inability to use the Leased Premises, or any part thereof.

SECTION 2 **LEASE TERM**

The term of this Lease (“Term”) shall be ten (10) years commencing on January 1, 2017 (“Commencement Date”), unless earlier terminated as provided in this Lease.

SECTION 3
LEASE RENEWAL

- 3.1 Tenant shall have the option to extend the initial Term of this Lease for an additional term of ten (10) years (“First Extended Term”) from and after the expiration of the initial Term of this Lease, by giving written notice of the exercise of this option to Landlord not less than one (1) year prior to the expiration of the initial Term of this Lease. Tenant shall also have an option to extend the First Extended Term of this Lease for an additional term of ten (10) years (“Second Extended Term”) from and after the expiration of the First Extended Term of this Lease, by giving written notice of the exercise of this option to Landlord not less than one (1) year prior to the expiration of the First Extended Term of this Lease. Each option to renew and each extended term is subject to the following terms and conditions:
- (i) No default exists in the performance by Tenant of any of the terms of this Lease;
 - (ii) Each extended term shall be on the terms, covenants and conditions of the then current lease terms for the same type of tenants (noncommercial, commercial with direct access to public road, or commercial without direct access to public road) and at the highest rental rate for the particular type of tenancy;
 - (iii) With respect to the Second Extended Term that the option for the First Extended Term has been exercised; and
 - (iv) That the Lease Term and any extension term shall not cause the Lease to continue for more than thirty (30) years from the Commencement Date of the Lease.

SECTION 4
RENT

- 4.1 During each year of this Lease, Tenant shall pay to Landlord **on or before March first of each year** an annual rent (“Rent”) as provided in Exhibit A, attached hereto and incorporated herein by reference. In the event of any fractional year occurring during the Term of this Lease, Tenant shall pay rent on a pro rata basis calculated on the ratio of the actual number of days of possession by Tenant to the total number of days in the year in question.
- 4.2 In addition to being an event of default entitling Landlord to terminate this Lease, failure to pay Rent by March 1st of each year shall result in a late fee equal to \$50 or five percent (5%) of the Rent due, whichever is greater, per month for each month that the Rent is late. Nothing in this paragraph shall be interpreted as a waiver of any of the Landlord's rights on the Tenant's default pursuant to any other provision of this Lease.

- 4.3 The Annual Rent shall be adjusted upward as of the first day of March of each year (“Adjustment Date”) beginning in the second year of the Lease Term and each year thereafter by three percent (3%) each year for the duration of the Lease Term as set forth in the attached Rent schedule on Exhibit A, attached hereto and incorporated herein by reference. At the commencement of any Extended Lease Term, the Annual Rent shall be adjusted upward to the highest rental rate for the Tenant’s particular type of tenancy. Thereafter, the Annual Rent shall be increased by three percent (3%) each year for the duration of the First Extended Term or the Second Extended Term.

SECTION 5
USE OF LEASED PREMISES

- 5.1 The Leased Premises and the building(s) presently thereon shall be used solely for the following purposes and for no other purpose by Tenant or by other parties to whom Tenant may assign this Lease: [check use(s)]

Aircraft storage and uses customarily incidental to aircraft storage, including aircraft storage for rent

Other (specify) _____

- 5.2 Use of the Leased Premises for any purpose not expressly provided for in this Section shall constitute a default under this Lease unless Landlord provides written approval for such use prior to commencement of the use.

SECTION 6
CONDUCT OF OPERATIONS

- 6.1 In the conduct of their authorized activities on the Leased Premises and in the Airport, Tenant and any person or entity operating under any agreement with Tenant, shall furnish services on a fair, equal and non-discriminatory basis to all users thereof, and shall charge fair, reasonable and non-discriminatory prices for each unit of sale or service; provided, however, that Tenant and those operating under agreement with Tenant shall be allowed to make reasonable and non-discriminatory discounts, rebates or other similar types of price reductions to volume purchasers.
- 6.2 Tenant shall have the nonexclusive privilege to use the public portions of the Airport, including, without limitation, parking areas, taxiways and roads, subject to the rules and regulations which now exist or are hereafter enacted by Landlord regarding such use and subject to such usage charges as may be established by Landlord.
- 6.3 This Lease shall not be construed in any manner to grant Tenant, or those claiming under

Tenant, the exclusive right to use any part of the Airport, except the Leased Premises.

SECTION 7
TENANT'S IMPROVEMENT OF THE LEASED PREMISES

- 7.1 Tenant agrees that any improvements constructed by Tenant upon the Leased Premises shall be constructed at no cost to Landlord.
- 7.2 The construction of all improvements on the Leased Premises and the improvements themselves must be built pursuant to the Building Standards Policy attached as Exhibit B, which is herein incorporated by reference.
- 7.3 Before commencing any erection, rebuilding, enlargement, extension or any other improvement of a building, and before commencing any repair or alteration costing in excess of One Thousand Dollars (\$1,000), Tenant shall furnish to Landlord for Landlord's approval:
- (i) The plans for such work;
 - (ii) The estimated cost of completing the work;
 - (iii) Unless waived in writing by Landlord, a bond or other security in amount, form and with surety satisfactory to Landlord, conditioned for the commencement and completion and payment for such work, and against loss or damage by reason of mechanic's liens; and
 - (iv) An insurance policy issued by an insurance company approved by Landlord and in an amount satisfactory to Landlord naming Landlord as an additional insured and protecting Landlord from all liability to persons or property for damages arising out of the contemplated work.
- 7.4 Tenant shall only proceed with the construction of an improvement to a building upon the Leased Premises after receipt of written approval from Landlord for the plans for the building.
- 7.5 Regardless of whether or not the foregoing bonds, security and insurance are waived by Landlord, Tenant shall:
- (i) Prior to the commencement of any construction, repair or alteration, procure from the necessary authorities any building or other permits that may be required;
 - (ii) Do or cause the work to be done in a good and workmanlike manner and to be completed within the required time and in conformity with such building codes,

zoning ordinances and regulations and orders of any lawful authority applicable to the Airport;

- (iii) Keep the Leased Premises and every building, structure and improvement on the Leased Premises free and clear from all liens for labor performed and materials furnished therefore;
- (iv) Defend, at Tenant's own cost and expense, each and every lien asserted or filed against any portion of the Leased Premises, or against the building, structure or improvement thereon and pay each and every judgment made or given against any portion of the Leased Premises, or against the building, structure or improvement thereon; and
- (v) Indemnify and hold Landlord harmless from each and every claim, demand, action and cause of action arising out of or in connection with any act or omission of Tenant, or of any agent, employee or contractor of Tenant, with respect to the removal, erection, alteration, enlargement or extension of any building, structure or improvement on the Leased Premises, or arising out of or in connection with the assertion or filing of any lien on said land or against any building, structure or improvement thereon.

SECTION 8 **BUILDING MAINTENANCE**

8.1 **OBLIGATIONS OF TENANT.** Tenant shall: Tenant, at Tenant's own cost and expense, shall take good care of the Leased Premises and shall repair, replace and maintain the buildings, structures and improvements located thereon and shall keep and maintain the same in good order and repair and in a clean and neat condition. Tenant shall not suffer or permit any waste or nuisance on the Leased Premises or anything thereon which interferes with the rights of other tenants or the Landlord in connection with the use of the Airport Leased Premises not leased to Tenant. Landlord shall not be required to repair, replace or maintain any buildings, structures or improvements on the Leased Premises.

SECTION 9 **INSURANCE**

9.1 At all times during the Term of this Lease, Tenant shall keep all buildings on the Leased Premises insured against fire, vandalism, malicious mischief, and windstorm loss or damage for an aggregate amount equal to one hundred percent (100%) of the fair market value of the buildings or the insurable value, whichever is greater, and any money received from said insurance as a result of any loss or damage to the building shall be divided between Tenant and Landlord as their interest may appear. The policies shall be in a form satisfactory to Landlord, and copies of the insurance policies or certificates thereof

evidencing such coverage and that such insurance is payable to Landlord and Tenant shall be furnished to Landlord. Upon the occurrence of loss of or damage to the building, Tenant shall within thirty (30) days repair, rebuild, replace or remove the building, unless Landlord consents in writing to an extended time, which consent shall not be unreasonably withheld or delayed.

- 9.2 Tenant shall, at Tenant's sole cost and expense, maintain in effect at all times during the Term of this Lease a "Commercial General Liability Insurance" policy on an "occurrence" rather than on a "claims made" basis, with a total combined policy limit of not less than the limitation of liability of Landlord under Minnesota Statutes Chapter 466, or any successor statute, which policy shall include, but not be limited to, coverages for Bodily Injury, Property Damage, Personal Injury and Contractual Liability (applying to this Lease), or an equivalent form (or forms), so long as such equivalent form (or forms) affords coverage which is at least as broad as the above. Such policy shall name Landlord as an additional insured. Policies for such liability coverage shall be in a form and issued by an insurer reasonably acceptable to Landlord and shall require at least thirty (30) days prior written notice to Landlord of termination or material alteration. Tenant's liability insurance shall be primary with respect to Landlord and its agents and not participating with any other available insurance. Tenant shall deliver to Landlord on the Commencement Date of this Lease and on each Anniversary Date thereafter insurer-certified copies of such policies, certificates or other evidence reasonably satisfactory to Landlord confirming the terms of such insurance, confirming that premiums thereon have been paid at least one (1) year in advance and confirming that the policies are in full force and effect.
- 9.3 Tenant shall carry owners-tenants combined single limit coverage for bodily injury, property damage and all damages for any one incident of at least One Million Dollars (\$1,000,000.00).
- 9.4 Each party hereto waives all claims for recovery from the other party for any loss or damage to any of its property insured under valid and collectible insurance policies to the extent of any recovery collectible under such insurance, subject to the limitation that this waiver shall apply only when permitted by the applicable policy of insurance. The parties agree to use good faith efforts to have any and all fire, extended coverage or any and all material damage insurance which may be carried endorsed with the following subrogation clause: "This insurance shall not be invalidated should the insured waive any writing prior to a loss, any or all right of recovery against any party for loss occurring to the property described therein."

SECTION 10 **INDEMNIFICATION**

- 10.1 Tenant agrees to indemnify and hold Landlord harmless from any and all loss, damage, claims, judgments, litigation expenses and costs for any injury to persons or damage to

property from any act or omission of Tenant, its employees, agents, subsidiaries, licensees and sublessees while on or about the Airport or the Leased Premises, and Landlord shall not be liable to any extent for, nor will Tenant make any claim against Landlord for or on account of any injury, loss or damage to the Leased Premises, the buildings or structures thereon, the personal property and facilities located therein, or to any person or property at any time on the Leased Premises whether occasioned by fire, water, smoke, steam, gas, electricity or other agency or instrumentality which may come or be on the Leased Premises or occasioned by any other cause. The Tenant's indemnity obligation is not limited by the insurance required in Sections 9.1 and 9.2.

- 10.2 Nothing in this Lease shall cause Landlord in any way to be construed as partner, joint venturer or associated in any way with Tenant in the operation of the Leased Premises, or subject Landlord to any obligation, loss, charge or expense connected with or arising from the operation or use of the Leased Premises or any part thereof.

SECTION 11 **PAYMENT OF TAXES AND OTHER CHARGES**

Tenant shall pay all taxes, assessments, license fees or other charges that may be levied or assessed during the Term of this Lease upon or against the Leased Premises, any improvements or equipment on the Leased Premises, or on account of the transacting of business thereon by Tenant, including but not limited to all real and personal property taxes. If Tenant shall fail to pay any of the taxes, assessments, license fees or other charges when the same become due, Landlord may pay the same, together with any cost or penalty which may accrue thereon, and collect the entire amount so paid from Tenant and Tenant agrees to pay the entire amount to Landlord upon demand. Tenant recognizes and agrees that the word "taxes" as used in this Section includes any tax which may be imposed and required to be collected pursuant to Minnesota Statutes Section 272.01, subd. 2, or similar successor statute, for the privilege of using and possessing the Leased Premises, which are tax exempt, in the same amount and to the same extent as though Tenant were the owner of the Leased Premises. Tenant acknowledges that the Leased Premises is assessed separately from the Airport for purposes of assessing property taxes, and that Tenant is responsible for paying all such personal property taxes or property taxes to Dakota County.

SECTION 12 **SERVICES AND UTILITIES**

- 12.1 All utilities for the Leased Premises shall be separately metered. Tenant shall be responsible for any repairs to utilities or utility connections on the Leased Premises. If Tenant fails to make required repairs to any utilities or utility connections within ten (10) days after Landlord has sent written notice to Tenant that the repairs need to be made, Landlord may make such required repairs and Tenant shall pay to Landlord the cost of performing such repair within five (5) days after receipt of a bill for the repair charges.

- 12.2 Tenant agrees to promptly pay all claims, in addition to Rent, for all utilities or other services supplied to or consumed by Tenant on the Leased Premises, including, without limitation, gas, electricity, water, telephone, trash collection, storm water utility and all similar services provided by Landlord.
- 12.3 Tenant shall provide, at Tenant's expense, security lighting and proper electrical service to the Leased Premises. All utility connections, electrical or otherwise, shall be underground.

SECTION 13
TENANT'S FINANCING

- 13.1 Tenant shall have the right to subject the leasehold estate and any and all improvements to one or more mortgages as security for a loan or loans or other obligation of Tenant, provided that:
- (i) The mortgage and all rights acquired under it shall be subject to all of the terms, covenants conditions and restrictions contained in this Lease and to all rights and interests of Landlord, except as otherwise provided in this Lease; and
 - (ii) Tenant shall give Landlord prior notice of any mortgage, together with a copy of it.
- 13.2 If Tenant defaults under the terms of any permitted leasehold mortgage, and the mortgagee acquires Tenant's leasehold estate, whether by exercising its power of sale by judicial foreclosure, or by an assignment in lieu of foreclosure, or of exercise of power of sale, Landlord agrees to postpone the obligation to pay Rent during the sixty (60) days following the mortgagee's acquisition, conditioned upon the following:
- (i) Payments of all taxes, assessment, and insurance premiums required by this Lease to be paid by Tenant are current, or are brought current by mortgagee, and are kept current;
 - (ii) Payments of all utility charges are current or are brought current by mortgagee, and are kept current;
 - (iii) The mortgagee performs all Tenant's obligations with respect to the Leased Premises and keeps any improvements in good order and repair; and
 - (iv) Within seventy-five (75) days following mortgagee's acquisition, mortgagee cures any Rent default of Tenant out of income and rent remaining after paying items (ii) through (iii) above and after mortgagee's reasonable expenses incurred in operating the Leased Premises and improvements.

SECTION 14

RIGHT TO REMOVE BUILDING(S) AT END OF LEASE TERM

- 14.1 Upon termination of this Lease, whether on account of default or by lapse of time, if Tenant shall have paid all taxes, assessments, Rent and other charges payable by Tenant under the terms of this Lease, and shall have kept and performed all the terms and conditions of this Lease, Tenant shall have the right to remove from the Leased Premises all buildings or property thereon belonging to Tenant and shall restore the Leased Premises to as good condition as they were in when they were entered upon by Tenant, reasonable wear and tear excepted, provided Tenant does so within sixty (60) days after the termination of this Lease. If said buildings or property are not so removed within said sixty (60) day period, Tenant hereby conveys and transfers the same to Landlord and the title thereto shall vest in Landlord without further act or conveyance; provided, however, that if following commencement of removal or notice of intention to remove, Tenant shall demonstrate to Landlord that for reasons beyond the control of Tenant such removal cannot be completed within said sixty (60) day period, Landlord may allow Tenant a reasonable extension of time for such removal.
- 14.2 At Landlord's sole discretion, Tenant may be required to remove any and all buildings from the Leased Premises at the end of the Lease Term, regardless of whether the requirements of Section 14.1 have been met. Landlord shall inform Tenant in writing no less than ninety (90) days prior to the end of the Lease Term or Extension Term if Landlord will require Tenant to remove the building(s) from the Leased Premises. Tenant's failure to remove the building(s) at Landlord's direction shall result in Landlord removing the building(s) at Tenant's sole expense.

SECTION 15 **TENANT'S RIGHT TO SUBLEASE OR ASSIGN**

- 15.1 Sublease. Tenant may not sublease all or any part of the Leased Premises without the prior written approval of Landlord, which approval may not be withheld if all of the conditions in Section 15.3 are met.
- 15.2 Assignment. Tenant may not, voluntarily or by operation of law, assign, mortgage, pledge or otherwise transfer this Lease without the prior written consent of Landlord. If Tenant is a corporation, then any transfer of this Lease by merger, consolidation or liquidation, or any change in ownership of the shares of voting stock so as to result in a change of the present effective voting control of Tenant shall constitute an assignment of this Lease, and as such, shall require the prior written consent of Landlord.
- 15.3 Landlord's written consent to any proposed assignment or transfer shall not be withheld or delayed if, in the sole discretion of the Landlord, all of the following conditions are satisfied:

- (i) The proposed assignee or sublessee has a net worth at least equal to Tenant's net worth as of the date of the signing of this Lease, or the date of the proposed assignment, whichever is greater;
 - (ii) The proposed assignee or sublessee is creditworthy considering the obligations to be assumed under the Lease;
 - (iii) The proposed assignee or sublessee has experience in operations similar to that being conducted on the Leased Premises;
 - (iv) The use of the Leased Premises will comply with all the requirements of this Lease;
 - (v) Tenant and Tenant's guarantor(s) (if any) and the proposed assignee or sublessee agree to a written amendment to the Lease, in form and substance acceptable to Landlord, that the Rent as of the effective date of such assignment shall be equal to the highest per square foot rent charged for a similar lease at the Airport; and
 - (vi) The proposed assignee or sublessee will continue to use the Leased Premises for the same purpose as the Tenant or for a similar purpose as determined and approved by Landlord at Landlord's sole discretion;
 - (vii) Tenant pays a lease transfer fee to the Landlord in the amount of \$1,000.
- 15.4 If the Lease is assigned to an entity or person other than a member of the Tenant's immediate family before the Infrastructure Fee and accrued interest are fully paid, the Infrastructure Fee and accrued interest shall be due and payable in full on the date the assignment is approved by Landlord.
- 15.5 If Tenant desires to assign the Lease, Tenant shall so notify Landlord in writing at least thirty (30) days prior to the proposed effective date of the assignment. Tenant shall provide Landlord with a copy of the proposed assignment and any other relevant information requested by Landlord.

SECTION 16
QUIET ENJOYMENT

- 16.1 Landlord covenants and agrees with Tenant that upon Tenant's paying said Rent and keeping, paying and performing all the terms, covenants and conditions of this Lease on Tenant's part to be kept, paid and performed, Tenant may, except for reasons beyond the control of Landlord, peaceably and quietly have and hold the Leased Premises for the Term of this Lease.
- 16.2 Notwithstanding the above, Landlord and its agents or representatives shall have the right

to enter the Leased Premises and buildings thereon, to inspect the same for operations conducted from and on the Leased Premises and for the purpose of making repairs or improvements to any adjoining premises or to the Airport and to install through or upon the Leased Premises such pipes, wires and appurtenances as it may deem necessary or useful to the operation of the Airport, but the making of such repairs, improvements, or installations shall be done in such manner as will not interfere materially with the use and enjoyment of the Leased Premises by Tenant, except in cases of emergency.

SECTION 17
LANDLORD'S OPERATION OF AIRPORT

Landlord shall properly maintain, operate and manage the Airport at all times in a safe manner consistent with generally accepted good practice in the State of Minnesota for airports of similar size and character. If, for any reason beyond the control of Landlord (including without limitation, war, strikes, riots or acts of God) Landlord shall fail to properly maintain, operate and manage the Airport, such failure shall not operate as a breach of this Lease or render Landlord liable for damages. This section shall not be construed to bind Landlord to operate a traffic control tower at the Airport, nor be construed to bind Landlord to maintain the Leased Premises.

SECTION 18
DEFAULT BY TENANT

18.1 The following shall constitute a default by Tenant:

- (i) Tenant fails to pay Rent and such failure to pay shall is not cured within five (5) days from the due date of the payment;
- (ii) Tenant fails to pay all taxes, assessments, license fees or other charges that may be levied or assessed during the Term of this Lease upon or against the Leased Premises, any improvements or equipment on the Leased Premises, or on account of the transacting of business thereon by Tenant, including but not limited to all real and personal property taxes and such default shall continue for thirty (30) days after notice of said failure to pay is given to Tenant by the Landlord or Dakota County.
- (iii) Tenant fails to observe or perform any of the non-monetary terms, covenants or conditions of this Lease, and such default shall continue for ten (10) days after notice of default is given by the Landlord or Tenant shall have failed to commence the cure of such default within ten (10) days after such notice;
- (iv) Notwithstanding the requirement contained in Section 18.1(iii) hereof relating to giving the Tenant a ten (10) day period to cure a non-monetary default, in the event of an emergency as determined by the Landlord, the Landlord may perform the

work or improvement to be performed by the Tenant without giving any notice to the Tenant and without giving the Tenant the ten (10) day period to cure the default. In such case, the Tenant shall within thirty (30) days after written billing by the Landlord reimburse the Landlord for any and all costs incurred by the Landlord.

- (v) A petition to reorganize Tenant or for an arrangement of its unsecured debts is filed;
- (vi) Tenant is adjudicated bankrupt;
- (vii) A receiver or trustee of Tenant's property is appointed by any Court;
- (viii) Tenant makes a general assignment for the benefit of creditors;
- (ix) The entirety of Tenant's interest in Tenant's property shall be taken by garnishment, attachment, execution or other process of law; or
- (x) The Leased Premises is abandoned for a period of thirty (30) days.

18.2 In the event of any default, in addition to any other remedies available to Landlord at law or equity, Landlord shall have the following rights:

- (i) Immediately, or at any time thereafter, without further notice to Tenant, to re-enter into or upon the Leased Premises, or any part thereof, and take possession of the same fully and absolutely without such re-entry working a forfeiture of the Rents or other charges to be paid and of the covenants, terms and conditions to be performed by Tenant for the full Term of this Lease, and in the event of such re-entry Landlord may seek the collection of the Rents or other charges to be paid under this Lease or for the properly measured damages and for the collection of its reasonable attorney's fees; and
- (ii) Landlord shall further have all other rights and remedies including injunctive relief, ejectment or summary proceedings in unlawful detainer, and any or all legal remedies, actions and proceedings, and all such shall be cumulative Landlord shall be entitled to its reasonable attorney's fees arising from or attributable to any such breach.

18.3 In the event of any default, in addition to any other remedies available to Landlord at law or in equity, including those set forth in Paragraph 18.2, Landlord shall have the immediate right and option to terminate this Lease and all rights of Tenant hereunder by giving written notice of such intention to terminate. In the event that Landlord shall so terminate this Lease as a result of Tenant's default, Landlord may:

- (i) Retain any payment(s) made by Tenant as provided in Section 4 *[for Rent]* prior to the termination of this Lease.
- (ii) Recover from Tenant the amount of any unpaid Rent which had been earned at the time of such termination;
- (iii) Recover from Tenant all expenses incurred by Landlord in terminating, repossessing and reletting the Leased Premises including but not limited to costs of repairs, brokerage and legal fees, and the collection of Rent;
- (iv) Recover from Tenant any deficiency between the Rent for the remainder of the Term and the payments, if any, received by Landlord from any reletting of the Leased Premises, or, if elected by Landlord as liquidated and final damages for lost Rent, in addition to the deficiencies accruing through the date of such election, a lump sum equal to the present value (calculated by discounting at the stated rate of interest payable under any first mortgage or deed of trust on the Property or one (1) percent per annum over the discount rate of the Federal Reserve Bank of Minneapolis, whichever is less) as of the date of such election of the amount by which Rent for the remainder of the Term exceeds the then reasonable rental value of the Leased Premises over the remainder of the Term; and
- (v) Recover from Tenant any reasonable attorneys' fees incurred by Landlord in enforcing its rights hereunder.

SECTION 19
WAIVER

Landlord's waiver of any of the rights remedies, terms or conditions of this Lease on any occasion shall not constitute a waiver of any rights, remedies, terms or conditions with respect to any subsequent breach or default under the terms of this Lease.

SECTION 20
LEGAL COSTS

If Landlord incurs any costs to collect or recover any amount due or to become due under this Lease or to recover possession of the Leased Premises or files suit upon Tenant for the collection of any amount due or to become due or the recovery of possession of the Leased Premises or the enforcement of any of Tenant's covenants hereunder, Landlord will be entitled to reimbursement of its reasonable attorneys' fees and costs where Landlord is successful in its efforts for the collection of any amounts due or the recovery of possession of the Leased Premises.

SECTION 21
LIEN ON TENANT'S PROPERTY

As security for the payment to Landlord of all sums required to be paid by Tenant under the terms of this Lease, Tenant does hereby grant a lien upon and does mortgage to Landlord the buildings, structures and/or improvements located or to be located upon the Leased Premises at any time during the Term of this Lease, and does hereby authorize Landlord upon failure of Tenant to cure any default within the time provided for in Section 18, to take said property and sell and dispose of the same, to foreclose the lien hereby created in the manner provided by the laws of the State of Minnesota subject, however, to the lien of mortgages given by Tenant to finance the construction of the building to be constructed pursuant to this Lease, retaining such amount as shall pay any sums due and owing Landlord under the terms of this Lease, and any attorney's fees and expenses as may have been incurred in connection therewith, and returning the excess, if any, to Tenant. In the event of sale, Landlord may bid in and become the purchaser of the property sold under foreclosure hereunder.

SECTION 22
CONDEMNATION

If it shall be in the public interest, Landlord shall have the power to condemn any part or the entirety of the Leased Premises even though it is a party to the Lease. In the event Landlord receives notification of any condemnation proceedings affecting the Leased Premises, Landlord will provide notice of the proceeding to Tenant within fifteen (15) days. If a condemning authority takes all or any part of the Leased Premises as part of a taking or condemnation action, this Lease will automatically terminate as of the day of the taking or condemnation. Tenant waives any and all claim to any portion of a condemnation award awarded to Landlord.

SECTION 23
DESTRUCTION OF LEASED PREMISES

If the buildings on the Leased Premises are partially or completely destroyed, either Landlord or Tenant shall have the right to terminate this Lease upon thirty (30) days written notice to the other party.

SECTION 24
LEASE AMENDMENTS

- 24.1 Any of the terms of this Lease may be amended upon the mutual agreement, in writing, of Landlord and Tenant, which must be executed with the same formalities as this instrument.
- 24.2 This Lease is subject to the approval of federal and state agencies. The parties agree to modify this Lease as may be necessary to obtain approval by any federal or state agencies, provided, however, that such modification does not substantially change the Term, Rent or area leased. If the modification would substantially change the Term, Rent or area leased, either party may terminate this Lease by written notice to the other party.

SECTION 25
BINDING ON SUCCESSORS

Except as herein otherwise provided, all the terms, covenants and conditions of this Lease shall be binding upon and inure to the benefit of the legal representatives, successors, assigns and subsidiaries of both Landlord and Tenant.

SECTION 26
COMMITMENTS TO FEDERAL OR STATE AGENCIES

Nothing herein shall be construed to prevent Landlord from making such commitments as it desires to the Federal Government or to the State of Minnesota in order to qualify for the expenditure of federal or state funds on the Airport.

SECTION 27
AIRCRAFT REGISTRATION

Tenant agrees that any aircraft that is based at, stored at or utilizes the Airport under this Lease shall be currently in compliance with the aircraft registration requirements set forth in Minnesota Statutes Chapter 360.

SECTION 28
APRON AND TAXIWAY

- 28.1 Apron. At Tenant's own expense, Tenant shall construct, maintain, repair and replace an apron to serve the Leased Premises.
- 28.2 Taxiway. If Landlord constructs a taxiway to serve the Leased Premises as well as other areas, Landlord may require Tenant to pay the amount resulting from the following formula:
- (i) First, Landlord shall calculate the total cost of construction of the taxiway, including all engineering, legal and administrative costs associated therewith;
 - (ii) Second, the amounts that Landlord actually receives from federal and state grants for the taxiway, if any, shall be subtracted from the total cost;
 - (iii) Third, the resulting figure from steps (i) and (ii) above shall be multiplied by a factor where the denominator is the total amount of leased or to be leased frontage that abuts taxiway (including the frontage leased to Tenant as well as others) and the numerator is the frontage of the Leased Premises abutting the taxiway;
 - (iv) The figure resulting from step (iii) above shall be paid by Tenant.

SECTION 29
SIGNS

Tenant may erect suitable advertising signs on the Leased Premises to advertise Tenant's business, provided that the form, type, size and method of installation shall first be approved by Landlord.

SECTION 30
AVIATION FUEL

Tenant shall not have the right to sell, dispense, give or transfer aviation fuel, except to fuel aircraft owned by or exclusively leased to Tenant. There shall be no storage of flammable materials, liquids or fuels in open containers in or upon the Leased Premises.

SECTION 31
LEASE SUBJECT TO GOVERNMENT DEED RESTRICTIONS

31.1 Tenant understands and agrees that all terms and conditions of the deed between Landlord and the Navy Department, which deed is known as the Surplus Property Deed, which consists of a Quit Claim Deed dated December 22, 1950, and a corrected deed October 4, 1951, are herewith incorporated by reference into the terms of this Lease. In the event of any conflict between this Lease and that deed and all conditions imposed by the deed or other governmental grants, reservations, statutes or regulations, this Lease shall stand amended to conform thereto. In the event such reformation substantially impairs the rights and obligations of this Lease, the Lease shall stand terminated by written notice from Landlord to Tenant, such notice to include the basis for the termination and Rents to be prorated as of that date. Specifically, but not in limitation hereof, it is understood and agreed that this Lease is also subject to the so-called "Sponsor's Assurances" made by Landlord to the State and/or Federal Governments in connection with improvement grants, parts of which are as follows:

"The Sponsor agrees that it will operate the Airport for the use and benefit of the public, on fair and reasonable terms, and without unjust discrimination. In furtherance of this covenant (but without limiting its general applicability and effect), the Sponsor specifically covenants and agrees:

- (a) That in any agreement, contract, lease or other arrangement under which a right or privilege at the Airport is granted to any person, firm or corporation to render any service or furnish any parts, materials or supplies (including the sale thereof) essential to the operation of aircraft at the Airport, the Sponsor will insert and enforce provisions requiring the contractor:

- (1) to furnish good, prompt and efficient service adequate to meet all the demands for its service at the Airport;
 - (2) to furnish said service on a fair, equal and nondiscriminatory basis to all users thereof, and
 - (3) to charge fair, reasonable and nondiscriminatory prices for each unit of sale or service: Provided, however, that the contractor may be allowed to make reasonable and nondiscriminatory discounts, rebates or similar types of price reductions to volume purchasers.
- (b) That it will not exercise or grant any right or privilege which would operate to prevent any person, firm or corporation operating aircraft at the Airport from performing any services on its own aircraft with its own employees (including but not limited to, maintenance and repair) that it may choose to perform;
- (c) That is the Sponsor exercises any of the rights or privileges set forth in subsection (a) of this paragraph, it will be bound by and adhere to the condition specified for contractors set forth in said subsection (a).”

SECTION 32
HAZARDOUS SUBSTANCES

32.1 Tenant shall take no act or allow any act to be taken that will subject the Leased Premises to “superfund” type liens or claims by regulatory agencies or other entities arising from the actual or threatened release, deposit or existence of hazardous substances (defined below) in, on or about the Leased Premises. Tenant agrees to indemnify, defend and hold Landlord harmless from and against any and all claims, penalties, forfeitures, suits or liabilities of any type or nature (including cost of defense, settlement and reasonable attorneys’ fees) incurred by Landlord hereafter or for which Landlord shall become responsible for or pay as a result of any or all of the following:

- (i) Death or bodily injury to any person;
- (ii) Structural damage to any property;
- (iii) Contamination of or detrimental effect upon the environment; or

(iv) Violation of governmental laws, orders or regulations

as a result of or due to the actual or threatened release of hazardous substances claimed or alleged to have been deposited, stored, disposed of, placed or otherwise located in, on or about the Leased Premises.

32.2 Tenant shall not store or possess any hazardous substances on the Leased Premises unless the same are stored or possessed in a manner that complies with all applicable laws, and in no event shall Tenant dispose of any hazardous substances on the Leased Premises without the express prior written consent of Landlord, which consent may be withheld at Landlord's sole discretion.

32.3 As used in this Lease, the term "hazardous substances" is defined to include any substances, wastes, contaminants or pollutants that are now or hereafter shall be included within the definition of such term or similar replacement term, under any federal, state or local statute, ordinance, code or regulation now existing or hereafter enacted or amended, including but not limited to the Minnesota Environmental Response and Liability Act, Minnesota Statutes Chapter 115B; Minnesota Petroleum Tank Release Clean-Up Act, Minnesota Statutes Chapter 115C as amended by Superfund Amendments and Reauthorization Act of 1986; the Asbestos Abatement Act, Minnesota Statutes Sections 326.70 through 326.81; and the State Environmental Lien Statute, Minn. Stat. §514.672, et. Seq.

32.4 Tenant shall promptly provide Landlord with copies of all notices or reports received or submitted by it to or from any governmental agency or other third party with respect to the storage, processing, disposal, release or threatened release of hazardous substances into or onto the Leased Premises or any adjacent property.

SECTION 33 **GENERAL PROVISIONS**

33.1 The Leased Premises are to be used primarily for the storage of aircraft. No more than twenty (20) percent of the floor area of a building may be used for non-aviation vehicles or items, and any non-aviation vehicles may not exceed forty-eight (48) inches in height as measured from the floor to the highest point of the vehicle. No vehicle may be stacked or placed on top of another vehicle or any object in such a manner that the total height of the combination of the vehicle(s) exceeds forty-eight (48) inches in height.

33.2 Tenant shall comply with all terms and conditions set forth in the most recently adopted South St. Paul Airport Operations Manual and any amendments or revisions to the Manual.

33.3 Tenant shall comply with the all terms and conditions set forth in the Airport Contract

Requirements attached as Exhibit C and incorporated herein by reference, and any amendments or revisions to the same.

- 33.4 Tenant and Tenant's employees, agents, contractors and invitees shall, at all times while on or about any part of the Airport, obey all Airport traffic rules and regulations.
- 33.5 Tenant agrees that this Lease shall terminate in the event of the withdrawal or revocation of any permit or approval to operate the Airport granted to Landlord by the agencies or agency having jurisdiction over the Airport, or the revocation of the licenses issued to Landlord for the operation of the Airport with the rents prorated as of such termination.
- 33.6 Tenant agrees that the Leased Premises are subject to all easements and encumbrances of record. Tenant shall not interfere with said easements.
- 33.7 Tenant agrees that the Leased Premises are subject to the right of Landlord to locate, construct, maintain, reconstruct and repair an Airport beacon and wiring relating thereto on the subject Leased Premises; Landlord shall also have a right of access to the Leased Premises for the purpose of locating, construction, maintaining, reconstructing and repairing the Airport beacon and wiring.

SECTION 34 **NOTICES**

- 34.1 All notices or communications required or permitted by this Lease must be written and may be given personally, electronically, or sent by certified United States mail, postage prepaid, or overnight courier at the following addresses:

If to Landlord: Terminal Building
1725 Henry Avenue
South St. Paul, MN 55075
Attn: Airport Manager

If to Tenant: Keith Miesel
869 Ashland Ave
St. Paul, MN 55104

Email: k_miesel@yahoo.com
Phone: 651-227-6199

- 34.2 Either party may change their address by providing written notice of the party's new address to the other party.

SECTION 35

DATA PRACTICES ACT

Information supplied by Tenant to Landlord is subject to the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13 (the "Act"). Such information shall become public unless it falls into one of the exceptions of the Act. Tenant shall notify Landlord in writing of any data Tenant believes is classified as non-public.

SECTION 36 **ENTIRE AGREEMENT**

This Lease contains the entire agreement between the parties. No promise, representation, warranty, or covenant not included in this Lease has been or is relied on by either party. Each party has relied on his/her/its own examination of this Lease, the counsel of her/her/its own advisors and the warranties, representations, and covenants in the Lease itself. The failure or refusal of either party to inspect the Leased Premises or improvements, to read the Lease or other documents or to obtain legal or other advice relevant to this transaction constitutes a waiver of any objection, contention or claim that might have been based on such reading, inspection or advice.

SECTION 37 **CAPTIONS; TABLE OF CONTENTS**

The table of contents and the captions of the various sections of this Lease are for convenience and ease of reference only and do not define, limit, augment or describe the scope, content, or intent of this Lease or of any part or parts of this Lease.

SECTION 38 **COUNTERPARTS**

This Lease may be executed in two or more counterparts, each of which shall be an original, but all of which shall constitute one and the same instrument.

SECTION 39 **GOVERNING LAW**

This Lease shall be governed, construed and enforced in accordance with the laws of the State of Minnesota.

SECTION 40 **CONFLICT OF INTEREST**

Tenant represents and warrants that no official, officer, or employee of Landlord has or will have any interest, direct or indirect, in this Lease or the transactions contemplated by it.

SECTION 41
MEMORANDUM OF LEASE

If either party requests the other party to do so, the parties shall execute a memorandum of lease in recordable form acceptable to both parties. The memorandum of lease may be recorded by either party at its expense in the appropriate land records office.

SECTION 42
THIRD PARTY BENEFICIARIES

Neither this Lease nor any provision of it shall create any right in favor of or impose any obligation upon any person or entity other than the parties to this Lease and their respective successors and permitted assigns.

SECTION 43
COMPLIANCE WITH LAWS AND REGULATIONS

Tenant shall comply with all laws of the United States the State of Minnesota and with all ordinances, rules, regulations and orders of any of the foregoing, and of any department thereof. Tenant shall comply with all ordinances, rules and regulations of Landlord relating to the Leased Premises and with respect to control of ground and air traffic, aircraft operations and the general use of the Airport.

SECTION 44
FORCE MAJEURE

The time within which any of the parties hereto shall be required to perform any act or acts under this Lease, except for payment of monies, shall be extended to the extent that the performance of such act or acts shall be delayed by acts of God, fire, windstorm, flood, explosion, collapse of structures, riot, war, labor and/or legal disputes, delays or restrictions by government bodies, inability to obtain or use necessary materials, or any cause beyond the reasonable control of such party (any such delay being called "unavoidable delay" in this Lease), provided however, that the party entitled to such extension hereunder shall give prompt notice to the other party of the occurrence causing such delay.

SECTION 45
NON-DISCRIMINATION

Tenant, Tenant's successors in interest and permitted assigns, as a part of the consideration hereof, do covenant and agree to the following as covenants running with the land:

- (i) That no person shall be excluded from participation in, denied the benefits of or be otherwise subjected to discrimination in the use of the facilities on the Leased

Premises on the grounds of race, sex, color, creed or national origin;

- (ii) That in the construction of any improvements on, over, or under such land and the furnishing of services thereon, no person shall be excluded from participation in, denied the benefits of or otherwise be subjected to discrimination on the grounds of race, sex, color, creed or national origin; and
- (iii) That Tenant shall use the Leased Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federal-assisted programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and said Regulations as may be amended. In the event of a breach of any of the above nondiscrimination covenants, Landlord shall have the right to terminate this Lease and to re-enter and repossess the Leased Premises, and hold the same as if said Lease had never been made or issued.

SECTION 46
SEVERABILITY

If any provision of this Lease or the application thereof to either party or any circumstance is unenforceable to any extent, the remainder of this Lease and the application of such provision to the other party or circumstances will not be affected thereby and will be enforceable to the greatest extent permitted by law.

IN WITNESS WHEREOF, the parties have executed this Lease, or caused it to be executed by their or its duly authorized representative(s), as of the day and year first above written.

LANDLORD:
CITY OF SOUTH ST. PAUL

TENANT:
Keith Miesel

By: _____
Name: Beth Baumann
Title: Mayor

By: _____

Attest:

By: _____
Name: Christy M. Wilcox
Title: City Clerk

STATE OF MINNESOTA)

) ss.

Landlord Acknowledgment

COUNTY OF DAKOTA)

)

The foregoing instrument was acknowledged before me this ___ day of _____, 2016, by Beth Baumann and Christy Wilcox, the Mayor and the City Clerk of the City of South St. Paul, a Minnesota municipal corporation, on behalf of the corporation.

Notary Public

STATE OF MINNESOTA)

) ss.

Tenant Acknowledgment

COUNTY OF DAKOTA)

)

[Individual]

The foregoing instrument was acknowledged before me this ___ day of _____, 2016, by Keith Miesel.

Notary Public

EXHIBIT A

RENT SCHEDULE

The Rent for the Leased Premises shall be as follows.

INITIAL LEASE TERM	RENT/ SQ.FOOT	ANNUAL RENT
January 1, 2017 – December 31, 2017	\$0.264	\$ 1,589.81
January 1, 2018 – December 31, 2018	\$0.272	\$ 1,637.98
January 1, 2019 – December 31, 2019	\$0.280	\$ 1,686.16
January 1, 2020 – December 31, 2020	\$0.288	\$ 1,734.34
January 1, 2021 – December 31, 2021	\$0.297	\$ 1,788.53
January 1, 2022 – December 31, 2022	\$0.306	\$ 1,842.73
January 1, 2023 – December 31, 2023	\$0.315	\$ 1,896.93
January 1, 2024 – December 31, 2024	\$0.324	\$ 1,951.13
January 1, 2025 – December 31, 2025	\$0.334	\$ 2,011.35
January 1, 2026 – December 31, 2026	\$0.344	\$ 2,071.57

EXHIBIT B

BUILDING STANDARDS POLICY

The City of South St Paul will require the following for hangar built in Airport Rearrangement 3rd, 4th and 5th Additions:

Soffits - a minimum of 12 inches

Gable Overhangs- a minimum of 12 inches

Wainscot- a minimum of 42 inches with a maximum of 48 inches

Siding- 29-gauge factory painted baked on enamel paint

Colors:

Building- Pebble Beige

Wainscot, Soffit, Fascia, Overhangs and Trim- Evergreen, Vintage Burgundy, or Slate Blue

Roof- White, or match the wainscot

EXHIBIT C

AIRPORT CONTRACT REQUIREMENTS

1. (/a) Tenant for itself, its heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land, that in the event facilities are constructed, maintained, or otherwise operated on the Leased Premises for a purpose for which a DOT program or activity is extended or for another purpose involving the provision of similar services or benefits, Tenant shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to 49 CFR Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation, and as said Regulations may be amended. (49 CFR Part 21 – DOT Title VI Assurance – AC 150/5100-15A)

2. (/a) Tenant for itself, its personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that:
 - (a) No person on the grounds of race, color or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of the Leased Premises;

 - (b) That in the construction of any improvements on, over, or under such Leased Premises and the furnishing of services thereon, no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination; and

 - (c) That Tenant shall use the Leased Premises in compliance with all other requirements imposed by or pursuant to 49 CFR Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation, and as said Regulations may be amended. (49 CFR Part 21 – DOT Title VI Assurance – AC 150/5100-15A)

3. (/b) Tenant agrees to furnish service on a fair, equal and not unjustly discriminatory basis to all users thereof, and to charge fair, reasonable, and no unjustly discriminatory prices for each unit or service, PROVIDED, that Tenant may be allowed to make reasonable and nondiscriminatory discounts, rebates, or other similar types of price reductions to volume purchasers. (Grant Assurance 22)

4. (/b) Tenant assures that it will comply with pertinent statutes, Executive Orders and such rules as are promulgated to assure that no person shall, on the grounds of race, creed, color, national origin, sex, age, or handicap be excluded from participating in any activity

conducted with or benefiting from Federal assistance. This Provision obligates Tenant or its transferee for the period during which Federal assistance is extended to the airport program, except where Federal assistance is to provide, or is in the form of personal property or real property or interest therein or structures or improvements thereon. In these cases, the Provision obligates Tenant or any transferee for the longer of the following periods:

- (a) The period during which the Leased Premises is used by the sponsor or any transferee for a purpose for which Federal assistance is extended, or for another purpose involving the provision of similar services or benefits; or
- (b) The period during which the Airport sponsor or any transferee retains ownership or possession of the Leased Premises.

In the case of contractors, this Provision binds the contractors from the bid solicitation period through the completion of the contract. (AAIA of 1982, Section 520 – AC 150/5100-15A)

- 5. (b) Tenant agrees that it practices nondiscrimination in their activities and will provide DBE participation in their leases as required by the sponsor, in order to meet the sponsor's goals, or required by the FAA in order to obtain an exemption from the prohibition against Long-term exclusive leases. (49 CFR Part 23 – AC 150/5100-15A)
- 6. (b) Tenant agrees that it shall insert the above five provisions in any lease (agreement, contract, etc.) by which Tenant grants a right or privilege to any person, firm or corporation to render accommodations and/or services to the public on the Leased Premises. (See the documents referenced for the above clauses)
- 7. (b) It is hereby specifically understood and agreed that nothing herein contained shall be construed to grant or authorize the granting of an exclusive right to provide aeronautical services to the public as prohibited by Section 308(a) of the Federal Aviation Act of 1958, as amended, and Landlord reserves the right to grant to others the privilege and right of conducting any one or all activities of an aeronautical nature. (Federal Aviation Act of 1958 Section 308(a) – AC 150/5100-16A)
- 8. (c) Landlord reserves the right to further develop or improve the landing area of the Airport as it sees fit, regardless of the desires or view of Tenant, and without interference or hindrance. (FAA Order 5190.6A - AGL-600)
- 9. (c) Landlord reserves the right, but shall not be obligated to Tenant, to maintain and keep in repair the landing area of the Airport and all publicly-owned facilities of the Airport, together with the right to direct and control all activities of Tenant in this regard. (FAA Order 5190.5A – AGL-600)

10. (/c) This Lease shall be subordinate to the provisions of and requirements of any existing or future agreement between Landlord and the United States, relative to the development, operation, or maintenance of the Airport. (FAA Order 5190.6A – AGL-600)
11. Tenant agrees to comply with the notification and review requirements covered in Part 77 of the Federal Aviation Regulations in the event any future structure or building is planned for the Leased Premises, or in the event of any planned modification or alteration of any present or future building or structure situated on the Leased Premises. (FAA Order 5190.6A – AGL-600)
12. There is hereby reserved to Landlord, its successors and assigns, for the use and benefit of the public, a right of flight for the passage of aircraft in the airspace above the surface of the Leased Premises. This public right of flight shall include the right to cause in said airspace any noise inherent in the operation of any aircraft used for navigation or flight through the said airspace or landing at, taking off from, or operation on the Airport. (FAA Order 5190.6A – AGL-600)
13. By accepting this, Tenant expressly agrees for itself, its successors and assigns that it will not erect nor permit the erection of any structure or object nor permit the growth of any tree on the Leased Premises, above a mean sea level elevation of _____ * feet. In the event the aforesaid covenants are breached, Landlord reserves the right to enter upon the Leased Premises and to remove the offending structure or object and cut the offending tree, all of which shall be at the expense of Tenant. (FAA Order 5190.6A – AGL-600)
14. By accepting this Lease, Tenant expressly agrees for itself, its successors and assigns that it will not make use of the Leased Premises in any manner which might interfere with the landing and taking off of aircraft from the Airport or otherwise constitute a hazard. In the event the aforesaid covenant is breached, Landlord reserves the right to enter upon the Leased Premises and cause the abatement of such interference at the expense of Tenant. (FAA Order 5190.6A – AGL-600)
15. (/d)** This Lease and all the provisions hereof shall be subject to whatever right the United States Government now has or in the future may have or acquire affecting the control, operation, regulation, and taking over of the Airport or the exclusive or nonexclusive use of the Airport by the United States during the time of war or national emergency. (Surplus Property Act of 1944 – FAA Order 5190.6A – AGL-600)
16. (/b) It is clearly understood by Tenant that no right or privilege has been granted which would operate to prevent any person, firm, or corporation operating aircraft on the Airport from performing any services on its own aircraft with its own regular employees (including, but not limited to maintenance and repair) that it may choose to perform. (Assurance 22 – FAA Order 5190.6A – AGL-600)

17. (/e) This Lease is subject to the requirements of the U.S. Department of Transportation's regulations 49 CFR Part 23, Subpart F. Tenant agrees that it will not discriminate against any business owner because of the owner's race, color, national origin, or sex in connection with the award or performance of any concession agreement covered by 49 CFR Part 23, Subpart F. Tenant also agrees to include the above statements in any subsequent complementary aeronautical activity agreements that it enters into and cause those businesses to similarly include the statements in further agreements. (49 CFR Part 23, Subpart F)

Notes

- /a Mandatory in all leases/agreements if airport is obligated by a Federal Agreement since January 30, 1965.
- /b Mandatory in all leases/agreements for aeronautical services at airports subject to continuing obligations under FAAP/ADAP/AIP Agreements.
- /c Mandatory in all Use Agreements permitting aeronautical operations from adjoining non-airport property.
- /d Mandatory in all leases/agreements at airports acquired in whole or in part under Federal Surplus Property Transfer (unless the National Emergency Use Provision of the Surplus Transfer Document has been specifically released by the FAA).
- /e Mandatory in all complementary aeronautical activity leases/agreements executed after June 1, 1992.
- * Insert the number of feet mean sea level applicable to the most critical area of the parcel contained in this Lease in accordance with Part 77 of the Federal Aviation Regulations. If required, the area of a lease may be subdivided as shown on a property map to provide more than one height limitation, or more restrictive height limitations may be imposed at the discretion of the Sponsor.
- ** If the airport is not subject to the National Emergency Use Provision generally contained in Surplus Property Instruments of Disposal, Paragraph 15 above may be modified to exclude that portion of the provision, "or the exclusive or nonexclusive use of the Airport by the United States during the time of war or national emergency."



City Council Agenda Report
Date: April 4, 2016
Department: Parks and Recreation

8-E

Administrator:

SPK

Agenda Item: Acceptance of Donation for Giant Egg Hunt at Kaposia Park

Action to be considered:

Motion to accept donated funds for the Giant Egg Hunt at Kaposia Park in the amount of \$1200.

Overview:

The City Council is required by State Law to accept any gifts or grants of property to the City of South St. Paul. The gifts and/or grants listed on the attached resolution have been offered to the City for purpose desired by the donor set forth opposite each gift.

The gift of \$1200 has been offered to the Parks and Recreation Department for the purpose of funding the annual Giant Easter Egg Hunt at Kaposia Park on March 26, 2016. The donation will purchase baskets, candy, and supplies for the event.

Source of Funds:

Donations and Contributions Fund

City of South St. Paul
Dakota County, Minnesota

RESOLUTION NO. 2016 - 57

Resolution Accepting Funds for the Giant Easter Egg Hunt

WHEREAS, the City Council is required by State Law to vote to accept any donation to the city;

WHEREAS, the City Council has determined that the gifts listed below are of benefit to the City's citizens;

NOW, THEREFORE, BE IT RESOLVED: that the City Council of the City of South St. Paul, Minnesota, that the donation listed below are accepted for the purpose(s) desired by the donor set forth opposite each gift.

<u>Donor/Grantor</u>	<u>Donation</u>	<u>Purpose(s)</u>
South St. Paul Lions	\$1200	Giant Easter Egg Hunt

Adopted this 4th day of April, 2016.

City Clerk



City Council Agenda Report
Date: April 4, 2016
Department: Public Works
Administrator: SPK

Agenda Item: 2016 Sealcoat Streets

Action to be considered:

Motion to approve FIVE (5) STREET SEGMENTS FOR SEALCOATING IN 2016 TO BE INCLUDED AS PART OF THE CONTINUOUS JOINT POWERS AGREEMENT APPROVED IN 2012 AND AMENDED IN 2014 WITH THE CITIES OF BURNSVILLE AND OTHER SOUTH METROPOLITAN LOCAL GOVERNMENT UNITS (LGUs).

Overview:

City Staff annually reviews the City’s streets and identifies segments that are good candidates for the sealcoat program. The City’s standard is to sealcoat a street segment every 8 years after some type of asphalt rehabilitation work has been done such as a mill and overlay.

The City will be participating for its eight year in the Joint Powers Agreement (JPA). By participating in the JPA, the City has been able to obtain lower sealcoating prices. In 2012, the City of Burnsville decided to make the JPA a continuous agreement which now allows new cities to join and existing cities to terminate their membership with a 60-day notice to the City of Burnsville. The revised continuous JPA agreement is attached. Please note that the City is responsible for crack sealing the segments, pre and post sweeping, and MSA segments.

Staff recommends nine street segments as candidates for a sealcoat. The five streets should be done within the City’s budgeted amount of \$90,000.

The recommended streets are as follows:

#	STREET	TERMINI	OIL (GAL)	UNIT PRICE	AMOUNT	ROCK [SY]	UNIT PRICE	AMOUNT
1	Hardman Ave	So Concord to No Concord St	11297	\$2.12	\$23,949.64	51350	\$.60	\$30,810.00
2	Verderosa Ave	Hardman Ave to boat launch	1714	\$2.12	\$3,633.68	7790	\$.60	\$4,674.00
3	Pumphouse #4 road	Warburton to pumphouse	375	\$2.12	\$795.00	1705	\$.60	\$1,023.00
4	Farwell Ave	Villaume Ave to Armour Ave	1615	\$2.12	\$3,423.80	7339	\$.60	\$4,403.40
5	Villaume Ave	Farwell Ave to Highland Ave	569	\$2.12	\$1,206.28	2588	\$.60	\$1,552.80
COMBIND TOTAL								\$75,471.60

Streets can be added to this list if the actual bid prices are lower than estimated.

Source of Funds:

The 2016 Public Works budget includes \$90,000 for sealcoating. The remaining amount will be used to crack seal the segments, pre- and post-sweep, and stripe the MSA segments.

JOINT POWERS AGREEMENT

SOUTH METRO JOINT POWERS AGREEMENT FOR ROADWAY MAINTENANCE SERVICES

THIS JOINT POWERS AGREEMENT (“Agreement”) is made this 18th day of February, 2014, by and between the City of Burnsville, (“Burnsville”) and other south metropolitan Local Government Units choosing to participate in this Agreement (“Participating Local Government Unit (LGU)” or “Participating Local Government Units (LGUs)”). Burnsville, Participating LGU or Participating LGUs shall collectively be referred to as the “Parties”.

RECITALS

This Agreement is made pursuant to the authority conferred upon the Parties pursuant to Minnesota Statutes 471.59.

The purpose of this Agreement is to provide roadway maintenance services for the Parties utilizing a singular contracting procedure and one common contractor for each service.

NOW, THEREFORE, the Parties agree as follows:

1. Subject to the other provisions of this Agreement, Burnsville for itself and on behalf of the Participating LGUs shall annually decide which services will be bid for the collective benefit of all Parties, prepare all bidding documents and conduct bidding services pursuant to State law for the work.
2. The Participating LGUs shall annually provide to Burnsville the estimated quantities for these services in each respective LGU, and shall also approve the bid documents.
3. Burnsville shall tabulate the bids upon their receipt and make a recommendation of award to each Participating LGU and upon their approval, award the contract pursuant to State law.
4. Each Participating LGU shall be responsible for:
 - Preparing maps showing the proposed locations for these services including estimating the quantities thereof.

- Preparing the roadways for the work to be done in accordance with the specifications and coordinating with the contractor as to the timing of the actual work.
- Inspecting the contractor's work, measuring the quantities of work performed, approving and certifying the progress or final payments to the contractor.
- Pay a percentage of actual construction costs to Burnsville for legal and administrative costs on a sliding scale basis as follows:

\$0 - \$50,000 – 1.5%

\$50,000 - \$100,000 - 1%

Over \$100,000 - 0.5%

5. In accordance with the specifications, the contractor will submit an itemized invoice to each Participating LGU separately for the work performed within their jurisdiction. Upon approval of the invoice by the respective LGU, that Participating LGU will remit the approved invoice amount directly to the contractor.

6. It is agreed that each Participating LGU shall indemnify, save, and hold harmless Burnsville, and each of the other Participating LGUs, and all of their agents and employees from any and all claims, demands, actions, or causes of action, for whatever nature, arising out of the execution or performance of the work purchased for each respective LGU under this Agreement, and that the Participating LGUs further agree to defend, at their sole cost and expense, any actions or proceedings commenced against their respective LGU for the purposes of asserting any claim of whatsoever character arising hereunder. The Parties agree that liability under this Agreement is controlled by Minnesota Statute 471.59, subdivision 1a and that the total liability for the Parties

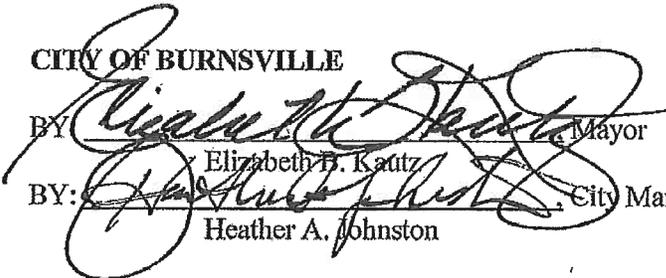
shall not exceed the limits on governmental liability for a single unit of government as specified in 466.04, subdivision 1. (a).

7. This Agreement is to be executed between Burnsville and each of the Participating LGUs. It may be executed in counterparts. Future Participating LGUs may be added by action of their Council or Board and execution of this Agreement. Upon addition of those LGUs, a copy of the signature page and an updated appendix will be provided by Burnsville to all Participating LGUs. Similar notification shall be provided for those that terminate their participation in this Agreement. This Agreement shall continue in effect until terminated by the Parties or replaced. Each Participating LGU may terminate this Agreement as to that Participating LGU by giving sixty (60) days notice to Burnsville. Burnsville may terminate this Agreement by providing six months notice to the Participating LGUs.

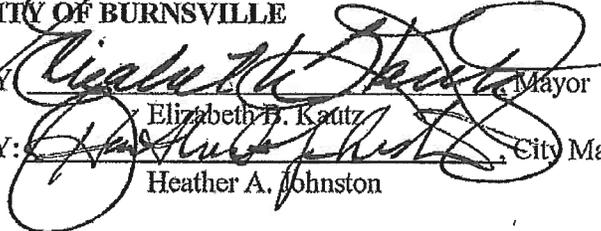
IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed on the date indicated below.

BURNSVILLE

CITY OF BURNSVILLE

BY:  Mayor

Elizabeth B. Kautz

BY:  City Manager

Heather A. Johnston

DATE: 2/26/2014

PARTICIPATING LGUs

CITY OF APPLE VALLEY

BY: Mary Hamann-Roland, Mayor
Mary Hamann-Roland

BY: Pam Gackstetter, City Clerk
Pam Gackstetter

DATE: FEBRUARY 27, 2014

CITY OF EAGAN

BY: Mike Maguire, Mayor
Mike Maguire

BY: Christina M. Scipioni, City Clerk
Christina M. Scipioni

DATE: 2-18-14

CITY OF ELKO NEW MARKET

BY: Tony Gabriel, Mayor
Tony Gabriel

BY: Thomas Terry, City Administrator
Thomas Terry

DATE: _____

CITY OF FARMINGTON

BY: Todd Larson, Mayor
Todd Larson

BY: David McKnight, City Administrator
David McKnight

DATE: February 18, 2014

CITY OF HASTINGS

BY: Paul Hicks, Mayor
Paul Hicks

BY: Julie Flaten, City Clerk
Julie Flaten

DATE: _____

CITY OF LAKEVILLE

BY: [Signature], Mayor

Matt Little

BY: [Signature], City Clerk

Charlene Friedges

DATE: 2/18/14

CITY OF MENDOTA HEIGHTS

BY: [Signature], Mayor

Sandra Krebsbach

BY: [Signature], City Clerk

Lorri Smith

DATE: Feb 18, 2014

CITY OF PRIOR LAKE

BY: [Signature], Mayor

Kenneth Hedberg

BY: [Signature], City Manager

Frank Boyles

DATE: 2/24/14

CITY OF ROSEMOUNT

BY: [Signature], Mayor

William H. Droste

BY: [Signature], City Clerk

Amy Domeier

DATE: 2/18/2014

CITY OF SAVAGE

BY: [Signature], Mayor

Janet Williams

BY: [Signature], City Administrator

Barry Stock

DATE: 2/18/14

COUNTY OF SCOTT

BY: Thomas J. Wolf, Board Chair

BY: Gary L. Shelton, County Administrator

DATE: 3/5/14

CITY OF SHAKOPEE

BY: Brad Tabke, Mayor

BY: Julie Linnihan, City Clerk

BY: Mark McNeill, City Administrator

DATE: _____

CITY OF SOUTH ST. PAUL

BY: Beth A. Baumann, Mayor

BY: Christy M. Wilcox, Clerk

DATE: _____

CITY OF WACONIA

BY: Jim Nash, Mayor

BY: Susan Arntz, City Administrator

DATE: 2/3/2014

CITY OF WEST ST. PAUL

BY: John Zanmiller, Mayor

BY: Matt Fulton, City Manager

DATE: 2-11-14

SPRING LAKE TOWNSHIP

BY: Doug Berens, Chairman

Doug Berens

BY: Kathy Nielsen, Clerk

Kathy Nielsen

DATE: Feb. 12 2015

EMPIRE TOWNSHIP

BY: Terry Homes, Chairman

Terry Homes

BY: Kathleen B. Krippner, Clerk

Kathleen B. Krippner

DATE: 3/24/15

APPENDIX A

LIST OF PARTICIPATING LGUs

**CITY of BURNSVILLE, CITY of APPLE VALLEY, CITY of EAGAN, CITY of ELKO
NEW MARKET, CITY of FARMINGTON, CITY of HASTINGS, CITY of LAKEVILLE,
CITY of MENDOTA HEIGHTS, CITY of PRIOR LAKE, CITY of ROSEMOUNT, CITY of
SAVAGE, COUNTY of SCOTT, CITY of SHAKOPEE, CITY of SOUTH ST. PAUL, CITY
of WACONIA, CITY of WEST ST. PAUL, SPRING LAKE TOWNSHIP AND EMPIRE
TOWNSHIP**



CITY COUNCIL AGENDA REPORT

DATE: APRIL 4, 2016

DEPARTMENT: Airport

ADMINISTRATOR: SPK

8-G

AGENDA ITEM: Approving Land Lease at Fleming Field with Sela Holdings, LLC

ACTION TO BE CONSIDERED:

Adopt Resolution No. 2016-58 Approving Land Lease at the Fleming Field Airport with Sela Holdings, LLC.

Overview:

The City Council is required to approve land leases at the airport. City staff has prepared a land lease for the Lot 6, Block 12, Outlot C, Airport Rearrangement, also known as 253 Delta Lane in the East Hangar Area, with Sela Holdings, LLC on the approved lease form.

The lease is a non-commercial lease that does not allow for an aviation business to operate on the property, but will allow for Sela Holdings, LLC to sublet space to store aircraft. The lease is a 10-year lease with two additional 10-year renewals for a total of 30 years.

Source of Funds:

N/A

City of South St. Paul
Dakota County, Minnesota

RESOLUTION NO. 2016-58

**RESOLUTION RELATING TO AIRPORT:
APPROVING LAND LEASE AT FLEMING FIELD
WITH SELA HOLDINGS, LLC**

WHEREAS, The City Council has reviewed and considered a Lease for Lot 6, Block 12, Outlot C, Airport Rearrangement (the “Lease”);

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of South St. Paul, Minnesota, as follows:

1. That the forms, terms and provisions of the Leases and the transactions contemplated thereby are in all respects, hereby approved and adopted.
2. That the Mayor and the City Clerk are hereby authorized and directed to sign the Leases in the name and on behalf of the City in the form hereby approved.

Adopted this 4th day of April, 2016.

City Clerk

**AIRPORT LAND LEASE AGREEMENT
[GROUND LEASE – EAST SIDE]
[Non – Commercial]**

**CITY OF SOUTH ST. PAUL
[Landlord]**

AND

SELA HOLDINGS, LLC

[Tenant]

INDEX TO LEASE AGREEMENT

[Non – Commercial]

<u>Section</u>	<u>Heading</u>
1	Lease
2	Lease Term
3	Lease Renewal
4	Rent
5	Use of Leased Premises
6	Conduct of Operations
7	Tenant's Commitment to Construction of Building
8	Building Maintenance
9	Insurance
10	Indemnification
11	Payment of Taxes and Other Charges
12	Service and Utilities
13	Tenant's Financing
14	Right to Remove Building(s) at End of Lease Term
15	Tenant's Right to Sublease or Assign
16	Quiet Enjoyment
17	Landlord's Operation of Airport
18	Default by Tenant
19	Waiver
20	Legal Costs
21	Lien on Tenant's Property
22	Condemnation
23	Destruction of Leased Premises
24	Lease Amendments
25	Binding on Successors
26	Commitments to Federal or State Agencies
27	Aircraft Registration
28	Apron and Taxiway
29	Signs
30	Aviation Fuel
31	Lease Subject to Government Deed Restrictions
32	Hazardous Substances
33	General Provisions
34	Notices

35	Data Practices Act
36	Entire Agreement
37	Captions; Table of Contents
38	Counterparts
39	Governing Law
40	Conflict of Interest
41	Memorandum of Lease
42	Third Party Beneficiaries
43	Compliance with Laws and Regulations
44	Force Majeure
45	Non-Discrimination
46	Severability

Exhibit A	Rent Schedule
Exhibit B	Building Standards Policy
Exhibit C	Airport Contract Requirements

LEASE AGREEMENT

THIS LEASE AGREEMENT (“Lease”) is made as of March 30, 2016, between the City of South St. Paul, a municipal corporation of the State of Minnesota, (“Landlord”) and **Sela Holdings, LLC** (“Tenant”), each of the foregoing being sometimes referred to individually as “party” or collectively as “parties.”

IN CONSIDERATION OF the mutual agreements herein expressed and for valuable consideration, the parties agree as follows:

SECTION 1 LEASE

- 1.1 Landlord hereby leases to Tenant and Tenant hereby leases from Landlord the following real property situated upon the South St. Paul Municipal Airport (“Airport”), a public Airport owned and operated by Landlord, located in the County of Dakota, State of Minnesota:

Lot 6, Block 12, Outlot C, Airport Rearrangement

according to the plat thereof on file and of record in the office of the Dakota County Recorder (“Leased Premises”), together with buildings and improvements, if any, located on the Leased Premises. Said Lease Premises has **4,900** total square feet.

- 1.2 Tenant shall have the privilege of using the public portions of the Airport, such as runways and other public facilities provided by Landlord, upon such terms and subject to the rules, regulations and charges for such use as they now exist or may hereafter be established by Landlord by ordinance, resolution or agreement with Tenant.
- 1.3 Tenant agrees that Tenant is leasing the Leased Premises on an “as-is,” “where is” and “with all faults” basis, based upon Tenant’s own judgment, and Tenant disclaims any reliance upon any statement or representation whatsoever made by Landlord regarding the Leased Premises or the Airport. Landlord makes no warranty with respect to the Leased Premises, either express or implied. Landlord specifically disclaims any warranty of merchantability or fitness for any particular purpose and liability for any consequential damages arising out of the use or the inability to use the Leased Premises, or any part thereof.

SECTION 2 LEASE TERM

The term of this Lease (“Term”) shall be ten (10) years commencing on 1st day of January, 2017 (“Commencement Date”), unless earlier terminated as provided in this Lease.

SECTION 3
LEASE RENEWAL

3.1 Tenant shall have the option to extend the initial Term of this Lease for an additional term of ten (10) years ("First Extended Term") from and after the expiration of the initial Term of this Lease, by giving written notice of the exercise of this option to Landlord not less than one (1) year prior to the expiration of the initial Term of this Lease. Tenant shall also have an option to extend the First Extended Term of this Lease for an additional term of ten (10) years ("Second Extended Term") from and after the expiration of the First Extended Term of this Lease, by giving written notice of the exercise of this option to Landlord not less than one (1) year prior to the expiration of the First Extended Term of this Lease. Each option to renew and each extended term is subject to the following terms and conditions:

- (i) No default exists in the performance by Tenant of any of the terms of this Lease;
- (ii) Each extended term shall be on the terms, covenants and conditions of the then current lease terms for the same type of tenants (noncommercial, commercial with direct access to public road, or commercial without direct access to public road) and at the highest rental rate for the particular type of tenancy;
- (iii) With respect to the Second Extended Term that the option for the First Extended Term has been exercised; and
- (iv) That the Lease Term and any extension term shall not cause the Lease to continue for more than thirty (30) years from the Commencement Date of the Lease.

SECTION 4
RENT

4.1 During each year of this Lease, Tenant shall pay to Landlord **on or before March first of each year** an annual rent ("Rent") as provided in Exhibit A, attached hereto and incorporated herein by reference. In the event of any fractional year occurring during the Term of this Lease, Tenant shall pay rent on a pro rata basis calculated on the ratio of the actual number of days of possession by Tenant to the total number of days in the year in question.

4.2 In addition to being an event of default entitling Landlord to terminate this Lease, failure to pay Rent by March 1st of each year shall result in a late fee equal to \$50 or five percent (5%) of the Rent due, whichever is greater, per month for each month that the Rent is late.

Nothing in this paragraph shall be interpreted as a waiver of any of the Landlord's rights on the Tenant's default pursuant to any other provision of this Lease.

- 4.3 The Annual Rent shall be adjusted upward as of the first day of March of each year ("Adjustment Date") beginning in the second year of the Lease Term and each year thereafter by three percent (3%) each year for the duration of the Lease Term as set forth in the attached Rent schedule on Exhibit A, attached hereto and incorporated herein by reference. At the commencement of any Extended Lease Term, the Annual Rent shall be adjusted upward to the highest rental rate for the Tenant's particular type of tenancy. Thereafter, the Annual Rent shall be increased by three percent (3%) each year for the duration of the First Extended Term or the Second Extended Term.

SECTION 5
USE OF LEASED PREMISES

- 5.1 The Leased Premises and the building(s) presently thereon shall be used solely for the following purposes and for no other purpose by Tenant or by other parties to whom Tenant may assign this Lease: [check use(s)]

X Aircraft storage and uses customarily incidental to aircraft storage, including aircraft storage for rent

_____ Other (specify) _____

- 5.2 Use of the Leased Premises for any purpose not expressly provided for in this Section shall constitute a default under this Lease unless Landlord provides written approval for such use prior to commencement of the use.

SECTION 6
CONDUCT OF OPERATIONS

- 6.1 In the conduct of their authorized activities on the Leased Premises and in the Airport, Tenant and any person or entity operating under any agreement with Tenant, shall furnish services on a fair, equal and non-discriminatory basis to all users thereof, and shall charge fair, reasonable and non-discriminatory prices for each unit of sale or service; provided, however, that Tenant and those operating under agreement with Tenant shall be allowed to make reasonable and non-discriminatory discounts, rebates or other similar types of price reductions to volume purchasers.
- 6.2 Tenant shall have the nonexclusive privilege to use the public portions of the Airport, including, without limitation, parking areas, taxiways and roads, subject to the rules and regulations which now exist or are hereafter enacted by Landlord regarding such use and

subject to such usage charges as may be established by Landlord.

- 6.3 This Lease shall not be construed in any manner to grant Tenant, or those claiming under Tenant, the exclusive right to use any part of the Airport, except the Leased Premises.

SECTION 7
TENANT'S IMPROVEMENT OF THE LEASED PREMISES

- 7.1 Tenant agrees that any improvements constructed by Tenant upon the Leased Premises shall be constructed at no cost to Landlord.
- 7.2 The construction of all improvements on the Leased Premises and the improvements themselves must be built pursuant to the Building Standards Policy attached as Exhibit B, which is herein incorporated by reference.
- 7.3 Before commencing any erection, rebuilding, enlargement, extension or any other improvement of a building, and before commencing any repair or alteration costing in excess of One Thousand Dollars (\$1,000), Tenant shall furnish to Landlord for Landlord's approval:
- (i) The plans for such work;
 - (ii) The estimated cost of completing the work;
 - (iii) Unless waived in writing by Landlord, a bond or other security in amount, form and with surety satisfactory to Landlord, conditioned for the commencement and completion and payment for such work, and against loss or damage by reason of mechanic's liens; and
 - (iv) An insurance policy issued by an insurance company approved by Landlord and in an amount satisfactory to Landlord, naming Landlord as an additional insured and protecting Landlord from all liability to persons or property for damages arising out of the contemplated work.
- 7.4 Tenant shall only proceed with the construction of an improvement to a building upon the Leased Premises after receipt of written approval from Landlord for the plans for the building.
- 7.5 Regardless of whether or not the foregoing bonds, security and insurance are waived by Landlord, Tenant shall:
- (i) Prior to the commencement of any construction, repair or alteration, procure from

the necessary authorities any building or other permits that may be required;

- (ii) Do or cause the work to be done in a good and workmanlike manner and to be completed within the required time and in conformity with such building codes, zoning ordinances and regulations and orders of any lawful authority applicable to the Airport;
- (iii) Keep the Leased Premises and every building, structure and improvement on the Leased Premises free and clear from all liens for labor performed and materials furnished therefore;
- (iv) Defend, at Tenant's own cost and expense, each and every lien asserted or filed against any portion of the Leased Premises, or against the building, structure or improvement thereon and pay each and every judgment made or given against any portion of the Leased Premises, or against the building, structure or improvement thereon; and
- (v) Indemnify and hold Landlord harmless from each and every claim, demand, action and cause of action arising out of or in connection with any act or omission of Tenant, or of any agent, employee or contractor of Tenant, with respect to the removal, erection, alteration, enlargement or extension of any building, structure or improvement on the Leased Premises, or arising out of or in connection with the assertion or filing of any lien on said land or against any building, structure or improvement thereon.

SECTION 8 **BUILDING MAINTENANCE**

8.1 **OBLIGATIONS OF TENANT.** Tenant shall: Tenant, at Tenant's own cost and expense, shall take good care of the Leased Premises and shall repair, replace and maintain the buildings, structures and improvements located thereon and shall keep and maintain the same in good order and repair and in a clean and neat condition. Tenant shall not suffer or permit any waste or nuisance on the Leased Premises or anything thereon which interferes with the rights of other tenants or the Landlord in connection with the use of the Airport Leased Premises not leased to Tenant. Landlord shall not be required to repair, replace or maintain any buildings, structures or improvements on the Leased Premises.

SECTION 9 **INSURANCE**

9.1 At all times during the Term of this Lease, Tenant shall keep all buildings on the Leased Premises insured against fire, vandalism, malicious mischief, and windstorm loss or

damage for an aggregate amount equal to one hundred percent (100%) of the fair market value of the buildings or the insurable value, whichever is greater, and any money received from said insurance as a result of any loss or damage to the building shall be divided between Tenant and Landlord as their interest may appear. The policies shall be in a form satisfactory to Landlord, and copies of the insurance policies or certificates thereof evidencing such coverage and that such insurance is payable to Landlord and Tenant shall be furnished to Landlord. Upon the occurrence of loss of or damage to the building, Tenant shall within thirty (30) days repair, rebuild, replace or remove the building, unless Landlord consents in writing to an extended time, which consent shall not be unreasonably withheld or delayed.

- 9.2 Tenant shall, at Tenant's sole cost and expense, maintain in effect at all times during the Term of this Lease a "Commercial General Liability Insurance" policy on an "occurrence" rather than on a "claims made" basis, with a total combined policy limit of not less than the limitation of liability of Landlord under Minnesota Statutes Chapter 466, or any successor statute, which policy shall include, but not be limited to, coverages for Bodily Injury, Property Damage, Personal Injury and Contractual Liability (applying to this Lease), or an equivalent form (or forms), so long as such equivalent form (or forms) affords coverage which is at least as broad as the above. Such policy shall name Landlord as an additional insured. Policies for such liability coverage shall be in a form and issued by an insurer reasonably acceptable to Landlord and shall require at least thirty (30) days prior written notice to Landlord of termination or material alteration. Tenant's liability insurance shall be primary with respect to Landlord and its agents and not participating with any other available insurance. Tenant shall deliver to Landlord on the Commencement Date of this Lease and on each Anniversary Date thereafter insurer-certified copies of such policies, certificates or other evidence reasonably satisfactory to Landlord confirming the terms of such insurance, confirming that premiums thereon have been paid at least one (1) year in advance and confirming that the policies are in full force and effect.
- 9.3 Tenant shall carry owners-tenants combined single limit coverage for bodily injury, property damage and all damages for any one incident of at least One Million Dollars (\$1,000,000.00).
- 9.4 Each party hereto waives all claims for recovery from the other party for any loss or damage to any of its property insured under valid and collectible insurance policies to the extent of any recovery collectible under such insurance, subject to the limitation that this waiver shall apply only when permitted by the applicable policy of insurance. The parties agree to use good faith efforts to have any and all fire, extended coverage or any and all material damage insurance which may be carried endorsed with the following subrogation clause: "This insurance shall not be invalidated should the insured waive any writing prior to a loss, any or all right of recovery against any party for loss occurring to the property described therein."

SECTION 10
INDEMNIFICATION

- 10.1 Tenant agrees to indemnify and hold Landlord harmless from any and all loss, damage, claims, judgments, litigation expenses and costs for any injury to persons or damage to property from any act or omission of Tenant, its employees, agents, subsidiaries, licensees and sublessees while on or about the Airport or the Leased Premises, and Landlord shall not be liable to any extent for, nor will Tenant make any claim against Landlord for or on account of any injury, loss or damage to the Leased Premises, the buildings or structures thereon, the personal property and facilities located therein, or to any person or property at any time on the Leased Premises whether occasioned by fire, water, smoke, steam, gas, electricity or other agency or instrumentality which may come or be on the Leased Premises or occasioned by any other cause. The Tenant's indemnity obligation is not limited by the insurance required in Sections 9.1 and 9.2.
- 10.2 Nothing in this Lease shall cause Landlord in any way to be construed as partner, joint venturer or associated in any way with Tenant in the operation of the Leased Premises, or subject Landlord to any obligation, loss, charge or expense connected with or arising from the operation or use of the Leased Premises or any part thereof.

SECTION 11
PAYMENT OF TAXES AND OTHER CHARGES

Tenant shall pay all taxes, assessments, license fees or other charges that may be levied or assessed during the Term of this Lease upon or against the Leased Premises, any improvements or equipment on the Leased Premises, or on account of the transacting of business thereon by Tenant, including but not limited to all real and personal property taxes. If Tenant shall fail to pay any of the taxes, assessments, license fees or other charges when the same become due, Landlord may pay the same, together with any cost or penalty which may accrue thereon, and collect the entire amount so paid from Tenant and Tenant agrees to pay the entire amount to Landlord upon demand. Tenant recognizes and agrees that the word "taxes" as used in this Section includes any tax which may be imposed and required to be collected pursuant to Minnesota Statutes Section 272.01, subd. 2, or similar successor statute, for the privilege of using and possessing the Leased Premises, which are tax exempt, in the same amount and to the same extent as though Tenant were the owner of the Leased Premises. Tenant acknowledges that the Leased Premises is assessed separately from the Airport for purposes of assessing property taxes, and that Tenant is responsible for paying all such personal property taxes or property taxes to Dakota County.

SECTION 12
SERVICES AND UTILITIES

- 12.1 All utilities for the Leased Premises shall be separately metered. Tenant shall be responsible for any repairs to utilities or utility connections on the Leased Premises. If Tenant fails to make required repairs to any utilities or utility connections within ten (10) days after Landlord has sent written notice to Tenant that the repairs need to be made, Landlord may make such required repairs and Tenant shall pay to Landlord the cost of performing such repair within five (5) days after receipt of a bill for the repair charges.
- 12.2 Tenant agrees to promptly pay all claims, in addition to Rent, for all utilities or other services supplied to or consumed by Tenant on the Leased Premises, including, without limitation, gas, electricity, water, telephone, trash collection, storm water utility and all similar services provided by Landlord.
- 12.3 Tenant shall provide, at Tenant's expense, security lighting and proper electrical service to the Leased Premises. All utility connections, electrical or otherwise, shall be underground.

SECTION 13
TENANT'S FINANCING

- 13.1 Tenant shall have the right to subject the leasehold estate and any and all improvements to one or more mortgages as security for a loan or loans or other obligation of Tenant, provided that:
- (i) The mortgage and all rights acquired under it shall be subject to all of the terms, covenants conditions and restrictions contained in this Lease and to all rights and interests of Landlord, except as otherwise provided in this Lease; and
 - (ii) Tenant shall give Landlord prior notice of any mortgage, together with a copy of it.
- 13.2 If Tenant defaults under the terms of any permitted leasehold mortgage, and the mortgagee acquires Tenant's leasehold estate, whether by exercising its power of sale by judicial foreclosure, or by an assignment in lieu of foreclosure, or of exercise of power of sale, Landlord agrees to postpone the obligation to pay Rent during the sixty (60) days following the mortgagee's acquisition, conditioned upon the following:
- (i) Payments of all taxes, assessment, and insurance premiums required by this Lease to be paid by Tenant are current, or are brought current by mortgagee, and are kept current;
 - (ii) Payments of all utility charges are current or are brought current by mortgagee, and are kept current;
 - (iii) The mortgagee performs all Tenant's obligations with respect to the Leased

Premises and keeps any improvements in good order and repair; and

- (iv) Within seventy-five (75) days following mortgagee's acquisition, mortgagee cures any Rent default of Tenant out of income and rent remaining after paying items (ii) through (iii) above and after mortgagee's reasonable expenses incurred in operating the Leased Premises and improvements.

SECTION 14

RIGHT TO REMOVE BUILDING(S) AT END OF LEASE TERM

- 14.1 Upon termination of this Lease, whether on account of default or by lapse of time, if Tenant shall have paid all taxes, assessments, Rent and other charges payable by Tenant under the terms of this Lease, and shall have kept and performed all the terms and conditions of this Lease, Tenant shall have the right to remove from the Leased Premises all buildings or property thereon belonging to Tenant and shall restore the Leased Premises to as good condition as they were in when they were entered upon by Tenant, reasonable wear and tear excepted, provided Tenant does so within sixty (60) days after the termination of this Lease. If said buildings or property are not so removed within said sixty (60) day period, Tenant hereby conveys and transfers the same to Landlord and the title thereto shall vest in Landlord without further act or conveyance; provided, however, that if following commencement of removal or notice of intention to remove, Tenant shall demonstrate to Landlord that for reasons beyond the control of Tenant such removal cannot be completed within said sixty (60) day period, Landlord may allow Tenant a reasonable extension of time for such removal.
- 14.2 At Landlord's sole discretion, Tenant may be required to remove any and all buildings from the Leased Premises at the end of the Lease Term, regardless of whether the requirements of Section 14.1 have been met. Landlord shall inform Tenant in writing no less than ninety (90) days prior to the end of the Lease Term or Extension Term if Landlord will require Tenant to remove the building(s) from the Leased Premises. Tenant's failure to remove the building(s) at Landlord's direction shall result in Landlord removing the building(s) at Tenant's sole expense.

SECTION 15

TENANT'S RIGHT TO SUBLEASE OR ASSIGN

- 15.1 Sublease. Tenant may not sublease all or any part of the Leased Premises without the prior written approval of Landlord, which approval may not be withheld if all of the conditions in Section 15.3 are met.
- 15.2 Assignment. Tenant may not, voluntarily or by operation of law, assign, mortgage, pledge or otherwise transfer this Lease without the prior written consent of Landlord. If Tenant is

a corporation, then any transfer of this Lease by merger, consolidation or liquidation, or any change in ownership of the shares of voting stock so as to result in a change of the present effective voting control of Tenant shall constitute an assignment of this Lease, and as such, shall require the prior written consent of Landlord.

15.3 Landlord's written consent to any proposed assignment or transfer shall not be withheld or delayed if, in the sole discretion of the Landlord, all of the following conditions are satisfied:

- (i) The proposed assignee or sublessee has a net worth at least equal to Tenant's net worth as of the date of the signing of this Lease, or the date of the proposed assignment, whichever is greater;
- (ii) The proposed assignee or sublessee is creditworthy considering the obligations to be assumed under the Lease;
- (iii) The proposed assignee or sublessee has experience in operations similar to that being conducted on the Leased Premises;
- (iv) The use of the Leased Premises will comply with all the requirements of this Lease;
- (v) Tenant and Tenant's guarantor(s) (if any) and the proposed assignee or sublessee agree to a written amendment to the Lease, in form and substance acceptable to Landlord, that the Rent as of the effective date of such assignment shall be equal to the highest per square foot rent charged for a similar lease at the Airport; and
- (vi) The proposed assignee or sublessee will continue to use the Leased Premises for the same purpose as the Tenant or for a similar purpose as determined and approved by Landlord at Landlord's sole discretion;
- (vii) Tenant pays a lease transfer fee to the Landlord in the amount of \$1,000.

15.4 If the Lease is assigned to an entity or person other than a member of the Tenant's immediate family before the Infrastructure Fee and accrued interest are fully paid, the Infrastructure Fee and accrued interest shall be due and payable in full on the date the assignment is approved by Landlord.

15.5 If Tenant desires to assign the Lease, Tenant shall so notify Landlord in writing at least thirty (30) days prior to the proposed effective date of the assignment. Tenant shall provide Landlord with a copy of the proposed assignment and any other relevant information requested by Landlord.

SECTION 16
QUIET ENJOYMENT

- 16.1 Landlord covenants and agrees with Tenant that upon Tenant's paying said Rent and keeping, paying and performing all the terms, covenants and conditions of this Lease on Tenant's part to be kept, paid and performed, Tenant may, except for reasons beyond the control of Landlord, peaceably and quietly have and hold the Leased Premises for the Term of this Lease.
- 16.2 Notwithstanding the above, Landlord and its agents or representatives shall have the right to enter the Leased Premises and buildings thereon, to inspect the same for operations conducted from and on the Leased Premises and for the purpose of making repairs or improvements to any adjoining premises or to the Airport and to install through or upon the Leased Premises such pipes, wires and appurtenances as it may deem necessary or useful to the operation of the Airport, but the making of such repairs, improvements, or installations shall be done in such manner as will not interfere materially with the use and enjoyment of the Leased Premises by Tenant, except in cases of emergency.

SECTION 17
LANDLORD'S OPERATION OF AIRPORT

Landlord shall properly maintain, operate and manage the Airport at all times in a safe manner consistent with generally accepted good practice in the State of Minnesota for airports of similar size and character. If, for any reason beyond the control of Landlord (including without limitation, war, strikes, riots or acts of God) Landlord shall fail to properly maintain, operate and manage the Airport, such failure shall not operate as a breach of this Lease or render Landlord liable for damages. This section shall not be construed to bind Landlord to operate a traffic control tower at the Airport, nor be construed to bind Landlord to maintain the Leased Premises.

SECTION 18
DEFAULT BY TENANT

- 18.1 The following shall constitute a default by Tenant:
- (i) Tenant fails to pay Rent and such failure to pay shall is not cured within five (5) days from the due date of the payment;
 - (ii) Tenant fails to pay all taxes, assessments, license fees or other charges that may be levied or assessed during the Term of this Lease upon or against the Leased Premises, any improvements or equipment on the Leased Premises, or on account of the transacting of business thereon by Tenant, including but not limited to all real and personal property taxes and such default shall continue for thirty (30) days

after notice of said failure to pay is given to Tenant by the Landlord or Dakota County.

- (iii) Tenant fails to observe or perform any of the non-monetary terms, covenants or conditions of this Lease, and such default shall continue for ten (10) days after notice of default is given by the Landlord or Tenant shall have failed to commence the cure of such default within ten (10) days after such notice;
- (iv) Notwithstanding the requirement contained in Section 18.1(iii) hereof relating to giving the Tenant a ten (10) day period to cure a non-monetary default, in the event of an emergency as determined by the Landlord, the Landlord may perform the work or improvement to be performed by the Tenant without giving any notice to the Tenant and without giving the Tenant the ten (10) day period to cure the default. In such case, the Tenant shall within thirty (30) days after written billing by the Landlord reimburse the Landlord for any and all costs incurred by the Landlord.
- (v) A petition to reorganize Tenant or for an arrangement of its unsecured debts is filed;
- (vi) Tenant is adjudicated bankrupt;
- (vii) A receiver or trustee of Tenant's property is appointed by any Court;
- (viii) Tenant makes a general assignment for the benefit of creditors;
- (ix) The entirety of Tenant's interest in Tenant's property shall be taken by garnishment, attachment, execution or other process of law; or
- (x) The Leased Premises is abandoned for a period of thirty (30) days.

18.2 In the event of any default, in addition to any other remedies available to Landlord at law or equity, Landlord shall have the following rights:

- (i) Immediately, or at any time thereafter, without further notice to Tenant, to re-enter into or upon the Leased Premises, or any part thereof, and take possession of the same fully and absolutely without such re-entry working a forfeiture of the Rents or other charges to be paid and of the covenants, terms and conditions to be performed by Tenant for the full Term of this Lease, and in the event of such re-entry Landlord may seek the collection of the Rents or other charges to be paid under this Lease or for the properly measured damages and for the collection of its reasonable attorney's fees; and
- (ii) Landlord shall further have all other rights and remedies including injunctive relief,

ejectment or summary proceedings in unlawful detainer, and any or all legal remedies, actions and proceedings, and all such shall be cumulative Landlord shall be entitled to its reasonable attorney's fees arising from or attributable to any such breach.

18.3 In the event of any default, in addition to any other remedies available to Landlord at law or in equity, including those set forth in Paragraph 18.2, Landlord shall have the immediate right and option to terminate this Lease and all rights of Tenant hereunder by giving written notice of such intention to terminate. In the event that Landlord shall so terminate this Lease as a result of Tenant's default, Landlord may:

- (i) Retain any payment(s) made by Tenant as provided in Section 4 *[for Rent]* prior to the termination of this Lease.
- (ii) Recover from Tenant the amount of any unpaid Rent which had been earned at the time of such termination;
- (iii) Recover from Tenant all expenses incurred by Landlord in terminating, repossessing and reletting the Leased Premises including but not limited to costs of repairs, brokerage and legal fees, and the collection of Rent;
- (iv) Recover from Tenant any deficiency between the Rent for the remainder of the Term and the payments, if any, received by Landlord from any reletting of the Leased Premises, or, if elected by Landlord as liquidated and final damages for lost Rent, in addition to the deficiencies accruing through the date of such election, a lump sum equal to the present value (calculated by discounting at the stated rate of interest payable under any first mortgage or deed of trust on the Property or one (1) percent per annum over the discount rate of the Federal Reserve Bank of Minneapolis, whichever is less) as of the date of such election of the amount by which Rent for the remainder of the Term exceeds the then reasonable rental value of the Leased Premises over the remainder of the Term; and
- (v) Recover from Tenant any reasonable attorneys' fees incurred by Landlord in enforcing its rights hereunder.

SECTION 19
WAIVER

Landlord's waiver of any of the rights remedies, terms or conditions of this Lease on any occasion shall not constitute a waiver of any rights, remedies, terms or conditions with respect to any subsequent breach or default under the terms of this Lease.

SECTION 20
LEGAL COSTS

If Landlord incurs any costs to collect or recover any amount due or to become due under this Lease or to recover possession of the Leased Premises or files suit upon Tenant for the collection of any amount due or to become due or the recovery of possession of the Leased Premises or the enforcement of any of Tenant's covenants hereunder, Landlord will be entitled to reimbursement of its reasonable attorneys' fees and costs where Landlord is successful in its efforts for the collection of any amounts due or the recovery of possession of the Leased Premises.

SECTION 21
LIEN ON TENANT'S PROPERTY

As security for the payment to Landlord of all sums required to be paid by Tenant under the terms of this Lease, Tenant does hereby grant a lien upon and does mortgage to Landlord the buildings, structures and/or improvements located or to be located upon the Leased Premises at any time during the Term of this Lease, and does hereby authorize Landlord upon failure of Tenant to cure any default within the time provided for in Section 18, to take said property and sell and dispose of the same, to foreclose the lien hereby created in the manner provided by the laws of the State of Minnesota subject, however, to the lien of mortgages given by Tenant to finance the construction of the building to be constructed pursuant to this Lease, retaining such amount as shall pay any sums due and owing Landlord under the terms of this Lease, and any attorney's fees and expenses as may have been incurred in connection therewith, and returning the excess, if any, to Tenant. In the event of sale, Landlord may bid in and become the purchaser of the property sold under foreclosure hereunder.

SECTION 22
CONDEMNATION

If it shall be in the public interest, Landlord shall have the power to condemn any part or the entirety of the Leased Premises even though it is a party to the Lease. In the event Landlord receives notification of any condemnation proceedings affecting the Leased Premises, Landlord will provide notice of the proceeding to Tenant within fifteen (15) days. If a condemning authority takes all or any part of the Leased Premises as part of a taking or condemnation action, this Lease will automatically terminate as of the day of the taking or condemnation. Tenant waives any and all claim to any portion of a condemnation award awarded to Landlord.

SECTION 23
DESTRUCTION OF LEASED PREMISES

If the buildings on the Leased Premises are partially or completely destroyed, either Landlord or Tenant shall have the right to terminate this Lease upon thirty (30) days written notice

to the other party.

SECTION 24
LEASE AMENDMENTS

- 24.1 Any of the terms of this Lease may be amended upon the mutual agreement, in writing, of Landlord and Tenant, which must be executed with the same formalities as this instrument.
- 24.2 This Lease is subject to the approval of federal and state agencies. The parties agree to modify this Lease as may be necessary to obtain approval by any federal or state agencies, provided, however, that such modification does not substantially change the Term, Rent or area leased. If the modification would substantially change the Term, Rent or area leased, either party may terminate this Lease by written notice to the other party.

SECTION 25
BINDING ON SUCCESSORS

Except as herein otherwise provided, all the terms, covenants and conditions of this Lease shall be binding upon and inure to the benefit of the legal representatives, successors, assigns and subsidiaries of both Landlord and Tenant.

SECTION 26
COMMITMENTS TO FEDERAL OR STATE AGENCIES

Nothing herein shall be construed to prevent Landlord from making such commitments as it desires to the Federal Government or to the State of Minnesota in order to qualify for the expenditure of federal or state funds on the Airport.

SECTION 27
AIRCRAFT REGISTRATION

Tenant agrees that any aircraft that is based at, stored at or utilizes the Airport under this Lease shall be currently in compliance with the aircraft registration requirements set forth in Minnesota Statutes Chapter 360.

SECTION 28
APRON AND TAXIWAY

- 28.1 Apron. At Tenant's own expense, Tenant shall construct, maintain, repair and replace an apron to serve the Leased Premises.
- 28.2 Taxiway. If Landlord constructs a taxiway to serve the Leased Premises as well as other

areas, Landlord may require Tenant to pay the amount resulting from the following formula:

- (i) First, Landlord shall calculate the total cost of construction of the taxiway, including all engineering, legal and administrative costs associated therewith;
- (ii) Second, the amounts that Landlord actually receives from federal and state grants for the taxiway, if any, shall be subtracted from the total cost;
- (iii) Third, the resulting figure from steps (i) and (ii) above shall be multiplied by a factor where the denominator is the total amount of leased or to be leased frontage that abuts taxiway (including the frontage leased to Tenant as well as others) and the numerator is the frontage of the Leased Premises abutting the taxiway;
- (iv) The figure resulting from step (iii) above shall be paid by Tenant.

SECTION 29 **SIGNS**

Tenant may erect suitable advertising signs on the Leased Premises to advertise Tenant's business, provided that the form, type, size and method of installation shall first be approved by Landlord.

SECTION 30 **AVIATION FUEL**

Tenant shall not have the right to sell, dispense, give or transfer aviation fuel, except to fuel aircraft owned by or exclusively leased to Tenant. There shall be no storage of flammable materials, liquids or fuels in open containers in or upon the Leased Premises.

SECTION 31 **LEASE SUBJECT TO GOVERNMENT DEED RESTRICTIONS**

- 31.1 Tenant understands and agrees that all terms and conditions of the deed between Landlord and the Navy Department, which deed is known as the Surplus Property Deed, which consists of a Quit Claim Deed dated December 22, 1950, and a corrected deed October 4, 1951, are herewith incorporated by reference into the terms of this Lease. In the event of any conflict between this Lease and that deed and all conditions imposed by the deed or other governmental grants, reservations, statutes or regulations, this Lease shall stand amended to conform thereto. In the event such reformation substantially impairs the rights and obligations of this Lease, the Lease shall stand terminated by written notice from Landlord to Tenant, such notice to include the basis for the termination and Rents to be

prorated as of that date. Specifically, but not in limitation hereof, it is understood and agreed that this Lease is also subject to the so-called "Sponsor's Assurances" made by Landlord to the State and/or Federal Governments in connection with improvement grants, parts of which are as follows:

"The Sponsor agrees that it will operate the Airport for the use and benefit of the public, on fair and reasonable terms, and without unjust discrimination. In furtherance of this covenant (but without limiting its general applicability and effect), the Sponsor specifically covenants and agrees:

- (a) That in any agreement, contract, lease or other arrangement under which a right or privilege at the Airport is granted to any person, firm or corporation to render any service or furnish any parts, materials or supplies (including the sale thereof) essential to the operation of aircraft at the Airport, the Sponsor will insert and enforce provisions requiring the contractor:
 - (1) to furnish good, prompt and efficient service adequate to meet all the demands for its service at the Airport;
 - (2) to furnish said service on a fair, equal and nondiscriminatory basis to all users thereof, and
 - (3) to charge fair, reasonable and nondiscriminatory prices for each unit of sale or service: Provided, however, that the contractor may be allowed to make reasonable and nondiscriminatory discounts, rebates or similar types of price reductions to volume purchasers.
- (b) That it will not exercise or grant any right or privilege which would operate to prevent any person, firm or corporation operating aircraft at the Airport from performing any services on its own aircraft with its own employees (including but not limited to, maintenance and repair) that it may choose to perform;
- (c) That is the Sponsor exercises any of the rights or privileges set forth in subsection (a) of this paragraph, it will be bound by and adhere to the condition specified for contractors set forth in said subsection (a)."

SECTION 32
HAZARDOUS SUBSTANCES

- 32.1 Tenant shall take no act or allow any act to be taken that will subject the Leased Premises to “superfund” type liens or claims by regulatory agencies or other entities arising from the actual or threatened release, deposit or existence of hazardous substances (defined below) in, on or about the Leased Premises. Tenant agrees to indemnify, defend and hold Landlord harmless from and against any and all claims, penalties, forfeitures, suits or liabilities of any type or nature (including cost of defense, settlement and reasonable attorneys’ fees) incurred by Landlord hereafter or for which Landlord shall become responsible for or pay as a result of any or all of the following:
- (i) Death or bodily injury to any person;
 - (ii) Structural damage to any property;
 - (iii) Contamination of or detrimental effect upon the environment; or
 - (iv) Violation of governmental laws, orders or regulations
- as a result of or due to the actual or threatened release of hazardous substances claimed or alleged to have been deposited, stored, disposed of, placed or otherwise located in, on or about the Leased Premises.
- 32.2 Tenant shall not store or possess any hazardous substances on the Leased Premises unless the same are stored or possessed in a manner that complies with all applicable laws, and in no event shall Tenant dispose of any hazardous substances on the Leased Premises without the express prior written consent of Landlord, which consent may be withheld at Landlord’s sole discretion.
- 32.3 As used in this Lease, the term “hazardous substances” is defined to include any substances, wastes, contaminants or pollutants that are now or hereafter shall be included within the definition of such term or similar replacement term, under any federal, state or local statute, ordinance, code or regulation now existing or hereafter enacted or amended, including but not limited to the Minnesota Environmental Response and Liability Act, Minnesota Statutes Chapter 115B; Minnesota Petroleum Tank Release Clean-Up Act, Minnesota Statutes Chapter 115C as amended by Superfund Amendments and Reauthorization Act of 1986; the Asbestos Abatement Act, Minnesota Statutes Sections 326.70 through 326.81; and the State Environmental Lien Statute, Minn. Stat. §514.672, et. Seq.
- 32.4 Tenant shall promptly provide Landlord with copies of all notices or reports received or

submitted by it to or from any governmental agency or other third party with respect to the storage, processing, disposal, release or threatened release of hazardous substances into or onto the Leased Premises or any adjacent property.

SECTION 33
GENERAL PROVISIONS

- 33.1 The Leased Premises are to be used primarily for the storage of aircraft. No more than twenty (20) percent of the floor area of a building may be used for non-aviation vehicles or items, and any non-aviation vehicles may not exceed forty-eight (48) inches in height as measured from the floor to the highest point of the vehicle. No vehicle may be stacked or placed on top of another vehicle or any object in such a manner that the total height of the combination of the vehicle(s) exceeds forty-eight (48) inches in height.
- 33.2 Tenant shall comply with all terms and conditions set forth in the most recently adopted South St. Paul Airport Operations Manual and any amendments or revisions to the Manual.
- 33.3 Tenant shall comply with the all terms and conditions set forth in the Airport Contract Requirements attached as Exhibit C and incorporated herein by reference, and any amendments or revisions to the same.
- 33.4 Tenant and Tenant's employees, agents, contractors and invitees shall, at all times while on or about any part of the Airport, obey all Airport traffic rules and regulations.
- 33.5 Tenant agrees that this Lease shall terminate in the event of the withdrawal or revocation of any permit or approval to operate the Airport granted to Landlord by the agencies or agency having jurisdiction over the Airport, or the revocation of the licenses issued to Landlord for the operation of the Airport with the rents prorated as of such termination.
- 33.6 Tenant agrees that the Leased Premises are subject to all easements and encumbrances of record. Tenant shall not interfere with said easements.
- 33.7 Tenant agrees that the Leased Premises are subject to the right of Landlord to locate, construct, maintain, reconstruct and repair an Airport beacon and wiring relating thereto on the subject Leased Premises; Landlord shall also have a right of access to the Leased Premises for the purpose of locating, construction, maintaining, reconstructing and repairing the Airport beacon and wiring.

SECTION 34
NOTICES

- 34.1 All notices or communications required or permitted by this Lease must be written and

may be given personally or sent by certified United States mail, postage prepaid, or overnight courier at the following addresses:

If to Landlord: Terminal Building
1725 Henry Avenue
South St. Paul, MN 55075
Attn: Airport Manager

If to Tenant: Sela Holdings, LLC
PO Box 21623
Eagan, MN 55121

651-688-9182
selaami@comcast.net

- 34.2 Either party may change their address by providing written notice of the party's new address to the other party.

SECTION 35
DATA PRACTICES ACT

Information supplied by Tenant to Landlord is subject to the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13 (the "Act"). Such information shall become public unless it falls into one of the exceptions of the Act. Tenant shall notify Landlord in writing of any data Tenant believes is classified as non-public.

SECTION 36
ENTIRE AGREEMENT

This Lease contains the entire agreement between the parties. No promise, representation, warranty, or covenant not included in this Lease has been or is relied on by either party. Each party has relied on his/her/its own examination of this Lease, the counsel of her/her/its own advisors and the warranties, representations, and covenants in the Lease itself. The failure or refusal of either party to inspect the Leased Premises or improvements, to read the Lease or other documents or to obtain legal or other advice relevant to this transaction constitutes a waiver of any objection, contention or claim that might have been based on such reading, inspection or advice.

SECTION 37
CAPTIONS; TABLE OF CONTENTS

The table of contents and the captions of the various sections of this Lease are for

convenience and ease of reference only and do not define, limit, augment or describe the scope, content, or intent of this Lease or of any part or parts of this Lease.

SECTION 38
COUNTERPARTS

This Lease may be executed in two or more counterparts, each of which shall be an original, but all of which shall constitute one and the same instrument.

SECTION 39
GOVERNING LAW

This Lease shall be governed, construed and enforced in accordance with the laws of the State of Minnesota.

SECTION 40
CONFLICT OF INTEREST

Tenant represents and warrants that no official, officer, or employee of Landlord has or will have any interest, direct or indirect, in this Lease or the transactions contemplated by it.

SECTION 41
MEMORANDUM OF LEASE

If either party requests the other party to do so, the parties shall execute a memorandum of lease in recordable form acceptable to both parties. The memorandum of lease may be recorded by either party at its expense in the appropriate land records office.

SECTION 42
THIRD PARTY BENEFICIARIES

Neither this Lease nor any provision of it shall create any right in favor of or impose any obligation upon any person or entity other than the parties to this Lease and their respective successors and permitted assigns.

SECTION 43
COMPLIANCE WITH LAWS AND REGULATIONS

Tenant shall comply with all laws of the United States the State of Minnesota and with all ordinances, rules, regulations and orders of any of the foregoing, and of any department thereof. Tenant shall comply with all ordinances, rules and regulations of Landlord relating to the Leased Premises and with respect to control of ground and air traffic, aircraft operations and the general

use of the Airport.

SECTION 44
FORCE MAJEURE

The time within which any of the parties hereto shall be required to perform any act or acts under this Lease, except for payment of monies, shall be extended to the extent that the performance of such act or acts shall be delayed by acts of God, fire, windstorm, flood, explosion, collapse of structures, riot, war, labor and/or legal disputes, delays or restrictions by government bodies, inability to obtain or use necessary materials, or any cause beyond the reasonable control of such party (any such delay being called "unavoidable delay" in this Lease), provided however, that the party entitled to such extension hereunder shall give prompt notice to the other party of the occurrence causing such delay.

SECTION 45
NON-DISCRIMINATION

Tenant, Tenant's successors in interest and permitted assigns, as a part of the consideration hereof, do covenant and agree to the following as covenants running with the land:

- (i) That no person shall be excluded from participation in, denied the benefits of or be otherwise subjected to discrimination in the use of the facilities on the Leased Premises on the grounds of race, sex, color, creed or national origin;
- (ii) That in the construction of any improvements on, over, or under such land and the furnishing of services thereon, no person shall be excluded from participation in, denied the benefits of or otherwise be subjected to discrimination on the grounds of race, sex, color, creed or national origin; and
- (iii) That Tenant shall use the Leased Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federal-assisted programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and said Regulations as may be amended. In the event of a breach of any of the above nondiscrimination covenants, Landlord shall have the right to terminate this Lease and to re-enter and repossess the Leased Premises, and hold the same as if said Lease had never been made or issued.

SECTION 46
SEVERABILITY

If any provision of this Lease or the application thereof to either party or any circumstance is unenforceable to any extent, the remainder of this Lease and the application of such provision to the other party or circumstances will not be affected thereby and will be enforceable to the greatest extent permitted by law.

IN WITNESS WHEREOF, the parties have executed this Lease, or caused it to be executed by their or its duly authorized representative(s), as of the day and year first above written.

LANDLORD:
CITY OF SOUTH ST. PAUL

TENANT:
SELA HOLDINGS, LLC

By: _____
Name: Beth Baumann
Title: Mayor

By: _____
Name: Ami Sela
Title: President

Attest:

By: _____
Name: Christy M. Wilcox
Title: City Clerk

STATE OF MINNESOTA)

) ss.

Landlord Acknowledgment

COUNTY OF DAKOTA)

The foregoing instrument was acknowledged before me this ____ day of _____, 2016, by Beth Baumann and Christy Wilcox, the Mayor and the City Clerk of the City of South St. Paul, a Minnesota municipal corporation, on behalf of the corporation.

Notary Public

STATE OF MINNESOTA)

) ss.

Tenant Acknowledgment

COUNTY OF DAKOTA)

[Corporation]

The foregoing instrument was acknowledged before me this ____ day of _____, 2016, by **Ami Sela** the **President and Owner** of Sela Holdings, LLC, a corporation under the laws of Minnesota, on behalf of the corporation.

Notary Public

EXHIBIT A

RENT SCHEDULE

The Rent for the Leased Premises shall be as follows.

INITIAL LEASE TERM	RENT/ SQ.FOOT	ANNUAL RENT
January 1, 2017 – December 31, 2017	\$0.264	\$1,293.60
January 1, 2018 – December 31, 2018	\$0.272	\$1,332.80
January 1, 2019 – December 31, 2019	\$0.280	\$1,372.00
January 1, 2020 – December 31, 2020	\$0.288	\$1,411.20
January 1, 2021 – December 31, 2021	\$0.297	\$1,455.30
January 1, 2022 – December 31, 2022	\$0.306	\$1,499.40
January 1, 2023 – December 31, 2023	\$0.315	\$1,543.50
January 1, 2024 – December 31, 2024	\$0.324	\$1,587.60
January 1, 2025 – December 31, 2025	\$0.334	\$1,636.60
January 1, 2026 – December 31, 2026	\$0.344	\$1,685.60

EXHIBIT B

BUILDING STANDARDS POLICY

The City of South St Paul will require the following for hangar built in Airport Rearrangement 3rd, 4th and 5th Additions:

Soffits - a minimum of 12 inches

Gable Overhangs- a minimum of 12 inches

Wainscot- a minimum of 42 inches with a maximum of 48 inches

Siding- 29-gauge factory painted baked on enamel paint

Colors:

Building- Pebble Beige

Wainscot, Soffit, Fascia, Overhangs and Trim- Evergreen, Vintage Burgundy, or Slate Blue

Roof- White, or match the wainscot

EXHIBIT C

AIRPORT CONTRACT REQUIREMENTS

1. (/a) Tenant for itself, its heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land, that in the event facilities are constructed, maintained, or otherwise operated on the Leased Premises for a purpose for which a DOT program or activity is extended or for another purpose involving the provision of similar services or benefits, Tenant shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to 49 CFR Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation, and as said Regulations may be amended. (49 CFR Part 21 – DOT Title VI Assurance – AC 150/5100-15A)

2. (/a) Tenant for itself, its personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that:
 - (a) No person on the grounds of race, color or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of the Leased Premises;
 - (b) That in the construction of any improvements on, over, or under such Leased Premises and the furnishing of services thereon, no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination; and
 - (c) That Tenant shall use the Leased Premises in compliance with all other requirements imposed by or pursuant to 49 CFR Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation, and as said Regulations may be amended. (49 CFR Part 21 – DOT Title VI Assurance – AC 150/5100-15A)

3. (/b) Tenant agrees to furnish service on a fair, equal and not unjustly discriminatory basis to all users thereof, and to charge fair, reasonable, and no unjustly discriminatory prices for each unit or service, PROVIDED, that Tenant may be allowed to make reasonable and nondiscriminatory discounts, rebates, or other similar types of price reductions to volume purchasers. (Grant Assurance 22)

4. (/b) Tenant assures that it will comply with pertinent statutes, Executive Orders and such rules as are promulgated to assure that no person shall, on the grounds of race, creed, color, national origin, sex, age, or handicap be excluded from participating in any activity

conducted with or benefiting from Federal assistance. This Provision obligates Tenant or its transferee for the period during which Federal assistance is extended to the airport program, except where Federal assistance is to provide, or is in the form of personal property or real property or interest therein or structures or improvements thereon. In these cases, the Provision obligates Tenant or any transferee for the longer of the following periods:

- (a) The period during which the Leased Premises is used by the sponsor or any transferee for a purpose for which Federal assistance is extended, or for another purpose involving the provision of similar services or benefits; or
- (b) The period during which the Airport sponsor or any transferee retains ownership or possession of the Leased Premises.

In the case of contractors, this Provision binds the contractors from the bid solicitation period through the completion of the contract. (AAIA of 1982, Section 520 – AC 150/5100-15A)

- 5. (/b) Tenant agrees that it practices nondiscrimination in their activities and will provide DBE participation in their leases as required by the sponsor, in order to meet the sponsor's goals, or required by the FAA in order to obtain an exemption from the prohibition against Long-term exclusive leases. (49 CFR Part 23 – AC 150/5100-15A)
- 6. (/b) Tenant agrees that it shall insert the above five provisions in any lease (agreement, contract, etc.) by which Tenant grants a right or privilege to any person, firm or corporation to render accommodations and/or services to the public on the Leased Premises. (See the documents referenced for the above clauses)
- 7. (/b) It is hereby specifically understood and agreed that nothing herein contained shall be construed to grant or authorize the granting of an exclusive right to provide aeronautical services to the public as prohibited by Section 308(a) of the Federal Aviation Act of 1958, as amended, and Landlord reserves the right to grant to others the privilege and right of conducting any one or all activities of an aeronautical nature. (Federal Aviation Act of 1958 Section 308(a) – AC 150/5100-16A)
- 8. (/c) Landlord reserves the right to further develop or improve the landing area of the Airport as it sees fit, regardless of the desires or view of Tenant, and without interference or hindrance. (FAA Order 5190.6A - AGL-600)
- 9. (/c) Landlord reserves the right, but shall not be obligated to Tenant, to maintain and keep in repair the landing area of the Airport and all publicly-owned facilities of the Airport, together with the right to direct and control all activities of Tenant in this regard. (FAA

Order 5190.5A – AGL-600)

10. (/c) This Lease shall be subordinate to the provisions of and requirements of any existing or future agreement between Landlord and the United States, relative to the development, operation, or maintenance of the Airport. (FAA Order 5190.6A – AGL-600)
11. Tenant agrees to comply with the notification and review requirements covered in Part 77 of the Federal Aviation Regulations in the event any future structure or building is planned for the Leased Premises, or in the event of any planned modification or alteration of any present or future building or structure situated on the Leased Premises. (FAA Order 5190.6A – AGL-600)
12. There is hereby reserved to Landlord, its successors and assigns, for the use and benefit of the public, a right of flight for the passage of aircraft in the airspace above the surface of the Leased Premises. This public right of flight shall include the right to cause in said airspace any noise inherent in the operation of any aircraft used for navigation or flight through the said airspace or landing at, taking off from, or operation on the Airport. (FAA Order 5190.6A – AGL-600)
13. By accepting this, Tenant expressly agrees for itself, its successors and assigns that it will not erect nor permit the erection of any structure or object nor permit the growth of any tree on the Leased Premises, above a mean sea level elevation of _____* feet. In the event the aforesaid covenants are breached, Landlord reserves the right to enter upon the Leased Premises and to remove the offending structure or object and cut the offending tree, all of which shall be at the expense of Tenant. (FAA Order 5190.6A – AGL-600)
14. By accepting this Lease, Tenant expressly agrees for itself, its successors and assigns that it will not make use of the Leased Premises in any manner which might interfere with the landing and taking off of aircraft from the Airport or otherwise constitute a hazard. In the event the aforesaid covenant is breached, Landlord reserves the right to enter upon the Leased Premises and cause the abatement of such interference at the expense of Tenant. (FAA Order 5190.6A – AGL-600)
15. (/d)** This Lease and all the provisions hereof shall be subject to whatever right the United States Government now has or in the future may have or acquire affecting the control, operation, regulation, and taking over of the Airport or the exclusive or nonexclusive use of the Airport by the United States during the time of war or national emergency. (Surplus Property Act of 1944 – FAA Order 5190.6A – AGL-600)
16. (/b) It is clearly understood by Tenant that no right or privilege has been granted which would operate to prevent any person, firm, or corporation operating aircraft on the Airport from performing any services on its own aircraft with its own regular employees (including, but

not limited to maintenance and repair) that it may choose to perform. (Assurance 22 – FAA Order 5190.6A – AGL-600)

17. (/e) This Lease is subject to the requirements of the U.S. Department of Transportation’s regulations 49 CFR Part 23, Subpart F. Tenant agrees that it will not discriminate against any business owner because of the owner’s race, color, national origin, or sex in connection with the award or performance of any concession agreement covered by 49 CFR Part 23, Subpart F. Tenant also agrees to include the above statements in any subsequent complementary aeronautical activity agreements that it enters into and cause those businesses to similarly include the statements in further agreements. (49 CFR Part 23, Subpart F)

Notes

- /a Mandatory in all leases/agreements if airport is obligated by a Federal Agreement since January 30, 1965.
- /b Mandatory in all leases/agreements for aeronautical services at airports subject to continuing obligations under FAAP/ADAP/AIP Agreements.
- /c Mandatory in all Use Agreements permitting aeronautical operations from adjoining non-airport property.
- /d Mandatory in all leases/agreements at airports acquired in whole or in part under Federal Surplus Property Transfer (unless the National Emergency Use Provision of the Surplus Transfer Document has been specifically released by the FAA).
- /e Mandatory in all complementary aeronautical activity leases/agreements executed after June 1, 1992.
- * Insert the number of feet mean sea level applicable to the most critical area of the parcel contained in this Lease in accordance with Part 77 of the Federal Aviation Regulations. If required, the area of a lease may be subdivided as shown on a property map to provide more than one height limitation, or more restrictive height limitations may be imposed at the discretion of the Sponsor.
- ** If the airport is not subject to the National Emergency Use Provision generally contained in Surplus Property Instruments of Disposal, Paragraph 15 above may be modified to exclude that portion of the provision, “or the exclusive or nonexclusive use of the Airport by the United States during the time of war or national emergency.”



CITY COUNCIL AGENDA REPORT

DATE: APRIL 4, 2016

DEPARTMENT: City Clerk

ADMINISTRATOR: SPK

8-H

AGENDA ITEM: Business Licenses

ACTION TO BE CONSIDERED:

Motion to adopt attached list, approving Business Licenses.

OVERVIEW:

Municipal code requires that a license be obtained prior to engaging in any trade, profession or business in the city. All City licenses are annual running April 1st to May 31st. Municipal Code also requires that all licenses be approved by the City Council prior to issuance.

SOURCE OF FUNDS:

N/A

**CITY OF SOUTH ST. PAUL
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Acct. No.	Company	License No.	License Type	Status	Expires	Address	Detail
9892	Marilyn's Hair Shop	00005150	Beauty Shop	Active	05/31/2017	2310 Anthony St	
9899	U.S. Bench Corporation	00005254	Benches	Active	05/31/2017	3300 Snelling Ave	
14568	El Nuevo 7 Mares LLC	00005249	Entertainment	Active	05/31/2017	600 Concord St N	
10080	Al's Corral Bar, Inc.	00005278	Entertainment	Active	05/31/2017	440 Concord St S	
10366	Black Sheep Coffee Café, LLC	00005211	Entertainment	Active	05/31/2017	705 Southview Blvd	
14547	Tony Wrobel	00005247	Housing Evaluator	Active	05/31/2017		
9904	Gayle Aspenson	00005157	Massage Therapy	Active	05/31/2017	650 9th Ave N	
9906	Therapeutic Massage	00005158	Massage Therapy	Active	05/31/2017	2111 Southview Blvd	
14615	Don Hanson Sales	00005256	Mechanical Amusement Devices	Active	05/31/2017	440 Concord St S	
14615	Don Hanson Sales	00005257	Mechanical Music (Juke Box)	Active	05/31/2017	440 Concord St S	
14463	Weschester Investment, Inc.	00004431	Rental Housing	Active	05/31/2017	119 10th Ave S	
12042	Todd Kelm	00004432	Rental Housing	Active	05/31/2017	215 10th Ave S	
12042	Todd Kelm	00004437	Rental Housing	Active	05/31/2017	328 10th Ave S	
14727	MNSF Minneapolis LLC	00005140	Rental Housing	Active	05/31/2017	251 11th Ave N	
14846	Lewis Khalil	00005343	Rental Housing	Active	05/31/2017	205 11th Ave S	
14598	Deuth Enterprises, LLC	00005074	Rental Housing	Active	05/31/2017	417 11th Ave S	
13776	Everyday Living, LLC	00004467	Rental Housing	Active	05/31/2017	133 12th Ave N	Supportive Services/GRH1
13776	Everyday Living, LLC	00004478	Rental Housing	Active	05/31/2017	550 12th Ave N	Supportive Services/GRH1
11938	Katie Pylkas	00004485	Rental Housing	Active	05/31/2017	101 12th Ave S	
12042	Todd Kelm	00004489	Rental Housing	Active	05/31/2017	235 12th Ave S	
12042	Todd Kelm	00004490	Rental Housing	Active	05/31/2017	255 12th Ave S	
12981	Scott D. Williams	00004512	Rental Housing	Active	05/31/2017	203-205 15th Ave N	
11998	Dakota County CDA	00004515	Rental Housing	Active	05/31/2017	337 15th Ave N	
11999	Culmen Properties, LLC	00004516	Rental Housing	Active	05/31/2017	405 15th Ave N	
13609	Hamlin Residential Properties	00004523	Rental Housing	Active	05/31/2017	443 16th Ave N	
11896	Image Management & Maintenance, LLC	00004527	Rental Housing	Active	05/31/2017	536-538 16th Ave N	
11781	Keith K. Kerssen	00004358	Rental Housing	Active	05/31/2017	702 16th Ave N	
13043	Winker Companies, LLC	00004542	Rental Housing	Active	05/31/2017	914 17th Ave N	
12456	Duane A. Kowarsch	00004545	Rental Housing	Active	05/31/2017	403 18th Ave N	
14194	TNT Madden, LLC	00004549	Rental Housing	Active	05/31/2017	930 18th Ave N	
11785	Mark G. Kryzer	00004550	Rental Housing	Active	05/31/2017	937 18th Ave N	
11961	Laurie Macko	00004557	Rental Housing	Active	05/31/2017	219 19th Ave S	

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Acct. No.	Company	License No.	License Type	Status	Expires	Address	Detail
14809	Schlemmer Properties, LLC	00005319	Rental Housing	Active	05/31/2017	200 1st Ave S	
12042	Todd Kelm	00005068	Rental Housing	Active	05/31/2017	220 1st Ave S	
14609	Freeport Investments Inc	00005136	Rental Housing	Active	05/31/2017	245 1st Ave S	
12261	Hazem M. Issa	00004561	Rental Housing	Active	05/31/2017	256 1st Ave S	
14720	Benjamin J. Stephens	00005132	Rental Housing	Active	05/31/2017	329 1st Ave S	
11926	Joan Sokolowski	00004573	Rental Housing	Active	05/31/2017	516 1st Ave S	
11864	Veronica Rivera	00004574	Rental Housing	Active	05/31/2017	520 1st Ave S	
12267	Garrett T. Corrow	00004576	Rental Housing	Active	05/31/2017	545 1st Ave S	
13125	Vikrant Chadha	00004592	Rental Housing	Active	05/31/2017	715 20th Ave N	
12052	Ckapp Partnership, LLP	00004625	Rental Housing	Active	05/31/2017	247 2nd Ave S	
12052	Ckapp Partnership, LLP	00004627	Rental Housing	Active	05/31/2017	256 2nd Ave S	
11916	Karen E. Johnson	00004640	Rental Housing	Active	05/31/2017	448 2nd Ave S	
12692	Paula Peterson Properties	00004648	Rental Housing	Active	05/31/2017	200 3rd Ave S	
12151	Bonnie M. Matthews	00004649	Rental Housing	Active	05/31/2017	203 3rd Ave S	
14149	Jonathan & Cyndi Brassow	00004670	Rental Housing	Active	05/31/2017	515 3rd Ave S	
13606	Chad Unseth	00004671	Rental Housing	Active	05/31/2017	537 3rd Ave S	
12144	Gallop Solutions, Inc.	00004674	Rental Housing	Active	05/31/2017	618 3rd Ave S	
11896	Image Management & Maintenance, LLC	00004695	Rental Housing	Active	05/31/2017	334 4th Ave S	
11999	Culmen Properties, LLC	00005042	Rental Housing	Active	05/31/2017	1504 4th St N	
14670	RHA 3, LLC	00005114	Rental Housing	Active	05/31/2017	1518 4th St N	
14756	Robert Anderstrom	00005287	Rental Housing	Active	05/31/2017	215 5th Ave N A	
12049	Joyce L. McCahey	00004705	Rental Housing	Active	05/31/2017	234 5th Ave N	
12042	Todd Kelm	00004708	Rental Housing	Active	05/31/2017	141 5th Ave S	
13538	Larry Groppoli	00004717	Rental Housing	Active	05/31/2017	429 5th Ave S	
11902	Thomas H. Eberspacher	00004720	Rental Housing	Active	05/31/2017	459 5th Ave S	
12156	Robert J. Schaefer	00004721	Rental Housing	Active	05/31/2017	540 5th Ave S	
14609	Freeport Investments Inc	00005087	Rental Housing	Active	05/31/2017	824 5th Ave S	
12140	Ronald P. Bergee	00004749	Rental Housing	Active	05/31/2017	1215-1217 6th Ave S	
12042	Todd Kelm	00004741	Rental Housing	Active	05/31/2017	202 6th Ave S	
11835	Eric V. Flatten	00004744	Rental Housing	Active	05/31/2017	528-530 6th Ave S	
14556	Tom Bohlen	00005038	Rental Housing	Active	05/31/2017	835 6th Ave S	
14149	Jonathan & Cyndi Brassow	00004748	Rental Housing	Active	05/31/2017	846 6th Ave S	
13776	Everyday Living, LLC	00004751	Rental Housing	Active	05/31/2017	202 6th St S	Supportive Services/GRHI
11814	Mark W. Schadegg	00004762	Rental Housing	Active	05/31/2017	409 7th Ave S	
11919	Gregory R. Cubus	00004763	Rental Housing	Active	05/31/2017	439 7th Ave S	
11913	Daniel A.Nalipinski	00004766	Rental Housing	Active	05/31/2017	516 7th Ave S	
14670	RHA 3, LLC	00005144	Rental Housing	Active	05/31/2017	813 7th Ave S	
14670	RHA 3, LLC	00005296	Rental Housing	Active	05/31/2017	126 8th Ave N	
14765	Susan Scharenbroich	00005298	Rental Housing	Active	05/31/2017	220 8th Ave S	

**CITY OF SOUTH ST. PAUL
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Acct. No.	Company	License No.	License Type	Status	Expires	Address	Detail
14455	Andre Watier	00004782	Rental Housing	Active	05/31/2017	223 8th Ave S	
14682	Elizabeth Schlesky	00005122	Rental Housing	Active	05/31/2017	746 8th Ave S	
12128	Donald J. Holzmer	00004816	Rental Housing	Active	05/31/2017	1117-1119 9th Ave S	
14604	MNSF Minneapolis LLC	00005079	Rental Housing	Active	05/31/2017	920 9th Ave S	
13028	Daniel L. McGarry	00004857	Rental Housing	Active	05/31/2017	1941 Butler Ave	
12331	Dennis J. Walter	00004868	Rental Housing	Active	05/31/2017	1581 Concord St N	
14352	William & Samantha Martin	00004872	Rental Housing	Active	05/31/2017	1544 Concord St S	
14609	Freeport Investments Inc	00005274	Rental Housing	Active	05/31/2017	1556 Concord St S	
14670	RHA 3, LLC	00005139	Rental Housing	Active	05/31/2017	149 Dale St W	
12126	Raymond E. Haselberger Jr Trust	00005397	Rental Housing	Active	05/31/2017	1510 Elrose Ct	
13516	John Ernst	00004897	Rental Housing	Active	05/31/2017	2402 Florance Ln	
14727	MNSF Minneapolis LLC	00005141	Rental Housing	Active	05/31/2017	257 Frost St W	
14518	Martin Hoven	00005020	Rental Housing	Active	05/31/2017	1390 Henry Ave	
11800	RJ Properties	00004924	Rental Housing	Active	05/31/2017	136 Macarthur St E	
11959	Roger & Cheryl Tollas	00004926	Rental Housing	Active	05/31/2017	238 Macarthur St E	
12088	Wayne A. Blossy	00005399	Rental Housing	Active	05/31/2017	826 Marie Ave	
12116	Tien Nguyen	00004933	Rental Housing	Active	05/31/2017	1512 Maywood Dr	
11841	Christine Evanoff	00004953	Rental Housing	Active	05/31/2017	212/214 South St W	
14749	Ryan & Amanda Deuth & Angie Kingsriter	00005097	Rental Housing	Active	05/31/2017	203-207 Southview	
11959	Roger & Cheryl Tollas	00004958	Rental Housing	Active	05/31/2017	1323-1325 Southview	
14557	Jeff Kingsriter	00005039	Rental Housing	Active	05/31/2017	1404-1406 Southview	
12042	Todd Kelm	00004955	Rental Housing	Active	05/31/2017	400 Southview Blvd	
14718	Fresh Start Properties, LLC	00005131	Rental Housing	Active	05/31/2017	516 Stewart Ave	Supportive Services/GRH2
12171	RST Group, LLP	00004996	Rental Housing	Active	05/31/2017	832 Wentworth Ave	
13250	Richard Steffels	00005001	Rental Housing	Active	05/31/2017	1514 Willis Ave	
13471	O'Malley Properties, LLC	00005007	Rental Housing	Active	05/31/2017	1607 Willis Ave	
10007	Wong's Kitchen Of South St. Paul	00005190	Restaurant	Active	05/31/2017	214 13th Ave S	
9976	Hrvatski Dom Assn.	00005178	Restaurant	Active	05/31/2017	445 2nd Ave S	
10002	Peking Café	00005187	Restaurant	Active	05/31/2017	1521 5th Ave S	
10080	Al's Corral Bar, Inc.	00005209	Restaurant	Active	05/31/2017	440 Concord St S	
9993	Burger King Restaurant	00005184	Restaurant	Active	05/31/2017	100 Grand Ave E	
10011	Angelo's Italian Restaurant	00005193	Restaurant	Active	05/31/2017	1203 Southview Blvd	
10366	Black Sheep Coffee Café, LLC	00005210	Restaurant	Active	05/31/2017	705 Southview Blvd	
10101	Inver Grove Sanitation	00005200	Trash Hauler	Active	05/31/2017		
10103	All Star Rolloff Inc.	00005201	Trash Hauler	Active	05/31/2017		
10097	Aspen Waste Systems Inc.	00005197	Trash Hauler	Active	05/31/2017		



Agenda Item: Approve Revised Job Description for Economic Development Division Manager and Authorize Recruitment Process to Fill the Position

Action to be considered:

Motion to approve revised job description for and authorize recruitment process for Economic Development Division Manager.

Overview:

As part of a plan to identify and apply enhanced resources to the City's economic development and code enforcement efforts, the City Council supported and authorized the transfer of administrative responsibility for a number of Housing programs from the Housing Redevelopment Authority (HRA) to the Dakota County CDA, the establishment of an Economic Development Authority (EDA) and an internal reorganization that resulted in the creation of a Community Development Department. The Community Development Department is divided into four divisions: Economic Development, Housing, Planning/Zoning/Land Use, and Licensing/Code Enforcement. The City Administrator oversees the Community Development Department functions and division managers.

The pay range for the Community Development Department Division Managers was approved at the December 7, 2015 City Council meeting. All Division Managers were filled internally, except for the Economic Development Division Manager position. Staff is asking Council to approve the revised job description for the Economic Development Division Manager and authorize staff to begin the recruitment process to hire for the position.

Source of Funds:

The 2016 Budget provides funding for positions within the Community Development Department



POSITION DESCRIPTION CITY OF SOUTH ST. PAUL

POSITION TITLE:	Economic Development Division Manager
SUPERVISORY RESPONSIBILITY:	Asst. to EDM and Housing Program Manager
DEPARTMENT:	Community Development
ACCOUNTABLE TO:	City Administrator
CREATED:	November 2015 April 2016

SUMMARY OF POSITION:

The Economic Development Manager is responsible for providing a proactive approach in promoting ~~and assisting residential, commercial and industrial~~ community development and redevelopment within the City of South St. Paul, including ~~marketing and outreach for commercial, retail and industrial development, advocating and assisting existing businesses and prospective businesses,~~ and coordination and involvement with targeted redevelopment and other community development efforts and programs consistent with the goals of the South St. Paul Economic Development Authority (EDA) and City of South St. Paul.

RELATIONSHIPS:

Supervisory – Coordinate economic development initiatives necessary to promote commercial and industrial development and other community development efforts.

Organizational – Work collaboratively with all staff, under the general direction of the City Administrator.

External Business – Frequent interaction with local, state and federal agencies, businesses, brokers, real estate developers, local citizens, community groups, other city departments and employees, and elected officials.

ESSENTIAL DUTIES AND RESPONSIBILITIES:

The duties listed below are intended only as illustrations of the various types of work that may be performed. The omission of specific statements of duties does not exclude them from the position if the work is similar, related or a logical assignment to the class.

A. Economic Development

1. Provide a leadership role in the development and implementation of plans and strategies for promoting and assisting economic and community development.
2. Act as the primary staff for business inquiries and provide follow-up assistance ~~as required~~. Promotes community development by assisting and working with existing and prospective businesses and developers interested in the City of South St. Paul. Assists existing businesses with expansion and reconstruction projects and provides guidance to complete new development projects.

3. Develop and implement strategies for businesses to successfully locate or expand in the City by providing information on the City, demographics, sites, financing options, and other pertinent information. Assist in the processing of required City permits or regulations. Serve as a business liaison.
4. Provide expertise to the business community and EDA regarding available public and private business financing resources, including local bank financing, small business administration loan programs, state assistance, possible local initiatives and other funding sources.
5. Provide expertise with redevelopment projects, development agreements, project coordination and Tax Increment Financing (TIF) plans.
6. Develop and implement strategies to successfully market the City to perspective businesses, visitors and residents, **including development of marketing and promotional activities effective at attracting new development, redevelopment and investments to South St. Paul.-**
- ~~6.7.~~ **Develop and maintain a comprehensive, systematic data base inventory of available buildings and sites in the community for community development or redevelopment purposes.**
- ~~7.8.~~ Provide resource materials, data, reports and case information to the EDA and City Council that informs membership of economic development best practices and trends.
- ~~8.9.~~ Monitor legislative changes and practical issues relating to economic development or redevelopment.
- ~~9.10.~~ Coordinate work with other municipalities and with State and Federal agencies that may offer assistance on economic development initiatives.
- ~~10.11.~~ Provide advisory and expertise to other city departments/division on matters related to economic development.
- ~~11.12.~~ Respond to public or other inquiries relative to economic development policies, procedures and other information.

B. Leadership/Supervisory Duties

1. Assure Human Resource policies and practices are followed.
2. Resolve employee conflict through consultation with the Human Resource Director, as appropriate.
3. Encourage subordinates to actively participate in the City's workplace safety program and in other cross-departmental programs and activities
4. Encourage lifelong learning and continued skill development by all subordinate personnel.
5. Pursue community partnerships for the fiscal benefit of the City.

C. Budgeting

1. Prepare and administer the operational and capital budgets for the Economic Development Division.
2. Monitor budgets and authorize expenditures in accord with City policies and procedures.
3. Research alternative funding sources, including grant opportunities for the City and/or community services and programs; coordinate grant applications, as apparent or directed.

D. Other Duties

1. Provide City Council, City Administrator, municipal staff and others with timely economic development initiatives and projects, as requested or apparent.
2. ~~Act as liaison to the business community and community groups including the Chamber of Commerce, Dakota County, and other organizations as applicable~~ **Develop and maintain regular contact and a positive relationship with chamber of commerce, civic groups, business owners, property owners, and economic development or community development related organizations and agencies.**

3. Serve as an advocate for the City of South St. Paul; help articulate and foster implementation of the vision of the EDA and City of South St. Paul.
4. Ensure customer service that aligns with the expectations of the Mayor and City Council and also develop and maintain a process that promptly and professionally responds to input from businesses, the general public, advisory Boards and Commissions, the Mayor/City Council and the City Administrator.
5. Serve as a community liaison or City representative; Represent City's interests and positions in a variety of venues, as apparent or assigned; (*e.g., intergovernmental committees, boards or associations*), as assigned or directed
6. Actively and collegially participate in the City's management team process
7. Attend meetings of the EDA and other meetings as required.
8. Perform other responsibilities and assumes other duties as are apparent or delegated.

COMPETENCIES:

Leadership Competency Requirements:

- **Strategic Leadership** – develop and communicate a vision that is consistent with the mission and values of the City; champion change and innovation
- **Judgment** – fairly analyze issues before making decisions; use sound judgment; consider immediate and long-term impact of decisions; apply systems thinking
- **Business Knowledge** – apply technical/functional expertise; use financial acumen and business savvy; provide thorough analysis; manage technology for maximum impact on productivity; promote organizational citizenship
- **Planning and Execution** – focus management on high priority objectives; foster alignment with goals and objectives of the City Council; establish specific measurable objectives; manage and improve processes; hold people accountable for results; lead change
- **Motivation and Courage** – drive for results; take a stand for the good of the organization; take sacrifices for the good of the organization; take responsibility for consequences
- **Leadership Skills** – apply influence skills; build talent and bench strength; coach and develop people; engage and inspire people to reach their potential; foster collaboration
- **Interpersonal Skills** – build positive relationships; manage conflict well; leverage individual and cultural diversity
- **Communications** – foster open two-way communication; speak with impact; listen and respond with empathy; communicate effectively in writing; apply meeting protocol in public forms; produce thorough and accurate reports
- **Self-management** – inspire trust in self and others; demonstrate adaptability and flexibility; practice self-development
- **Collaboration** – foster cooperation across departmental boundaries; respond to requests for assistance in a timely manner; follow through on stated commitments
- **Approachability** – encourage frequent and open communication; accessible; lead by walking around; maintain calm and collected presence; welcome suggestions and feedback

KNOWLEDGE, SKILLS AND ABILITIES:

- Knowledge of relevant city, state, and/or federal laws and processes pertaining to city government.
- Thorough knowledge of economic development and planning programs and practices.
- Thorough knowledge of marketing strategies for industrial and commercial properties.
- Thorough working knowledge of public and private financing techniques and programs for economic development and redevelopment including the ability to apply creativity to each situation.
- Knowledge of relevant city, state, and/or federal laws and processes pertaining to city government.
- Knowledge of business location and expansion considerations and ability to address those concerns utilizing sensitivity, tact and diplomacy.

- Knowledge of Microsoft Office Suite programs, and ability to maintain informational and database files.
- Ability to communicate effectively, in English, both verbally and in writing, to other staff members, advisory commissions, City Council members, and outside groups to enhance their understanding of economic development issues, including preparative of technical reports, correspondence, and memoranda.
- Ability to prepare grant applications to public and private sources.
- Ability to review and analyze financial statements of businesses.
- Ability to establish and maintain effective working relationships with others.
- Ability to work with diverse groups of people, communicating mutual goals and policies into coordinated action. Must be able to present a positive image of the City to prospective business clients and the community.
- Ability to work a flexible work schedule as needed.
- Ability to supervise and develop personnel through respect and mentoring.
- Ability to plan, schedule, coordinate and manage Departmental activities through prioritization, planning, delegation, effective utilization of available manpower and support.
- Ability to demonstrate, by words and actions, concern for safe working conditions and procedures, and the need to follow city policies and procedures.
- Ability to independently act in a leadership role and ability to work independently and to assume considerable responsibility for meeting deadlines, carrying out routines, and making decisions.
- Ability to maintain a high degree of confidentiality.
- Ability to hear within normal hearing range and understand spoken English delivered at a normal conversation level.
- Possess visual acuity correctable to read common documents and perform common office tasks.

MINIMUM REQUIREMENTS:

- Bachelor's degree in Business Administration, Finance, Public Administration, or Urban Planning.
- Five + years of progressively responsible management in community development, redevelopment, or economic development with emphasis in public and private financing techniques.
- Three + years of supervisory experience.
- The ability to communicate clearly and concisely; orally and in writing, to large and small groups
- The ability to communicate with a high level of public contact requiring tact, courtesy and good judgment
- Proficiency with the Microsoft Operating Systems, Microsoft Office Suite programs and other common office programs
- Ability to maintain confidentiality.
- Valid driver's license.
- Ability to pass a background investigation.

DESIRED QUALIFICATIONS

- Master's degree in Public or Business Administration
- Certifications in Economic Development
- Experience in governmental economic development and/or redevelopment.
- Experience in researching, preparing and/or administering grants.

WORK ENVIRONMENT:

The work environment characteristics described here are intended only as illustrations of the various types of work that may be performed. Reasonable accommodations may be made to enable individuals with disabilities to perform essential functions of the job.

Work will generally be performed in inside, with occasional outside conditions. Inside work will be performed in a temperature controlled environment and may require prolonged periods of sitting, standing, data processing, composing written materials, and communication in person, telephone or through e-mail. Work may also require occasional performance in an outdoor environment, in a wide range of weather conditions. The work will involve operation of a motor vehicle and travel to job sites or to attend meetings, training sessions, or other work-related events. Attendance may occasionally be required at daytime, evening and other off-hour meetings or events.

PHYSICAL DEMANDS:

Sight *(frequent)* reading reports, journals, agendas, correspondence, computer

Speech/Hearing *(frequent)* communicating with City staff, Mayor/Council, City Attorney,
Boards/Commissions, business owners, residents, and members of the general public

Sitting/Walking/Standing *(frequent)* at a workstation, meetings, inside office and out, meeting with staff
or customers at office counter and/or onsite, driving motor vehicles

Grasping *(frequent)* operating writing instruments, written materials and computer mouse/keyboard

Twisting/Lifting *(frequent)* entry/exit of vehicles, files/office materials



Agenda Item: Motion to approve an agreement with Ban-Koe Systems Group Inc.

Action to be considered:

Motion to approve an agreement with Ban-Koe Systems Group Inc. for CelerTime and Scheduler Pro Enterprise software.

Overview:

The City currently processes timesheets and payroll manually, which is very labor intensive. City Staff have been researching electronic timesheet capabilities and are recommending entering into an agreement with Ban-Koe Systems Group Inc. for electronic timesheet and scheduling software for our seasonal/variable hour staff. Ban-Koe Systems CelerTime and Scheduler Pro Enterprise software will allow our seasonal/variable hour staff to clock in and out electronically, select what position and/or location they are working, and electronically submit their timesheet for approval and payment. The information will automatically load into our existing payroll system, eliminating the need to manually reenter the information, thus reducing the potential for errors and reduce labor time associated with payroll processes. In addition, this software has scheduling capabilities which will allow departments to establish daily, weekly, or monthly work schedules for their seasonal/variable hour staff. The employees will also be able to access their work schedules from any smartphone or computer. Employees will be able to request shift changes and managers will be able to send messages to their staff. Overall, staff feels this time management software will assist them in better managing their seasonal/variable employees hours and schedules.

City Staff viewed electronic timesheet software from a variety of vendors, and feel Ban-Koe Systems provides the best match for our particular needs. Ban-Koe submitted a quote in the amount of \$16,769.75 for start-up, which includes set-up, integration into our current payroll system of JD Edwards, and training. After the initial start-up costs, there will be an annual support fee in the amount of \$1963.00.

Source of Funds:

Human Resources 2016 Budget: 10125-6572



1. All orders are subject to the approval of Ban-Koe Systems Group, Inc.'s (hereinafter "Ban-Koe") corporate office in Minneapolis, Minnesota, and are non-cancelable. The Terms and Conditions of this Sales Agreement ("Agreement") shall prevail notwithstanding any variance with the Terms and Conditions of any purchase order or other document submitted by Customer. Customer may continue to purchase products from Ban-Koe from time to time, in which case the Terms and Conditions of this Agreement shall govern all future sales between the parties.
2. Terms are net cash. Bills are due when rendered. A 1 1/2% per month service charge is added to all amounts not paid within thirty (30) days of shipping date. Customer is responsible for any sales or similar taxes, however designated, levied or based on the sale price of the product or service sold, or its use (including state and local privilege or excise taxes), unless it provides Ban-Koe with an exemption certificate. If full payment is not made within ninety (90) days of the shipping date, Customer is responsible for all expenses, including reasonable legal fees in an amount not to exceed 50% of the value of the products and services sold hereunder, incurred by Ban-Koe with regard to collection. Delivery is F.O.B. point of shipment. Risk of loss or damage is passed to Customer upon shipment. Ban-Koe reserves the right to refuse shipment to a Customer who has an unacceptable outstanding balance overdue with Ban-Koe; and/or to stop work on a project until payment is made.
3. Ban-Koe shall not be liable for delays in delivery due to causes beyond its control. No omission or delay by Ban-Koe at any time in enforcement of its rights hereunder shall be a waiver of such rights, nor shall it affect the right of Ban-Koe to enforce such rights thereafter.

Customer agrees that if it delays the installation, if any, to focus on another project or to work on an internal issue, or if it delays the installation for any other reason, final payment under the terms of this Agreement is due and payable in full within three (3) weeks of the request for such a delay.

4. Ban-Koe warrants that all products shall be free from defects in material and workmanship for a period of ninety (90) days from the shipment date. This warranty is extended to the original end-user purchaser only, and is subject to all the conditions and limitations set forth by the original equipment manufacturer. The above warranty shall not apply to any products or parts thereof in the event of:
 - a) Damages, defects or malfunctions resulting from misuse, accident, neglect, tampering, unusual physical or electrical stress or from causes other than those relating to normal and intended use.
 - b) Failure of an end-user to provide and maintain a suitable installation environment.
 - c) Malfunction resulting from the use of timecards, badges or supplies not approved by Ban-Koe or the original equipment manufacturer.
 - d) Specifically excluded from this warranty are ink rollers, ribbons, light bulbs, fuses and other expendable items of like use.

EXCEPT AS HEREIN EXPRESSLY STATED, THERE ARE NO WARRANTIES, EXPRESS OR IMPLIED, BY OPERATION OF LAW OR OTHERWISE, MADE OR AUTHORIZED TO BE MADE WITH RESPECT TO ANY ITEMS OR SERVICES FURNISHED HEREUNDER. BAN-KOE DISCLAIMS ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

5. Repairs or replacements under this warranty may be made only by Ban-Koe or the manufacturer, and will be made during business hours only after Ban-Koe is notified of a problem during the warranty period and determines that it results from defective material or workmanship under this warranty.
6. Customer understands that the Agreement may include an estimate of professional services hours that will be used for planning meetings, software configuration (on or off site), documenting surveys, testing parameter setup, etc. These professional services hours are a good faith estimate only, based upon Ban-Koe's historical implementation data. Customer agrees that if it uses all the estimated hours and the project is not yet completed, it will have the option to purchase additional hours to complete the project at the agreed upon hourly rate charged by Ban-Koe. Ban-Koe will inform Customer of the progress of the Project as the estimated hours are used. Additionally, if the Ban-Koe Project Manager identifies that Customer is requesting services that are "out of scope" or services that were not included in the hourly estimate, the Ban-Koe Project Manager will bring this to Customer's Project Manager's attention at that time. If the requested services are "out of scope" and Customer agrees to proceed with such services, Customer agrees that it will pay for the additional tasks at the agreed upon hourly rate charged by Ban-Koe for such service.
7. If this Agreement includes professional services hours, the following applies:

During the term and for a two (2) -year period following expiration or termination of this Agreement:

 - a) Customer agrees for itself and for its affiliates not to (i) solicit for employment (directly or indirectly) any employee of Ban-Koe or (ii) solicit for employment any former employee of Ban-Koe within one (1) year of the former employee's termination from Ban-Koe.
 - b) "Employment" is defined to include, but is not limited to, permanent, temporary, full-time and part-time work for the employer, as well as the employer's hiring of the employee as an independent contractor or consultant, or the employer's use of a third party such as an employment agency to obtain the employee's services.
8. Excess hardware may be returned only with Ban-Koe's written consent. Prevailing restocking & handling charges will be applied on returns, in addition to any transportation & freight costs. All goods must be returned in saleable condition or additional charges will be applied. Returns will not be honored unless covered by a signed credit memorandum. Return of software is governed by the software license agreement.

IN NO EVENT SHALL BAN-KOE BE LIABLE FOR ANY LOSS OF PROFITS OR OTHER INCIDENTAL, INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGES IN CONNECTION WITH OR ARISING OUT OF THIS AGREEMENT.

IN NO EVENT SHALL EITHER PARTY'S TOTAL CUMULATIVE LIABILITY HEREUNDER, FROM ALL CAUSES OF ACTION OF ANY KIND, WHETHER ARISING UNDER CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, BREACH OF WARRANTY OR OTHERWISE, EXCEED TWO (2) TIMES THE AMOUNT PAID BY CUSTOMER FOR THE DEFECTIVE PRODUCT PROVIDED UNDER THIS AGREEMENT. THE PARTIES AGREE THAT THESE LIMITATIONS OF LIABILITY WILL SURVIVE EVEN IF ANY OTHER PORTION OF THIS AGREEMENT IS FOUND TO BE INVALID OR UNENFORCEABLE UNDER ANY STATUTE, REGULATION, ORDINANCE, EXECUTIVE ORDER, OR OTHER RULE OF LAW.



SALES ORDER TERMS & CONDITIONS

9. This Agreement, combined with any applicable license agreements constitutes the entire Agreement between Ban-Koe and Customer for hardware and software (excluding technical service programs "TSPs"). This Agreement supersedes all prior or contemporaneous representations, negotiations, or other communications between the parties relating to this Agreement's subject matter. This Agreement may be amended only in writing signed by both parties.

10. No action, regardless of form, may be brought by either party more than one (1) year after the cause of action has arisen, except that an action for non-payment may be brought by Ban-Koe within two (2) years after Customer's last payment.

11. The parties agree that any controversy or claim arising out of or relating to this Agreement, or the breach thereof, shall be settled by arbitration administered by the American Arbitration Association in accordance with its Commercial Arbitration Rules, and judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. The arbitrators shall apply Minnesota substantive law to the proceeding (without regard to the choice of law provisions of any jurisdiction) except to the extent federal law would apply to any claim. Any arbitration proceeding under this Agreement shall be conducted in Minneapolis, Minnesota. Either party also may, without waiving any remedy under this Agreement, seek from any court in Minnesota having jurisdiction any interim or provisional relief that is necessary to protect the rights or property of that party, pending the establishment of the arbitral tribunal, or pending the arbitral tribunal's determination of the merits of the controversy. The arbitrator will have no authority to award punitive or other damages not measured by the prevailing party's actual damages, except as may be required by statute.



City Council Agenda Report

Date: April 4, 2016
Department: Administration
Administrator: SPK

10A

Agenda Item: Approve Joint Powers Agreement for the preparation of a Dakota County Broadband Systems Plan

Action to be considered:

Motion to approve a Joint Powers Agreement (JPA) with Dakota County, the CDA, and the various cities within the County to enable the Parties to jointly prepare and review a Systems Plan that may ultimately enable the parties to collaborate and share broadband facilities and capacities.

Overview:

Over the past several years, the City has been participating in a collective effort with Dakota County and the various cities within in it to explore and potentially enhance broadband capacity and quality through collaborative study and effort. The process began with extensive conversation and grew into several forms of study, with representation from the communities in Dakota County. The primary emphasis has been on investigating how an institutional network (I-Net) framework could be created by sharing facilities owned by individual participants and by adding missing links, when necessary. The discussion has also identified the possibility that this I-net could someday grow to include a parallel capacity for commercial/economic development purposes (C-Net). Substantial financial support from the Dakota County Community Development Authority (CDA) has facilitated the retention of consultants and the performance of the studies.

When the discussion reached the point of contemplating creation of new institutional structures to develop and operate a shared Institutional Network, concern was voiced in some circles within City Attorneys representing the various participants. The concerns led the attorneys to meet and recommend a step back. City Attorney Kori Land participated in these discussions on behalf of South St. Paul, West St. Paul, and Inver Grove Heights. She summarized the change of strategies, as follows:

The original JPA established a Joint Powers Board that would have actively prepared the Systems Plans. The JPA contained procedural components as to how the Board would operate after the Systems Plans were adopted. Each participant had the ability to "opt out" at the point that the Systems Plans were presented to the Board, in the event the participant decided not to continue with the joint venture.

The main change in this new document is that now there is no active Board at the beginning of the project. The CDA will act in a joint powers capacity to ensure that the Systems Plans are prepared. They will use the initial participant fees to pay for the creation of the Systems Plans. The Systems Plans will then be presented to the City Managers-Administrators group, who will review the Systems Plans and take them back to their respective councils for consideration. If the council chooses to adopt the Systems Plans, then at that point, a new JPA will be created with those left at the table. The new JPA will address the "what do we do now" and "how are we going to pay for it?" The new long-term Joint Powers Board will implement and operate the Systems Plans.

In other words, this JPA is a precursor to a later JPA that will be created after a Systems Plans has been developed. The Eagan/Apple Valley attorney was uncomfortable having a JPA Board with too much power and authority without knowing what the Systems Plans look like.

Attached is the proposed JPA. Ms. Land participated in the drafting of the document and can recommend it for approval. The City of West St. Paul has already acted to approve it.

Source of Funds and financial considerations:

Schedule A is attached to the agreement and addresses financial matters. Total cost for the project is \$170,763.50. This total is divided into three equal shares – CDA, County and Cities. The cities share is distributed to individual cities by population. The South St. Paul share will be \$3,025.06. The Capital Improvement Plan (CIP) includes sufficient funding for this expense.

JOINT POWERS AGREEMENT
Preparation of the Dakota County Broadband Systems Plan

Dated as of _____, 2016

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THIS JOINT POWERS AGREEMENT (as amended from time to time, this “**Agreement**”) is entered into as of _____, 2016, by and between the parties described on Schedule A attached hereto (the “**Participants**”), pursuant to Minnesota Statutes, Section 471.59.

1. Statement of Purpose and Powers to be Exercised. The purpose of this Agreement is to provide for the joint exercise of the statutory powers common to the Participants (defined below), to prepare Systems Plans; including, but not limited to, the power to enter into agreements necessary or convenient to the exercise of such powers and to take such other actions reasonably necessary to complete the System Plans (together with other powers described herein, the “**Joint Powers**”). Notwithstanding any other provision of this Agreement, this Agreement does not authorize the use of Participants’ statutory authority to: (a) establish, operate, maintain and improve the existing Systems or establish fees and charges with respect thereto; (b) acquire, own and convey real or personal property; (c) issue bonds or obligations under any law under which the Participants may independently issue and use the proceeds of the bonds or obligations to carry out the purposes of the law; (d) exercise power of eminent domain; (e) exercise any taxing powers; (f) pledge the full faith or taxing power of any of the Participants for any purpose whatever; or (g) issue general obligation indebtedness of any Participant. Participants agree that any of the powers specifically excluded from this Agreement may be authorized by the Participants pursuant to a subsequent joint power agreement as described in paragraph 7.

2. Manner of Exercising Powers. The Joint Powers of the Participants will be exercised through the Dakota County Community Development Agency (the “CDA”), having the powers and duties described herein. The CDA is authorized to exercise the Joint Powers on behalf of and in cooperation with the Participants as provided herein.

3. Defined Terms. Capitalized terms used, but not otherwise defined, herein shall have the following meanings:

“Backbone” means the central portion of the network consisting of redundant optical fiber ring segments interconnecting diverse communications network elements (switches, routers, etc.), including connections at the co-location facility or facilities. Generally, the backbone capacity is greater than the networks connected to it.

“C-Net” means the use of the System on any basis other than by the Participants for their governmental and institutional purposes.

“CDA” means the Dakota County Community Development Agency, and its successors and assigns.

“I-Net” means the use of the System by the Participants for their governmental and institutional purposes.

“Inventory” means a detailed list and summary of the Participants’ Systems Components and Backbone, which may become a part of a consolidated system, if any, in the future.

“IRU” or “Indefeasible Rights to Use” means agreements between a Participant with respect to the use of System Components in which the Participant has an ownership or other legal interest.

“Participation Fee” means, as to Participants, the non-refundable fees identified on Schedule A hereto next to their respective names.

“Systems” means each Participants’ telecommunication infrastructure including, without limitation, fiber optic cables, hand holes, switches and routers and other network elements that provide broadband, I-Net and C-Net services within the boundaries of each of the Participants.

“Systems Components” means the various necessary or convenient elements of the Systems, including, without limitation, fiber optic cables, hand holes, switches and routers, together with contract rights and agreements necessary or convenient in connection with the operation, maintenance, development and use of such components.

“Systems Plans” means general information sufficient for Participants to evaluate the Systems’ physical aspects and the methods for funding or financing the costs associated with the operation, maintenance, and development of the Systems. The Systems Plans shall identify the ownership, operation, maintenance, improvement use, and methods of funding, and/or financing, the Systems.

4. Participants.

A. *General.* The Participants are: the CDA, Dakota County, Apple Valley, Burnsville, Eagan, Farmington, Hastings, Inver Grove Heights, Lakeville, Mendota Heights, Rosemount, South St. Paul and West St. Paul.

B. *Participation Fee.* The aggregate of the Participation Fees described on Schedule A is intended to be an amount sufficient to pay the costs identified on Schedule B attached hereto. Such fees were allocated to the Participants using the formula that was used for cost sharing for the initial Design Nine study.

5. CDA’s Powers. The CDA shall have the general powers described in paragraph 1 of this Agreement, including, but not limited the powers to do the following:

- A.** To negotiate and enter into contracts for professional services and consultants for the gathering of information necessary to complete the System Plans and determine the cost of operating the Systems;
- B.** To sue and be sued with regard to contracts entered into pursuant to the authority granted hereunder;
- C.** To review and present the Systems Plans to the Participants; and
- D.** To discharge other duties consistent with the purposes of this Agreement and/or as required by statute.

6. Systems Plans.

A. *Content.* The Systems Plans shall include the following components:

- i. The design, construction, operation, marketing, public relations, maintenance, expansion and lifecycle replacement costs of the Systems and Systems Components;
- ii. An Inventory;
- iii. The terms under which Systems Components presently owned by Participants will be available for use as part of the Systems;
- iv. A valuation for all Systems Components presently owned by Participants which will be available for use as part of the Systems;
- v. User fees for the Systems; and
- vi. Methods of funding and financing.

B. *Methodology.* They Systems Plans shall be prepared capitalizing on the recent work completed by the various committees of the City-County Managers group utilizing it to the extent deemed appropriate by the Participants. City-County Managers will review the Systems Plans or portions thereof as they are prepared or become available.

C. *Review of the Systems Plans.* Following the preparation of the Systems Plans, the CDA shall distribute the Systems Plans to the Participants for review.

7. Acquisition of Interests in System Components. Upon completing their review of the Systems Plans, Participants may elect to proceed with a joint powers agreement for the following purposes: (a) creating a board to manage and operate consolidated Systems; (b) potential expansion of the Systems; (c) operation and maintenance cost sharing associated with the Systems; (d) complete, update and/or expand the Backbone network interconnecting the Systems; (e) establishment of usage rates; and (f) identifying funding. Those participants that choose to proceed with a subsequent joint powers agreement will enter into an IRU with the board created thereby and other electing participants pursuant to the terms of the subsequent joint powers agreement and the IRU(s).

8. Default; Remedies. Upon the occurrence of any default hereunder, the CDA and each Participant shall have any and all remedies available to it at law or in equity.

9. Limitation of Liability. As provided in Minnesota Statutes, Section 471.59, Subd. 1a, no Participant shall be liable for the acts or omissions of another Participant, unless it has specifically agreed in writing to be responsible for the same. For purposes of determining total liability for damages, each Participant and the CDA are considered a single governmental unit and the total liability for all of the Participants and the CDA shall not exceed the limits on governmental liability for a single governmental unit as specified under Minnesota Statutes, Sections 466.04, Subd. 1, or as waived or extended by the CDA or all Participants under

Minnesota Statutes Sections 466.06; or 471.981. This provision does not protect a Participant or the CDA from liability for its own independent acts or omissions not directly related to the exercise of the Joint Powers under this Agreement. Neither the CDA nor any Participants shall have the power hereunder to do any act or thing the effect of which is to create a charge or lien against the property or revenues of the CDA or another Participant, except as expressly provided in herein or in any of the documents authorized herein.

10. Amendments. This Agreement may be amended, at any time and from time to time, by the Participants.

IN WITNESS WHEREOF, each of the Participants has caused this Agreement to be executed on its behalf by its respective authorized officers, all as of the date first above written.

**DAKOTA COUNTY COMMUNITY
DEVELOPMENT AGENCY**

Date: _____

By: _____

Its: _____

CITY OF SOUTH ST. PAUL

Date: _____

By: _____
Beth A. Baumann, Mayor

Attest:

Date: _____

By: _____
Christy Wilcox, Clerk

SCHEDULE A

Dakota County Broadband
Systems Plan Participation Fee

Cost-Share Concept

One-third of costs borne by Dakota County Community Development Agency

One-third of costs borne by Dakota County

One-third of costs borne by cities of over 10,000 pro-rata on population

Estimated Systems Plan Costs		\$ 148,490.00
Contingency	15%	\$ 22,273.50
Total Estimated Cost		\$ 170,763.50

CDA Share		\$ 56,921.17
County Share		\$ 56,921.17
City Share		\$ 56,921.17

City cost distribution based on % of total of 11 cities with population over 10,000

<u>Participants</u>	<u>Population</u>	<u>% of Population</u>	<u>Amount Due</u>
Apple Valley	49,084	12.94%	\$ 7,365.17
Burnsville	60,306	15.90%	\$ 9,049.06
Eagan	64,206	16.93%	\$ 9,634.26
Farmington	21,086	5.56%	\$ 3,164.00
Hastings	22,172	5.84%	\$ 3,326.96
Inver Grove Heights	33,880	8.93%	\$ 5,083.77
Lakeville	55,954	14.75%	\$ 8,396.03
Mendota Heights	11,071	2.92%	\$ 1,661.23
Rosemount	21,874	5.77%	\$ 3,282.25
South St Paul	20,160	5.31%	\$ 3,025.06
West St Paul	19,549	5.15%	\$ 2,933.37
TOTAL	379,342	100.00%	\$ 56,921.17

SCHEDULE B

Dakota County Broadband
 Estimated Systems Plan Elements and Costs

Project Component	Est. Costs	Provider
Legal Services	\$8,000	
Preparation of Systems Plan		
Inventory, Design, etc	\$68,990	Elert 4/17/15 proposal, all options
Balance of Systems Plan work	\$15,000	Design Nine - assumed split
Preparation of Systems Funding Plan	\$51,500	Design Nine - assumed split
Additional consulting costs	\$5,000	
Contingency	\$22,274	
Total	\$170,764	



CITY COUNCIL AGENDA REPORT

DATE: April 4, 2016

DEPARTMENT: Engineering

ADMINISTRATOR: SPK

10-B

AGENDA ITEM: Award of Bid – 2015-015 Sanitary Sewer System Improvements with UPRR

ACTION TO BE CONSIDERED:

Adopt Resolution 2016-59 RESOLUTION REJECTING THE BIDS AND AUTHORIZING A REBID OF THE SANITARY SEWER RELOCATION PROJECT 2015-015.

OVERVIEW:

On February 16, 2016, the City Council approved the plans and specifications, and called for bids on Project 2015-015 Sanitary Sewer System Improvements with Union Pacific Railroad.

One bid was received and opened on March 28, 2016 and read as follows:

Contractor:	Total
Minger Construction Company	\$3,775,071.20
Engineer's Estimate	\$2,435,000.00

The staff has discussed this project and bid with the consultant engineer and several of the plan holders to find out why more bids were not submitted and what issues they saw with the plans. The reasons we heard were:

- Too many projects to bid right now.
- Relatively complicated project.
- Flat grades on directional drilling
- Contractors spent time on easier to bid projects.
- Uncertainty of bedrock locations and depths.

Based on these responses, and analysis of the unit prices the staff could see the two bid items out of 64 total bid items skewed the overall bid results. The one bidder had unit prices of \$965 per foot and \$850 per foot for two items when the engineer's estimate had only \$100 per foot for each item. These two items alone encountered for \$1.2 million more than expected.

Based on this, the consultant is modifying the plans and specifications to help clarify these issues and make bidding more attractive and less complicated. The consultant is preparing the re-bid plans and specifications at no additional cost to the City. However, the City has authorized more soil borings in specific areas to clarify bedrock locations and depths. The additional soil borings will cost the City an additional \$2750.

With these changes and additional discussions with contractors, the staff recommends rejecting the bid and re-bidding this project in the next month or two. Since the UPRR upgrade plans have been put on hold, the urgency for this project has subsided. However, the staff would not want to see UPRR's 50% funding on this project go away if the City delays the project too long. This rebid would likely delay the completion until next year.

SOURCE OF FUNDS:

The project will be 50% funded by the Union Pacific Railroad and 50% funded from the Sanitary Sewer enterprise fund.

City of South St. Paul
Dakota County, Minnesota

RESOLUTION NO. 2016-59

**RESOLUTION REJECTING THE BIDS FOR
PROJECT 2015-015 SANITARY SEWER RELOCATION PROJECT AND
AUTHORIZING A RE-BID OF THE PROJECT**

WHEREAS, pursuant to advertisement for bids for the improvements outlined in the Sanitary Sewer Relocation Project 2015-015, the bids were received, opened and tabulated according to law, and the following bids were received complying with the advertisement:

Contractor:	Amount Bid:
Minger Construction Co.	\$3,775,071.20

WHEREAS, it appears that Minger Construction Co. is the lowest responsible bidder;
and

WHEREAS, the bids were significantly higher than estimated and it is anticipated that more favorable bids will be received if the project is re-bid and the specifications modified.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of South St. Paul, Minnesota, as follows:

1. The City Council hereby rejects the bid that was submitted for Project 2015-015 Sanitary Sewer Relocation Project and the City Clerk is directed to return the bid bond to Minger Construction Co.
2. The City Engineer is authorized and directed to re-bid Project 2015-015 Sanitary Sewer Relocation Project later in 2016.

Adopted this 4th day of April, 2016.

City Clerk