



NORTH BRANCH

—Minnesota—

Kevin Schieber
Mayor

Robert Canada
Councilmember/Acting Mayor

Travis Miles
Councilmember

Kelly Neider
Councilmember

Peter Schaps
Councilmember

**CITY COUNCIL
REGULAR AGENDA
TUESDAY, JULY 16, 2024 @ 7:00 PM
CITY HALL, 6408 ELM STREET, NORTH
BRANCH, MN 55056**

1. CALL TO ORDER
2. PLEDGE OF ALLEGIANCE
3. OATH OF OFFICE - INTERIM CITY ADMINISTRATOR LINDA WOULFE
4. ROLL CALL
5. AGENDA APPROVAL

- a. Approve Agenda

ACTION

6. PRESENTATION & PROCLAMATION

7. PUBLIC COMMENT

Provides an opportunity for the public to address the Council on items that are not on the Agenda. Please raise your hand to be recognized. Please state your name and address for the record. This section is for the express purpose of addressing concerns of City services and operations. It shall not be used to clarify individual's views for political purposes.

8. CONSENT AGENDA

All matters listed under Consent Agenda are considered routine and/or non-controversial and will be approved by one motion. There will be no separate discussion of these items unless a Councilmember or citizen so requests, in which case the item will be removed from the Consent Agenda and considered in its normal sequence on the Agenda.

- | | |
|---|--------|
| a. Claims | ACTION |
| b. Approve Minutes | ACTION |
| c. Approve a Resolution Adopting the Financial Management Plan | ACTION |
| d. Resolution R-66-2024 Approving Pay Request No. 4 for the Highway 95 Water Main Replacement Project | ACTION |

- e. Resolution R-67-2024 Approving Pay Request No. 6 for the Water Tower #1 Rehab Project ACTION
- f. Approve Hiring of Liquor Store Clerk ACTION
- g. Approve appointing Wendy Chelberg to the PTOS Commission ACTION

9. PUBLIC HEARINGS

10. STAFF REPORTS

- a. Discussion Regarding the School Resource Officer (SRO) Services Agreement with the North Branch Area School District INFO
- b. Approve Springbrook 2024 UB Conversion and Testing ACTION
- c. 2024 LMC Conference Update INFO
- d. The Council Regular Meeting Date changed - August 13th, 2024 to August 15, 2024 ACTION
- e. Planning Commission Update INFO
- f. Parks, Trails and Open Space Commission Meeting Update INFO

11. MAYOR/CITY COUNCIL

- a. 2024 LMC Conference Update - Councilmember Miles INFO
- b. 2024 LMC Conference Update - Councilmember Neider INFO

12. ADJOURNMENT

Since we do not have time to discuss every point presented, it may seem that decisions are preconceived. However, background information is provided to the City Council on each Agenda item in advance from Staff and appointed Commissions; and decisions are based on this information and past experiences. In addition some items may also have been discussed preliminarily at Council Work Sessions. If you are aware of information that has not been discussed, please raise your hand to be recognized. Comments that are pertinent are appreciated. Items requiring excessive time may be continued to another meeting.



Prepared By:
Ragini Varma, City Clerk / IT Director
Presenter: Ragini Varma, City Clerk / IT Director
Date: 04/29/2024

Board & Commission: City Council

Subject: Approve Agenda

Council to approve the agenda as is or with modification with a motion and second before proceeding further.

Voting Requirements:

Voting Options Simple Majority



Prepared By:
Ragini Varma, City Clerk / IT Director
Presenter: Ragini Varma, City Clerk / IT Director
Date: 04/29/2024

Board & Commission: City Council

Subject: Claims

Council to approve the monthly claims. Will be uploaded on Monday as it is being worked on.

Voting Requirements:

Voting Options Simple Majority

City of North Branch

ACH Checks

5485 TO 5490 - \$92,226.45

Checks

89633 TO 89737 - \$744,757.13

Credit Card Transactions

05.07.2024 TO 06.07.2024 Transactions

Total paid to US Bank Paid 6.20.2024

\$35,206.00

Payroll

JULY 5, 2024 - \$127,553.78

Accounts Payable

Check Detail

User: TiffaniFolstad
Printed: 07/15/2024 - 11:45AM



Check Number	Check Date	Amount		
1118 - Commissioner Of Revenue (W/H) Line Item Account				
5486	07/08/2024			
Inv	0705STATE			
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>		
07/05/2024	STATE WITHHOLDING	101-00000-21702	9,981.71	
Inv 0705STATE Total			9,981.71	
5486 Total:			9,981.71	
1118 - Commissioner Of Revenue (W/H) Total:			9,981.71	
1365 - Minnesota Energy Resources Line Item Account				
5490	07/01/2024			
Inv	505590187-00001			
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>		
06/21/2024	USAGE FROM 5/21 TO 6/21 INV 5074014287	101-45000-50380	2.43	
Inv 505590187-00001 Total			2.43	
Inv	506279043-00004			
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>		
06/25/2024	USAGE FROM 5/24 TO 6/26 INV 5077809255	615-49550-50380	51.22	
Inv 506279043-00004 Total			51.22	
Inv	506279043-00005			
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>		
06/25/2024	USAGE FROM 5/24 TO 6/26 INV 507096893	101-43000-50380	21.67	
Inv 506279043-00005 Total			21.67	
Inv	506279043-00006			
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>		
06/25/2024	USAGE FROM 5/22 TO 6/25 INV 5078214119	620-49600-50380	21.79	
Inv 506279043-00006 Total			21.79	
Inv	506279043-00007			
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>		
06/25/2024	USAGE FROM 5/22 TO 6/24 INV 5078085971	615-49550-50380	51.49	

Check Number	Check Date		Amount
Inv 506279043-00007 Total			51.49
Inv 506279043-00008			
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
06/26/2024	USAGE FROM 5/24 TO 6/26 INV 5079004283	615-49550-50380	25.22
Inv 506279043-00008 Total			25.22
Inv 506279043-00009			
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
06/25/2024	USAGE FROM 5/22 TO 6/24 INV 5078269955	615-49550-50380	50.30
Inv 506279043-00009 Total			50.30
5490 Total:			224.12
1365 - Minnesota Energy Resources Total:			224.12
1372 - Minnesota State Retirement Line Item Account			
5488	07/08/2024		
Inv 0705 MSRS			
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
07/05/2024	DEFERRED COMP	101-00000-21705	850.00
Inv 0705 MSRS Total			850.00
5488 Total:			850.00
1372 - Minnesota State Retirement Total:			850.00
1431 - Nationwide Retirement Solution Line Item Account			
5485	07/09/2024		
Inv 0705NAT			
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
07/05/2024	DEFERRED COMP	101-00000-21705	5.00
Inv 0705NAT Total			5.00
5485 Total:			5.00
1431 - Nationwide Retirement Solution Total:			5.00
1468 - PERA (Payroll W/H) Line Item Account			
5489	07/09/2024		
Inv 0705 PERA			
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	

Check Number	Check Date		Amount
07/05/2024	PERA CONTRIBUTIONS	101-00000-21704	37,391.16
Inv 0705 PERA Total			37,391.16
5489 Total:			37,391.16
1468 - PERA (Payroll W/H) Total:			37,391.16
1585 - United States Treasury Line Item Account			
5487	07/08/2024		
Inv 0705FED			
<u>Line Item Date</u>	<u>Line Item Description</u>	<u>Line Item Account</u>	
07/05/2024	FEDERAL WITHHOLDING	101-00000-21701	22,629.96
07/05/2024	SOCIAL SECURITY WITHHOLDING	101-00000-21703	15,564.70
07/05/2024	MEDICARE WITHHOLDING	101-00000-21703	5,579.80
Inv 0705FED Total			43,774.46
5487 Total:			43,774.46
1585 - United States Treasury Total:			43,774.46
Total:			92,226.45

Accounts Payable

Computer Check Proof List by Vendor

User: TiffaniFolstad
Printed: 06/28/2024 - 8:51AM
Batch: 00004.06.2024 - 06282024



Invoice No	Description	Amount	Pmt Date	Acct Number	Reference
Vendor: 1031	Aspen Mills			Check Sequence: 1	ACH Enabled: False
333765	NAME TAG -CF	10.85	06/28/2024	101-42110-50237	
	Check Total:	10.85			
Vendor: 2108	Bolton & Menk, Inc.			Check Sequence: 2	ACH Enabled: False
333741	RENTAL HOUSING STUDY	2,271.00	06/28/2024	201-46500-50300	
333741	RENTAL HOUSING STUDY	2,271.00	06/28/2024	101-41910-50300	
337708	RENTAL HOUSING STUDY	8,173.00	06/28/2024	201-46500-50300	
337708	RENTAL HOUSING STUDY	8,173.00	06/28/2024	101-41910-50300	
	Check Total:	20,888.00			
Vendor: 1092	Central Pension Fund			Check Sequence: 3	ACH Enabled: False
FOR JUNE	CENTRAL PENSION FUND CONTRIBUTION	4,230.82	06/28/2024	101-00000-21705	
	Check Total:	4,230.82			
Vendor: 1101	Chisago County HRA-EDA			Check Sequence: 4	ACH Enabled: False
21-0617	HRA – EDA Repayment – ESSBY Land	112,500.00	06/28/2024	476-47000-50601	
	Check Total:	112,500.00			
Vendor: 1269	IUOE Local 49 Fringe Benefit			Check Sequence: 5	ACH Enabled: False
FOR AUG 2024	HEALTH	16,225.00	06/28/2024	101-00000-21706	
	Check Total:	16,225.00			
Vendor: 1176	M Health Fairview			Check Sequence: 6	ACH Enabled: False
15007543196	CDL VISIT 15007543196 ON 5/23/2024	574.00	06/28/2024	101-42110-50314	
15007543286	CDL VISIT 15007543286 ON 5/31/2024	143.00	06/28/2024	101-42110-50314	

Invoice No	Description	Amount	Pmt Date	Acct Number	Reference
15007551156	CPF VISIT 15007551156 ON 5/16/2024	1.00	06/28/2024	851-42110-50430	
15007598852	CDL VISIT 15007598852 ON 5/31/2024	143.00	06/28/2024	101-42110-50314	
	Check Total:	861.00			
Vendor: 1364	Minnesota Elevator, Inc.			Check Sequence: 7	ACH Enabled: False
1076501	JUNE MONTHLY SERVICE	135.00	06/28/2024	101-41940-50300	
	Check Total:	135.00			
Vendor: 1404	MN Teamsters #320			Check Sequence: 8	ACH Enabled: False
FOR JULY 2024	UNION DUES FOR JULY 2024	1,761.00	06/28/2024	101-00000-21708	
	Check Total:	1,761.00			
Vendor: 1347	Municipal Emergency Services, Inc.			Check Sequence: 9	ACH Enabled: False
2058270	NAME PLATE/NAME PATCH	75.93	06/28/2024	101-42280-50201	
	Check Total:	75.93			
Vendor: 1703	Precision Landscape & Tree, Inc.			Check Sequence: 10	ACH Enabled: False
88210	HAULED 640 YARDS	12,480.00	06/28/2024	486-46500-50506	
	Check Total:	12,480.00			
Vendor: 1542	Staples			Check Sequence: 11	ACH Enabled: False
6004296352	2 CASES PAPER	99.98	06/28/2024	101-42110-50210	
	Check Total:	99.98			
Vendor: 2119	Winberg Companies, LLC			Check Sequence: 12	ACH Enabled: False
PAY REQUEST 2	NORTHWOOD PICKLEBALL & IMPROVEM	48,358.67	06/28/2024	486-46500-50506	
	Check Total:	48,358.67			
	Total for Check Run:	217,626.25			
	Total of Number of Checks:	12			

Accounts Payable
Computer Check Proof List by Vendor

User: TiffaniFolstad
Printed: 07/09/2024 - 11:26AM
Batch: 00001.07.2024 - 07092024



Invoice No	Description	Amount	Pmt Date	Acct Number	Reference
Vendor: 1646	Ameritas			Check Sequence: 1	ACH Enabled: False
0705 Ameritas	OTHER RETIREMENT	90.00	07/08/2024	101-00000-21705	
	Check Total:	90.00			
Vendor: 2003	Emerson Avenue Band LLC			Check Sequence: 2	ACH Enabled: False
7/09 CONCERT	7/09 CONCERT IN THE PARK	3,200.00	07/08/2024	403-46500-50300	
	Check Total:	3,200.00			
	Total for Check Run:	3,290.00			
	Total of Number of Checks:	2			

Accounts Payable

Computer Check Proof List by Vendor

User: TiffaniFolstad
Printed: 07/12/2024 - 4:16PM
Batch: 00002.07.2024 - 07122024



Invoice No	Description	Amount	Pmt Date	Acct Number	Reference
Vendor: 1005	Ace Solid Waste			Check Sequence: 1	ACH Enabled: False
10690547T067	TRASH SERVICE	140.44	07/12/2024	609-49750-50387	
10690547T067	TRASH SERVICE	97.57	07/12/2024	615-49550-50387	
10690547T067	TRASH SERVICE	308.52	07/12/2024	101-43000-50387	
10690547T067	TRASH SERVICE	65.02	07/12/2024	101-42280-50387	
10690547T067	TRASH SERVICE	102.30	07/12/2024	101-45500-50387	
10690547T067	TRASH SERVICE	58.13	07/12/2024	615-49550-50387	
10690547T067	TRASH SERVICE	245.56	07/12/2024	602-49450-50387	
10690547T067	TRASH SERVICE	190.35	07/12/2024	101-41940-50387	
	Check Total:	1,207.89			
Vendor: 1008	Agvise Laboratories, Inc.			Check Sequence: 2	ACH Enabled: False
50866	WASTEWATER SOIL SAMPLES	595.40	07/12/2024	602-49450-50315	
	Check Total:	595.40			
Vendor: 1662	Amazon Capital Services			Check Sequence: 3	ACH Enabled: False
1F3M-VQYH-L3Y4	WIRELESS MOUSE X2/SPRING CLAMPS	42.76	07/12/2024	101-42110-50210	
1HHK-LCMX-4FFM	CHAIR/PENS	102.45	07/12/2024	101-42110-50210	
1RF6-GVQR-J1XW	BANNER STAND	54.99	07/12/2024	851-42110-50430	
	Check Total:	200.20			
Vendor: 1870	Armand Advertising, LLC			Check Sequence: 4	ACH Enabled: False
3089	250 FULL COLOR KOOZIES	656.78	07/12/2024	851-42280-50210	
	Check Total:	656.78			
Vendor: 1029	Artisan Beer Company			Check Sequence: 5	ACH Enabled: False

Invoice No	Description	Amount	Pmt Date	Acct Number	Reference
3688299	BEER	40.00	07/12/2024	609-48000-50252	
3688300	BEER	55.40	07/12/2024	609-48000-50252	
3690318	BEER	29.25	07/12/2024	609-49750-50252	
3692173	BEER	58.50	07/12/2024	609-49750-50252	
3692174	BEER	80.00	07/12/2024	609-49750-50252	
3692175	BEER	118.50	07/12/2024	609-48000-50252	
3692176	BEER	83.00	07/12/2024	609-48000-50252	
3694022	BEER	121.50	07/12/2024	609-49750-50252	
	Check Total:	586.15			
Vendor: 1031	Aspen Mills			Check Sequence: 6	ACH Enabled: False
333785	UNIFORM ITEMS -PH	55.55	07/12/2024	101-42280-50237	
334330	UNIFORM ITEMS	1,373.00	07/12/2024	101-42280-50237	
335156	UNIFORM ITEMS - JZ	333.15	07/12/2024	101-42110-50237	
335157	UNIFORM ITEMS -TL	329.15	07/12/2024	101-42110-50237	
335225	UNIFORM PANTS- JZ	118.95	07/12/2024	101-42110-50237	
335404	PD RESERVE UNIT ITEMS	80.00	07/12/2024	851-42110-50430	
	Check Total:	2,289.80			
Vendor: 1036	AT & T Mobility			Check Sequence: 7	ACH Enabled: False
287294264933X07	MOBILE SERVICES	1,896.60	07/12/2024	101-42110-50300	
287294264933X07	MOBILE SERVICES	123.69	07/12/2024	615-49550-50380	
287294264933X07	MOBILE SERVICES	261.36	07/12/2024	101-42280-50321	
287294264933X07	MOBILE SERVICES	38.23	07/12/2024	609-49750-50243	
287294264933X07	MOBILE SERVICES	38.23	07/12/2024	609-48000-50243	
287294265529X07	MOBILE SERVICES	44.71	07/12/2024	101-41500-50321	
287294265529X07	MOBILE SERVICES	132.68	07/12/2024	101-41910-50321	
287294265529X07	MOBILE SERVICES	89.42	07/12/2024	101-42400-50321	
287294265529X07	MOBILE SERVICES	178.46	07/12/2024	615-49550-50321	
287294265529X07	MOBILE SERVICES	44.71	07/12/2024	609-48000-50321	
287294265529X07	MOBILE SERVICES	501.48	07/12/2024	101-43000-50321	
287294265529X07	MOBILE SERVICES	89.42	07/12/2024	609-49750-50321	
287294265529X07	MOBILE SERVICES	134.28	07/12/2024	602-49450-50321	
287294265529X07	MOBILE SERVICES	87.97	07/12/2024	620-49600-50321	

Invoice No	Description	Amount	Pmt Date	Acct Number	Reference
Check Total:		3,661.24			
Vendor: 1049	Bellboy Corporation			Check Sequence: 8	ACH Enabled: False
0108571000	LIQUOR	147.67	07/12/2024	609-49750-50251	
0204038600	LIQUOR	784.97	07/12/2024	609-49750-50251	
0204038600	WINE	295.98	07/12/2024	609-49750-50253	
0204039300	WINE	296.68	07/12/2024	609-48000-50253	
0204039300	LIQUOR	573.00	07/12/2024	609-48000-50251	
0204085200	LIQUOR	448.50	07/12/2024	609-48000-50251	
0204106900	LIQUOR	623.50	07/12/2024	609-49750-50251	
0204182700	LIQUOR	1,203.15	07/12/2024	609-49750-50251	
Check Total:		4,373.45			
Vendor: 1052	Bernicks			Check Sequence: 9	ACH Enabled: False
10229867	BEER	1,027.60	07/12/2024	609-48000-50252	
10229868	BEER	-99.45	07/12/2024	609-48000-50252	
10232455	BEER	6,046.55	07/12/2024	609-49750-50252	
10232455	N/A SALES	338.00	07/12/2024	609-49750-50250	
10232456	BEER CREDIT	-13.00	07/12/2024	609-49750-50252	
10232461	N/A SALES	57.40	07/12/2024	609-48000-50250	
10232461	BEER	2,274.70	07/12/2024	609-48000-50252	
10235472	BEER	5,182.55	07/12/2024	609-49750-50252	
10235472	N/A SALES	65.60	07/12/2024	609-49750-50250	
10235473	N/A SALES	33.60	07/12/2024	609-49750-50250	
10235481	N/A SALES	51.70	07/12/2024	609-48000-50250	
10235481	BEER	1,787.80	07/12/2024	609-48000-50252	
10235482	BEER CREDIT	-25.68	07/12/2024	609-48000-50252	
10238191	N/A SALES	28.70	07/12/2024	609-49750-50250	
10238191	BEER	2,926.25	07/12/2024	609-49750-50252	
Check Total:		19,682.32			
Vendor: 1899	BlueCross/Blue Shield Minnesota			Check Sequence: 10	ACH Enabled: False
240701094135	VISION COVERAGE	124.03	07/12/2024	101-00000-21706	

Invoice No	Description	Amount	Pmt Date	Acct Number	Reference
Check Total:		124.03			
Vendor: 1066	Breakthru Beverage MN			Check Sequence: 11	ACH Enabled: False
116374621	N/A SALES	102.60	07/12/2024	609-48000-50250	
116374622	WINE	267.30	07/12/2024	609-48000-50253	
116375144	LIQUOR	564.44	07/12/2024	609-49750-50251	
116375145	N/A SALES	319.81	07/12/2024	609-49750-50250	
116489654	BEER	142.50	07/12/2024	609-48000-50252	
116489667	BEER	1,048.00	07/12/2024	609-49750-50252	
116489940	LIQUOR	1,355.90	07/12/2024	609-48000-50251	
116490078	LIQUOR	1,633.48	07/12/2024	609-49750-50251	
116596617	LIQUOR	4,028.30	07/12/2024	609-49750-50251	
412398890	N/A SALES CREDIT	-27.70	07/12/2024	609-49750-50250	
412401633	LIQUOR CREDIT	-74.95	07/12/2024	609-49750-50251	
412411022	N/A SALES	-240.59	07/12/2024	609-48000-50250	
412411046	LIQUOR CREDIT	-9.15	07/12/2024	609-49750-50251	
Check Total:		9,109.94			
Vendor: 1076	Business Essentials			Check Sequence: 12	ACH Enabled: False
641218	BATH TISSUE/HAND TOWELS	250.00	07/12/2024	101-43000-50210	
Check Total:		250.00			
Vendor: 1082	Capitol Beverage Sales LP			Check Sequence: 13	ACH Enabled: False
3001348	BEER CREDIT	-23.75	07/12/2024	609-49750-50252	
3001349	N/A	131.35	07/12/2024	609-49750-50250	
3001349	LIQUOR	88.50	07/12/2024	609-49750-50251	
3001349	BEER	2,096.80	07/12/2024	609-49750-50252	
3001352	N/A SALES	64.00	07/12/2024	609-48000-50250	
3001352	BEER	304.30	07/12/2024	609-48000-50252	
Check Total:		2,661.20			
Vendor: 1085	Carlson Fire Extinguisher S&S			Check Sequence: 14	ACH Enabled: False
162155	10# ABC EXT REG/HOSE	32.50	07/12/2024	101-42110-50404	

Invoice No	Description	Amount	Pmt Date	Acct Number	Reference
	Check Total:	32.50			
Vendor: 1102	Chisago County Press			Check Sequence: 15	ACH Enabled: False
ECRAC 24-7E-104	SUMMER CONCERT DISPLAY COMBO	185.00	07/12/2024	403-46500-50300	
	Check Total:	185.00			
Vendor: 1122	Crystal Springs Ice			Check Sequence: 16	ACH Enabled: False
1005010	N/A SALES	198.40	07/12/2024	609-49750-50250	
1005013	N/A SALES - ICE	94.32	07/12/2024	609-48000-50250	
2010362	N/A SALES	73.28	07/12/2024	609-49750-50250	
2010386	N/A SALES	50.48	07/12/2024	609-48000-50250	
2010389	N/A SALES	237.92	07/12/2024	609-49750-50250	
2010482	N/A SALES	226.40	07/12/2024	609-49750-50250	
2010576	N/A SALES	126.16	07/12/2024	609-49750-50250	
417	N/A SALES	242.72	07/12/2024	609-49750-50250	
	Check Total:	1,249.68			
Vendor: 1129	Dahlheimer Distributing			Check Sequence: 17	ACH Enabled: False
2208571	BEER	2,464.21	07/12/2024	609-48000-50252	
2214269	BEER	5,144.10	07/12/2024	609-48000-50252	
2214550	BEER	30.00	07/12/2024	609-00000-11560	
2214550	BEER	287.10	07/12/2024	609-49750-50252	
2214551	BEER	-30.00	07/12/2024	609-00000-11560	
2214551	BEER	20,427.58	07/12/2024	609-49750-50252	
2214595	N/A SALES	33.85	07/12/2024	609-48000-50250	
2215675	BEER	115.00	07/12/2024	609-00000-11560	
2220017	BEER	3,480.05	07/12/2024	609-48000-50252	
2220083	BEER	11,979.29	07/12/2024	609-49750-50252	
2220253	KEG DEPOSIT	-120.00	07/12/2024	609-00000-11560	
2220253	N/A SALES	592.55	07/12/2024	609-49750-50250	
2220359	N/A SALES	27.30	07/12/2024	609-48000-50250	
2225652	N/A SALES	284.95	07/12/2024	609-49750-50250	
2225653	LIQUOR	190.75	07/12/2024	609-49750-50251	
2225653	BEER	7,989.61	07/12/2024	609-49750-50252	

Invoice No	Description	Amount	Pmt Date	Acct Number	Reference
	Check Total:	52,896.34			
Vendor: 2000	DATA PRACTICES OFFICE			Check Sequence: 18	ACH Enabled: False
804008	LAW ENFORCEMENT DATA WORKSHOP -C	250.00	07/12/2024	101-42110-50332	
	Check Total:	250.00			
Vendor: 1133	Dell Marketing, L.P.			Check Sequence: 19	ACH Enabled: False
10744819559	VIDEO CONF MONITOR/MONITOR/BASE	561.07	07/12/2024	101-42280-50207	
10755526080	LAPTOP/HEADSET/KEYBOARD/MOUSE/B/A	2,968.73	07/12/2024	602-49450-50207	
10755526080	LAPTOP/HEADSET/KEYBOARD/MOUSE/B/A	2,968.72	07/12/2024	101-43000-50207	
10756643523	2024PDSquad/DockingSystem X10	38,447.40	07/12/2024	101-42110-50207	
	Check Total:	44,945.92			
Vendor: 1143	Dr Pepper Snapple Group			Check Sequence: 20	ACH Enabled: False
3562338635	N/A SALES	203.30	07/12/2024	609-49750-50250	
3562338862	N/A SALES	193.68	07/12/2024	609-49750-50250	
	Check Total:	396.98			
Vendor: 1166	Enterprise FM Trust			Check Sequence: 21	ACH Enabled: False
508722-070324	Lease 2020 DODGE DURANGO	455.36	07/12/2024	101-42110-50229	
	Check Total:	455.36			
Vendor: 1168	Envirotech			Check Sequence: 22	ACH Enabled: False
202415647	CHLORIDE	18,735.32	07/12/2024	101-43000-50308	
202415788	CHLORIDE	18,954.36	07/12/2024	101-43000-50308	
	Check Total:	37,689.68			
Vendor: 1887	Erickson Electric Company, Inc.			Check Sequence: 23	ACH Enabled: False
10957	GEN SCADA PROJECT	12,359.00	07/12/2024	620-00000-16500	
	Check Total:	12,359.00			
Vendor: 1175	F.I.R.E.			Check Sequence: 24	ACH Enabled: False
6940	LIVE BURN	1,500.00	07/12/2024	101-42280-50332	

Invoice No	Description	Amount	Pmt Date	Acct Number	Reference
	Check Total:	1,500.00			
Vendor: 1180	Ferguson US Holdings, Inc			Check Sequence: 25	ACH Enabled: False
526416	100 5/8" RESIDENTIAL WATER METERS/100	28,100.00	07/12/2024	615-49550-50210	
526417	10 1" METERS	3,034.51	07/12/2024	615-49550-50210	
531942	500 FT METER WIRE	862.90	07/12/2024	615-49550-50210	
532506	10 MIUS for 1" WATER METERS	1,250.00	07/12/2024	615-49550-50210	
	Check Total:	33,247.41			
Vendor: 1202	Galls			Check Sequence: 26	ACH Enabled: False
28198868	CUFFS -KM	206.17	07/12/2024	101-42110-50237	
	Check Total:	206.17			
Vendor: 1206	Genesis Technology Communications, LLC			Check Sequence: 27	ACH Enabled: False
142663	PARKS WIFI	179.95	07/12/2024	101-45000-50321	
	Check Total:	179.95			
Vendor: 2131	GMP Consultants			Check Sequence: 28	ACH Enabled: False
24-617	ADMIN SEARCH PAY 1 + TRAVEL/HOTEL	5,540.15	07/12/2024	101-41310-50300	
	Check Total:	5,540.15			
Vendor: 1221	Granicus, LLC			Check Sequence: 29	ACH Enabled: False
185933	AGENDA & MINUTES	434.24	07/12/2024	101-41400-50300	
	Check Total:	434.24			
Vendor: 1222	Granite Electronics			Check Sequence: 30	ACH Enabled: False
2244567	SIREN 410/HEMINGWAY	573.86	07/12/2024	101-42500-50404	
	Check Total:	573.86			
Vendor: 1908	GTG Properties, LLC			Check Sequence: 31	ACH Enabled: False
FOR JULY 2024	PYLON SIGN PANEL	100.00	07/12/2024	609-48000-50340	
	Check Total:	100.00			
Vendor: 2134	Guidance Homes			Check Sequence: 32	ACH Enabled: False

Invoice No	Description	Amount	Pmt Date	Acct Number	Reference
BP 11346	TEMP CO REIMBUR FOR 4699 381ST TRL	2,500.00	07/12/2024	101-00000-22000	
	Check Total:	2,500.00			
Vendor: 1239	Hawkins, Inc.			Check Sequence: 33	ACH Enabled: False
6791272	CHEMICALS	1,858.28	07/12/2024	602-49450-50210	
6791319	CHEMICALS	1,270.95	07/12/2024	602-49450-50210	
	Check Total:	3,129.23			
Vendor: 1998	HEWLETT-PACKARD FINANCIAL SERVICES COMPANY			Check Sequence: 34	ACH Enabled: False
601064939	NETWORK SWITCHES/FIREWALL	162.04	07/12/2024	101-43000-50244	
601064939	NETWORK SWITCHES/FIREWALL	155.69	07/12/2024	609-49750-50244	
601064939	NETWORK SWITCHES/FIREWALL	509.56	07/12/2024	101-41940-50244	
601064939	NETWORK SWITCHES/FIREWALL	152.11	07/12/2024	101-42280-50244	
601064939	NETWORK SWITCHES/FIREWALL	391.68	07/12/2024	615-49550-50244	
601064939	NETWORK SWITCHES/FIREWALL	329.58	07/12/2024	602-49450-50244	
601064939	NETWORK SWITCHES/FIREWALL	149.12	07/12/2024	609-48000-50244	
601088952	NETWORK SWITCHES/FIREWALL	155.69	07/12/2024	609-49750-50244	
601088952	NETWORK SWITCHES/FIREWALL	329.58	07/12/2024	602-49450-50244	
601088952	NETWORK SWITCHES/FIREWALL	162.04	07/12/2024	101-43000-50244	
601088952	NETWORK SWITCHES/FIREWALL	152.11	07/12/2024	101-42280-50244	
601088952	NETWORK SWITCHES/FIREWALL	509.56	07/12/2024	101-41940-50244	
601088952	NETWORK SWITCHES/FIREWALL	391.68	07/12/2024	615-49550-50244	
601088952	NETWORK SWITCHES/FIREWALL	149.12	07/12/2024	609-48000-50244	
	Check Total:	3,699.56			
Vendor: 1246	Hohensteins, Inc.			Check Sequence: 35	ACH Enabled: False
731016	BEER	246.00	07/12/2024	609-49750-50252	
	Check Total:	246.00			
Vendor: 1265	Isanti-Chisago County Star			Check Sequence: 36	ACH Enabled: False
052421135	ADVERTISEMENT	70.00	07/12/2024	609-49750-50340	
1826603	LS ADVERTISING	70.00	07/12/2024	609-49750-50340	
1829365	2023 DRINKING WATER REPORT	225.33	07/12/2024	101-41910-50351	
1829366	NB ORDINANCE 374-24	54.24	07/12/2024	101-41910-50351	

Invoice No	Description	Amount	Pmt Date	Acct Number	Reference
1829367	NB ORDINANCE 375-24	32.11	07/12/2024	101-41910-50351	
1830714	PUBLIC HEARING LGI	10.19	07/12/2024	101-41910-50351	
1830715	PUBLIC HEARING RICHARD KELLER	9.45	07/12/2024	101-41910-50351	
1830716	PUBLIC HEARING MEMBERS COOP	10.40	07/12/2024	101-41910-50351	
	Check Total:	481.72			
Vendor: 1268	IUOE Local #49			Check Sequence: 37	ACH Enabled: False
FOR AUG 2024	UNION DUES	385.00	07/12/2024	101-00000-21708	
	Check Total:	385.00			
Vendor: 1279	Johnson Brothers Liquor Co.			Check Sequence: 38	ACH Enabled: False
2560147	N/A SALES	37.82	07/12/2024	609-48000-50250	
2560148	WINE	49.82	07/12/2024	609-48000-50253	
2560149	LIQUOR	181.64	07/12/2024	609-48000-50251	
2560150	LIQUOR	443.98	07/12/2024	609-48000-50251	
2561705	WINE	491.50	07/12/2024	609-49750-50253	
2565564	LIQUOR	514.32	07/12/2024	609-49750-50251	
2565565	LIQUOR	281.18	07/12/2024	609-49750-50251	
2565566	LIQUOR	245.47	07/12/2024	609-49750-50251	
2565567	WINE	431.28	07/12/2024	609-49750-50253	
2565568	LIQUOR	296.46	07/12/2024	609-48000-50251	
2571387	LIQUOR	2,095.56	07/12/2024	609-49750-50251	
2571388	LIQUOR	272.13	07/12/2024	609-48000-50251	
2571389	LIQUOR	1,114.59	07/12/2024	609-49750-50251	
2571390	WINE	395.42	07/12/2024	609-49750-50253	
2571392	LIQUOR	219.64	07/12/2024	609-49750-50251	
2571393	WINE	1,652.42	07/12/2024	609-49750-50253	
2571394	LIQUOR	494.46	07/12/2024	609-48000-50251	
2571395	LIQUOR	358.05	07/12/2024	609-48000-50251	
2571396	WINE	775.66	07/12/2024	609-48000-50253	
2576345	LIQUOR	1,535.25	07/12/2024	609-49750-50251	
2576348	LIQUOR	616.20	07/12/2024	609-49750-50251	
2576349	WINE	477.10	07/12/2024	609-49750-50253	
2576350	WINE	161.46	07/12/2024	609-49750-50253	

Invoice No	Description	Amount	Pmt Date	Acct Number	Reference
2576351	LIQUOR	620.46	07/12/2024	609-49750-50251	
	Check Total:	13,761.87			
Vendor: 1663	Kwik Trip			Check Sequence: 39	ACH Enabled: False
FOR JUNE	MOTOR FUELS	164.21	07/12/2024	101-42280-50212	
	Check Total:	164.21			
Vendor: 2136	Jason & Heather Labelle			Check Sequence: 40	ACH Enabled: False
CUST 10014	WATER/SEWER REFUND CUST 10014	63.13	07/12/2024	612-00000-11500	
CUST 10014	WATER/SEWER REFUND CUST 10014	-8.15	07/12/2024	615-00000-11500	
CUST 10014	WATER/SEWER REFUND CUST 10014	-7.30	07/12/2024	602-00000-11500	
	Check Total:	47.68			
Vendor: 2135	Luz Laiton			Check Sequence: 41	ACH Enabled: False
CUST 11386	WATER/SEWER REFUND CUST 11386	-11.25	07/12/2024	612-00000-11500	
CUST 11386	WATER/SEWER REFUND CUST 11386	-7.85	07/12/2024	602-00000-11500	
CUST 11386	WATER/SEWER REFUND CUST 11386	93.33	07/12/2024	612-00000-11500	
	Check Total:	74.23			
Vendor: 1296	Lamar Companies			Check Sequence: 42	ACH Enabled: False
116031233	ADVERTISER	222.50	07/12/2024	609-49750-50340	
116031233	ADVERTISER	222.50	07/12/2024	609-48000-50340	
	Check Total:	445.00			
Vendor: 1297	Lampert Lumber			Check Sequence: 43	ACH Enabled: False
2565636-019	MATERIALS	46.98	07/12/2024	101-42280-50210	
	Check Total:	46.98			
Vendor: 1302	Law Enforcement Labor Services			Check Sequence: 44	ACH Enabled: False
FOR JULY 2024	UNION DUES	775.50	07/12/2024	101-00000-21708	
	Check Total:	775.50			
Vendor: 2075	Tyler Lawson			Check Sequence: 45	ACH Enabled: False
BIKE PAT REIMB	ITMES FOR BIKE PATROL PROGRAM	167.95	07/12/2024	101-42110-50404	

Invoice No	Description	Amount	Pmt Date	Acct Number	Reference
	Check Total:	167.95			
Vendor: 1305	c/o Berkley Risk Administrators Company League Of MN Cities Ins. Trust-WC			Check Sequence: 46	ACH Enabled: False
22860	WC DEDUCTIBLE CLAIM 500957	157.89	07/12/2024	101-41500-50151	
	Check Total:	157.89			
Vendor: 1307	Lees Pro Shop, Inc.			Check Sequence: 47	ACH Enabled: False
278417	80 CUSTOM TSHIRTS	872.00	07/12/2024	101-42280-50237	
	Check Total:	872.00			
Vendor: 1308	LegalShield			Check Sequence: 48	ACH Enabled: False
FOR JULY	LEGAL SERVICES	15.95	07/12/2024	101-00000-21712	
	Check Total:	15.95			
Vendor: 2137	Randy & Tyler Lehto			Check Sequence: 49	ACH Enabled: False
CUST 11368	WATER/SEWER REFUND CUST 11368	19.16	07/12/2024	612-00000-11500	
CUST 11368	WATER/SEWER REFUND CUST 11368	-4.79	07/12/2024	602-00000-11500	
CUST 11368	WATER/SEWER REFUND CUST 11368	-6.87	07/12/2024	615-00000-11500	
	Check Total:	7.50			
Vendor: 1327	Macqueen Equipment Inc.			Check Sequence: 50	ACH Enabled: False
28085	HELMETS	13,707.33	07/12/2024	101-42280-50237	
	Check Total:	13,707.33			
Vendor: 1330	Main Street Hardware			Check Sequence: 51	ACH Enabled: False
156315	HOOK PEGBOARD	29.98	07/12/2024	101-42110-50210	
	Check Total:	29.98			
Vendor: 1333	Consulting Psychologists, Inc. Martin-Mcallister			Check Sequence: 52	ACH Enabled: False
16238	PUBLIC SAFETY ASSESSMENT -CL	625.00	07/12/2024	101-42110-50314	
	Check Total:	625.00			
Vendor: 1643	McDonald Distributing			Check Sequence: 53	ACH Enabled: False
5760500	BEER	-106.00	07/12/2024	609-48000-50252	

Invoice No	Description	Amount	Pmt Date	Acct Number	Reference
5760507	BEER CREDIT	-15.38	07/12/2024	609-48000-50252	
753206	BEER	3,433.25	07/12/2024	609-48000-50252	
753296	BEER CREDIT	-267.35	07/12/2024	609-49750-50252	
753296	N/A SALES CREDIT	-63.15	07/12/2024	609-49750-50250	
753297	LIQUOR	42.81	07/12/2024	609-49750-50251	
753298	N/A SALES	127.95	07/12/2024	609-49750-50250	
753298	BEER	12,318.85	07/12/2024	609-49750-50252	
753298	LIQUOR	33.60	07/12/2024	609-49750-50251	
754378	LIQUOR	119.00	07/12/2024	609-48000-50251	
754378	BEER	1,744.80	07/12/2024	609-48000-50252	
754442	LIQUOR	1,108.00	07/12/2024	609-49750-50251	
754453	BEER	7,222.65	07/12/2024	609-49750-50252	
754453	N/A SALES	149.55	07/12/2024	609-49750-50250	
754453	LIQUOR	33.60	07/12/2024	609-49750-50251	
754464	BEER	5,556.20	07/12/2024	609-48000-50252	
754464	LIQUOR	358.40	07/12/2024	609-48000-50251	
754562	BEER CREDIT	-167.70	07/12/2024	609-49750-50252	
754832	BEER	121.00	07/12/2024	609-49750-50252	
754832	KEG DEPOSIT	30.00	07/12/2024	609-00000-11560	
755535	WINE	33.60	07/12/2024	609-48000-50253	
755535	BEER	1,409.20	07/12/2024	609-48000-50252	
755536	N/A SALES	57.25	07/12/2024	609-49750-50250	
755536	LIQUOR	67.20	07/12/2024	609-49750-50251	
755536	BEER	3,745.35	07/12/2024	609-49750-50252	
755555	BEER CREDIT	-51.20	07/12/2024	609-48000-50252	
755556	BEER CREDIT	-122.00	07/12/2024	609-49750-50252	
	Check Total:	36,919.48			
Vendor: 1353	Midcontinent			Check Sequence: 54	ACH Enabled: False
16640100114118	INTERNET 6/25 TO 7/24/2024	113.00	07/12/2024	602-49450-50243	
16640100114118	INTERNET 6/25 TO 7/24/2024	113.00	07/12/2024	609-49750-50243	
16640100114118	INTERNET 6/25 TO 7/24/2024	113.00	07/12/2024	609-48000-50243	
16640100114118	INTERNET 6/25 TO 7/24/2024	113.00	07/12/2024	101-42280-50243	
16640100114118	INTERNET 6/25 TO 7/24/2024	226.00	07/12/2024	615-49550-50243	

Invoice No	Description	Amount	Pmt Date	Acct Number	Reference
16640100114118	INTERNET 6/25 TO 7/24/2024	113.00	07/12/2024	101-43000-50243	
16640100114118	INTERNET 6/25 TO 7/24/2024	113.39	07/12/2024	620-49600-50243	
	Check Total:	904.39			
Vendor: 1364	Minnesota Elevator, Inc.			Check Sequence: 55	ACH Enabled: False
1081046	JULY MONTHLY SERVICE	135.00	07/12/2024	101-41940-50300	
	Check Total:	135.00			
Vendor: 1384	MN Dept Of Health			Check Sequence: 56	ACH Enabled: False
Q2 SWTF	Q2 STATE WATER TESTING FEE 2461 CONN	5,980.00	07/12/2024	615-49550-50315	
	Check Total:	5,980.00			
Vendor: 1386	MN Dept Of Labor /Industry Bld			Check Sequence: 57	ACH Enabled: False
Q2 BP SURCHARGE	Q2 BUILDING PERMIT SURCHARGE	3,842.88	07/12/2024	101-00000-21716	
	Check Total:	3,842.88			
Vendor: 1396	MN Peip - C/O MMB Fiscal Srvs			Check Sequence: 58	ACH Enabled: False
1413111	HEALTH	38,305.62	07/12/2024	101-00000-21706	
1413111	LIFE	656.10	07/12/2024	101-00000-21714	
1413111	DENTAL	1,964.96	07/12/2024	101-00000-21718	
	Check Total:	40,926.68			
Vendor: 1341	Mobile Health Services			Check Sequence: 59	ACH Enabled: False
45737	MEDICAL EXAMS X 23	4,885.00	07/12/2024	101-42280-50314	
	Check Total:	4,885.00			
Vendor: 1411	Moose Lake Brewing Co. LLC			Check Sequence: 60	ACH Enabled: False
SW26-014	BEER	108.00	07/12/2024	609-48000-50252	
	Check Total:	108.00			
Vendor: 1691	Motorola Solutions, Inc.			Check Sequence: 61	ACH Enabled: False
1411099002	BODY CAM 5 YR PROJECT	20,160.00	07/12/2024	101-42110-50300	
	Check Total:	20,160.00			

Invoice No	Description	Amount	Pmt Date	Acct Number	Reference
Vendor: 1418 2055972	Municipal Code Corporation GEAR REPAIR	150.99	07/12/2024	Check Sequence: 62 101-42280-50201	ACH Enabled: False
	Check Total:	150.99			
Vendor: 1419 19002982	My Alarm Center MONITORING	70.45	07/12/2024	Check Sequence: 63 609-48000-50300	ACH Enabled: False
	Check Total:	70.45			
Vendor: 1423 2024-141	N.B. Area Public Schools-Fuel MOTOR FUELS	225.77	07/12/2024	Check Sequence: 64 101-45000-50212	ACH Enabled: False
2024-141	MOTOR FUELS	147.06	07/12/2024	101-42400-50212	
2024-141	MOTOR FUELS	78.95	07/12/2024	612-49700-50212	
2024-141	MOTOR FUELS	98.26	07/12/2024	602-49450-50212	
2024-141	MOTOR FUELS	388.33	07/12/2024	615-49550-50212	
2024-141	MOTOR FUELS	70.95	07/12/2024	620-49600-50212	
2024-141	MOTOR FUELS	598.75	07/12/2024	101-43000-50212	
2024-141	MOTOR FUELS	2,590.84	07/12/2024	101-42110-50212	
2024-141	MOTOR FUELS	80.46	07/12/2024	101-42280-50212	
2124-148	DIESEL	822.74	07/12/2024	101-43000-50212	
2124-148	DIESEL	2,000.00	07/12/2024	101-45000-50212	
	Check Total:	7,102.11			
Vendor: 1430 295202	Nardini Fire Equipt. Co., Inc. ANNUAL INSPECTIONS	908.00	07/12/2024	Check Sequence: 65 101-42280-50210	ACH Enabled: False
	Check Total:	908.00			
Vendor: 1432 FOR AUG 2024	NCPERS Group Life Ins. LIFE INSURANCE	64.00	07/12/2024	Check Sequence: 66 101-00000-21714	ACH Enabled: False
	Check Total:	64.00			
Vendor: 1434 LMC HOTEL REIMB	Kelly Neider LMC HOTEL REIMBURSEMENT	312.02	07/12/2024	Check Sequence: 67 101-41110-50331	ACH Enabled: False
	Check Total:	312.02			

Invoice No	Description	Amount	Pmt Date	Acct Number	Reference
Vendor: 2047	NEONLINK LLC			Check Sequence: 68	ACH Enabled: False
2859	WEB PORTAL ACCESS AND PAYMENT FEE:	714.40	07/12/2024	615-49550-50300	
	Check Total:	714.40			
Vendor: 1446	Northland Business Systems Inc			Check Sequence: 69	ACH Enabled: False
108692	CONTRACT CHARGE 8/14/2024 TO 8/13/202	3,074.34	07/12/2024	101-42110-50300	
	Check Total:	3,074.34			
Vendor: 1474	Phillips Wine & Spirits, Inc.			Check Sequence: 70	ACH Enabled: False
6798673	WINE	274.92	07/12/2024	609-48000-50253	
6798674	N/A SALES	29.87	07/12/2024	609-48000-50250	
6802456	LIQUOR	131.49	07/12/2024	609-49750-50251	
6802457	WINE	634.86	07/12/2024	609-49750-50253	
6802458	WINE	154.26	07/12/2024	609-48000-50253	
6802459	LIQUOR	94.07	07/12/2024	609-48000-50251	
6802460	WINE	274.92	07/12/2024	609-48000-50253	
6806311	LIQUOR	3,945.87	07/12/2024	609-49750-50251	
6806312	WINE	478.20	07/12/2024	609-49750-50253	
6806313	LIQUOR	897.52	07/12/2024	609-48000-50251	
6806314	LIQUOR	455.45	07/12/2024	609-48000-50251	
6806315	WINE	338.74	07/12/2024	609-48000-50253	
6806316	N/A SALES	27.02	07/12/2024	609-48000-50250	
6809868	LIQUOR	2,732.35	07/12/2024	609-49750-50251	
6809869	WINE	264.46	07/12/2024	609-49750-50253	
6809869	LIQUOR	704.83	07/12/2024	609-49750-50251	
	Check Total:	11,438.83			
Vendor: 1482	Post Haste Business Solutions			Check Sequence: 71	ACH Enabled: False
132226	CENTRAL BUSINESS DISTRICT MAILING #	2,269.62	07/12/2024	101-41110-50352	
132585	TRESPASS NOTICES	189.00	07/12/2024	101-42110-50210	
	Check Total:	2,458.62			
Vendor: 2066	RMB Environmental Laboratories, Inc.			Check Sequence: 72	ACH Enabled: False
13199	WEEKLY TESTING	204.40	07/12/2024	602-49450-50315	

Invoice No	Description	Amount	Pmt Date	Acct Number	Reference
13310	WEEKLY TESTING	158.20	07/12/2024	602-49450-50315	
13412	WEEKLY TESTING	158.20	07/12/2024	602-49450-50315	
	Check Total:	520.80			
Vendor: 2116	Amy Schweigert			Check Sequence: 73	ACH Enabled: False
1091	NBPD THERAPY	720.00	07/12/2024	101-42110-50300	
	Check Total:	720.00			
Vendor: 1520	Sealtech, Inc			Check Sequence: 74	ACH Enabled: False
1388	WATER MAIN BREAK REPAIRS ASH/GRAN	5,199.00	07/12/2024	615-49550-50407	
	Check Total:	5,199.00			
Vendor: 1534	Southern Glazers Wine & Spirits of Minnesota			Check Sequence: 75	ACH Enabled: False
2491096	WINE	344.55	07/12/2024	609-48000-50253	
2491096	LIQUOR	390.01	07/12/2024	609-48000-50251	
2494061	WINE	1,536.85	07/12/2024	609-48000-50253	
2494061	WINE	357.50	07/12/2024	609-48000-50253	
2494648	LIQUOR	5,463.58	07/12/2024	609-49750-50251	
2494649	WINE	838.67	07/12/2024	609-49750-50253	
2495354	LIQUOR	2,481.78	07/12/2024	609-49750-50251	
2497177	WINE	1,326.80	07/12/2024	609-48000-50253	
2497177	LIQUOR	2,127.79	07/12/2024	609-48000-50251	
2497765	LIQUOR	1,341.04	07/12/2024	609-49750-50251	
2497766	WINE	413.48	07/12/2024	609-49750-50253	
2497767	LIQUOR	6.20	07/12/2024	609-49750-50251	
2500277	LIQUOR	1,505.34	07/12/2024	609-49750-50251	
2500278	WINE	361.38	07/12/2024	609-49750-50253	
2500279	LIQUOR	1.55	07/12/2024	609-49750-50251	
	Check Total:	18,496.52			
Vendor: 2139	Duane Southworth			Check Sequence: 76	ACH Enabled: False
71574	MONOC ASP MICRO	338.95	07/12/2024	101-42110-50237	
	Check Total:	338.95			

Invoice No	Description	Amount	Pmt Date	Acct Number	Reference
Vendor: 1550	Streichers			Check Sequence: 77	ACH Enabled: False
1704446	TRAINING AMMO	374.85	07/12/2024	101-42110-50201	
1705720	AMMO	920.00	07/12/2024	101-42110-50332	
1706226	UNIFORM ITEMS -AH	185.97	07/12/2024	101-42110-50237	
1706761	UNIFORM ITEMS -DS	803.89	07/12/2024	101-42110-50237	
1706762	UNIFORM ITEMS - DS	62.97	07/12/2024	101-42110-50237	
1707380	UNIFORM ITEMS - DS	23.98	07/12/2024	101-42110-50237	
	Check Total:	2,371.66			
Vendor: 1751	The Whitesidewalls			Check Sequence: 78	ACH Enabled: False
7/16 CONCERT	7/16 CONCERT IN THE PARK	1,250.00	07/12/2024	403-46500-50300	
	Check Total:	1,250.00			
Vendor: 1583	U.S. Bank-CM9690			Check Sequence: 79	ACH Enabled: False
7195623	ADMINISTRATIVE FEES	550.00	07/12/2024	316-47000-50620	
	Check Total:	550.00			
Vendor: 1595	VATA Communications Inc			Check Sequence: 80	ACH Enabled: False
10-13889	SERVICE CALL- RADIO REPAIR	190.00	07/12/2024	609-49750-50404	
	Check Total:	190.00			
Vendor: 1598	Viking Coca-Cola Bottling Co.			Check Sequence: 81	ACH Enabled: False
3459222	N/A SALES	116.30	07/12/2024	609-49750-50250	
3459290	N/A SALES	209.75	07/12/2024	609-49750-50250	
	Check Total:	326.05			
Vendor: 1601	Vinocopia, Inc.			Check Sequence: 82	ACH Enabled: False
0353489-IN	WINE	426.00	07/12/2024	609-48000-50253	
0353490-IN	WINE	112.00	07/12/2024	609-49750-50253	
	Check Total:	538.00			
Vendor: 1611	Watson Company			Check Sequence: 83	ACH Enabled: False
143094	N/A SALES	2,122.48	07/12/2024	609-49750-50250	

Invoice No	Description	Amount	Pmt Date	Acct Number	Reference
	Check Total:	2,122.48			
Vendor: 1865	Willow Grove of North Branch, Ltd Partnership			Check Sequence: 84	ACH Enabled: False
TIF 2018-1	TIF 2018-1 WILLOW GROVE	6,514.35	07/12/2024	291-46500-50454	
	Check Total:	6,514.35			
Vendor: 1621	Windstream			Check Sequence: 85	ACH Enabled: False
11734875JUL	PHONE 6/25 TO 7/24/2024	112.70	07/12/2024	101-41940-50321	
11734875JUL	PHONE 6/25 TO 7/24/2024	39.89	07/12/2024	101-42110-50321	
11734875JUL	PHONE 6/25 TO 7/24/2024	39.89	07/12/2024	101-42280-50321	
11734875JUL	PHONE 6/25 TO 7/24/2024	39.89	07/12/2024	609-49750-50321	
11734875JUL	PHONE 6/25 TO 7/24/2024	39.89	07/12/2024	602-49450-50321	
11734979JUL	PHONE 6/25 TO 7/24/2024	44.75	07/12/2024	602-49450-50321	
	Check Total:	317.01			
Vendor: 1623	Winebow, Inc.			Check Sequence: 86	ACH Enabled: False
MN00150122	WINE	180.60	07/21/2024	609-49750-50253	
MN00150122	LIQUOR	633.40	07/21/2024	609-49750-50251	
MN00150123	LIQUOR	288.00	07/21/2024	609-48000-50251	
MN00150124	LIQUOR	313.00	07/21/2024	609-48000-50251	
	Check Total:	1,415.00			
Vendor: 1867	Workstrategies			Check Sequence: 87	ACH Enabled: False
847697058	POST OFFER TESTING - CL	185.00	07/12/2024	101-42110-50314	
	Check Total:	185.00			
Vendor: 1628	WSB & Associates, Inc.			Check Sequence: 88	ACH Enabled: False
R-018976-000-20	2022 ELMCREST REPAVING	4,091.50	07/12/2024	401-43100-50303	
R-019036-000-10	PROJ MGMT/ OBSERV./INSPECT.	2,382.50	07/12/2024	101-00000-21138	
R-019771-000-17	MS4 SERVICES/QUARTERLY AND ANNUAL	680.00	07/12/2024	612-49700-50303	
R-020015-000-15	MEADOWS N 4TH ADD. OBSERV./INSPECT	177.00	07/12/2024	101-00000-21142	
R-020200-000-7	PROJ MGMT/CONST OBSERV/INSPECT, TE	6,492.00	07/12/2024	101-00000-21144	
R-021286-000-14	FOX RUN PLAN REVIEW, INSPECTION, TE	920.75	07/12/2024	101-00000-21140	
R-022237-000-11	CONST OBSERV/INSPECT	177.00	07/12/2024	101-00000-21146	

Invoice No	Description	Amount	Pmt Date	Acct Number	Reference
R-022285-000-14	2023 LOCAL STREET OVERLAY	47.50	07/12/2024	101-43000-50530	
R-022542-00013	2023 WATERMAIN IMPROVEMENTS - 95/M.	38,965.00	07/12/2024	615-00000-16500	
R-0231338-000-1	LES SCHWAB PLAN REVIEW	1,689.00	07/12/2024	101-00000-21154	
R-023681-000-4	MONTHLY RETAINER FEE	2,060.00	07/12/2024	101-41700-50303	
R-023681-000-4	PROJECT MANAGEMENT	1,310.00	07/12/2024	101-41700-50303	
R-023681-000-4	PROJECT SATURN LAYOUTS/GRAPHICS	468.00	07/12/2024	101-41700-50303	
R-024131-000-5	INTERSTATE PARK AUAR UPDATE	828.00	07/12/2024	201-46500-50303	
R-025057-000-1	2024 LOCAL STREET OVERLAY	1,659.75	07/12/2024	401-43100-50303	
R-025057-000-1	2024 LOCAL STREET OVERLAY	1,659.75	07/12/2024	101-43000-50482	
	Check Total:	63,607.75			
Vendor: 2138	Bree Zaffke			Check Sequence: 89	ACH Enabled: False
CUST 10599	WATER/SEWER REFUND CUST 10599	-29.80	07/12/2024	602-00000-11500	
CUST 10599	WATER/SEWER REFUND CUST 10599	96.82	07/12/2024	612-00000-11500	
CUST 10599	WATER/SEWER REFUND CUST 10599	-25.12	07/12/2024	615-00000-11500	
	Check Total:	41.90			
	Total for Check Run:	523,840.88			
	Total of Number of Checks:	89			

Fund	Dept #	Account	Amount	Vendor	Employee	Date
609	48000	50300	20.00	SQ *SQUARE PAID SERVICES	CARLA GOLDEN	20240604
609	49750	50300	40.00	SQ *SQUARE PAID SERVICES	CARLA GOLDEN	20240604
609	48000	50300	40.00	SQ *SQUARE PAID SERVICES	CARLA GOLDEN	20240604
609	49750	50300	20.00	SQ *SQUARE PAID SERVICES	CARLA GOLDEN	20240604
201	46500	50300	941.31	USPS.COM EVERY DOOR DTML	JASON ZIEMER	20240603
101	45000	50210	699.49	PETERSON'S NORTH BRANCH	RICHARD FAIRBANKS	20240510
101	42280	50404	158.16	ANDERSON AND KOCH FORD IN	RICHARD FAIRBANKS	20240520
101	42280	50404	597.08	ANDERSON AND KOCH FORD IN	RICHARD FAIRBANKS	20240520
101	43000	50210	0.99	APPLE.COM/BILL	RICHARD FAIRBANKS	20240527
612	49700	50407	167.82	FLEET FARM 3400	BRADY STERBENTZ	20240508
101	45000	50401	13.97	MAIN STREET HARDWARE	BRADY STERBENTZ	20240509
101	45000	50210	4.99	FAMILY DOLLAR	BRADY STERBENTZ	20240520
615	49550	50210	94.17	LAMPERT LUMBER	BRADY STERBENTZ	20240520
101	42280	50404	7.70	ANDERSON AND KOCH FORD IN	BRADY STERBENTZ	20240527
612	49700	50407	181.57	PETERSON'S NORTH BRANCH	BRADY STERBENTZ	20240530
101	45000	50210	569.95	OLSON POWER & EQUIPMENT	BRADY STERBENTZ	20240603
208	42280	50332	58.04	MENARDS CAMBRIDGE MN	PATRICK HEINEN	20240513
101	42280	50210	42.90	AMAZON.COM*MY5WA3VR3	PATRICK HEINEN	20240521
208	42280	50332	96.63	AMZN MKTP US*T28CR2VS3	PATRICK HEINEN	20240521
486	46500	50506	499.00	THE PARK CATALOG	NATHAN SONDROL	20240507
101	41400	50433	264.00	SOCIETYFORHUMANRESOURCE	RAGINI VARMA	20240603
101	42280	50207	162.00	GOOGLE *GSUITE_CI.NORT	RAGINI VARMA	20240603
101	41940	50207	756.00	GOOGLE *GSUITE_CI.NORT	RAGINI VARMA	20240603
602	49450	50207	36.00	GOOGLE *GSUITE_CI.NORT	RAGINI VARMA	20240603
609	49750	50207	36.00	GOOGLE *GSUITE_CI.NORT	RAGINI VARMA	20240603
609	48000	50207	18.00	GOOGLE *GSUITE_CI.NORT	RAGINI VARMA	20240603
615	49550	50300	108.00	GOOGLE *GSUITE_CI.NORT	RAGINI VARMA	20240603
615	49550	50322	30.45	USPS PO 2668905056	RAGINI VARMA	20240606
101	41940	50380	838.59	EAST CENTRAL ENERGY	ACCOUNTS PAYABLE	20240508
101	42110	50380	520.10	EAST CENTRAL ENERGY	ACCOUNTS PAYABLE	20240508

101	42500	50380	310.44	EAST CENTRAL ENERGY	ACCOUNTS PAYABLE	20240508
101	42800	50233	735.99	EAST CENTRAL ENERGY	ACCOUNTS PAYABLE	20240508
101	42800	50262	4,632.26	EAST CENTRAL ENERGY	ACCOUNTS PAYABLE	20240508
101	43000	50380	618.74	EAST CENTRAL ENERGY	ACCOUNTS PAYABLE	20240508
101	45000	50380	1,801.22	EAST CENTRAL ENERGY	ACCOUNTS PAYABLE	20240508
602	49450	50380	8,024.03	EAST CENTRAL ENERGY	ACCOUNTS PAYABLE	20240508
609	48000	50380	646.69	EAST CENTRAL ENERGY	ACCOUNTS PAYABLE	20240508
609	49750	50380	843.25	EAST CENTRAL ENERGY	ACCOUNTS PAYABLE	20240508
101	42280	50321	184.91	ZULTY S INC	ACCOUNTS PAYABLE	20240509
609	49750	50321	163.96	ZULTY S INC	ACCOUNTS PAYABLE	20240509
609	48000	50321	93.43	ZULTY S INC	ACCOUNTS PAYABLE	20240509
101	41940	50321	981.13	ZULTY S INC	ACCOUNTS PAYABLE	20240509
101	42400	50332	65.00	DEPARTMENT OF LABOR AND I	ACCOUNTS PAYABLE	20240521
101	45500	50380	38.82	NORTH BRANCH WATER & LIG	ACCOUNTS PAYABLE	20240524
609	49750	50380	55.18	NORTH BRANCH WATER & LIG	ACCOUNTS PAYABLE	20240524
101	45000	50404	5.84	NAPA AUTO 0023892	SHAWN WILLIAMS	20240508
101	45000	50401	19.18	MAIN STREET HARDWARE	SHAWN WILLIAMS	20240508
101	43000	50237	440.93	CINTAS CORP	SHAWN WILLIAMS	20240508
602	49450	50237	22.83	CINTAS CORP	SHAWN WILLIAMS	20240508
615	49550	50300	11.80	CINTAS CORP	SHAWN WILLIAMS	20240508
101	45000	50237	12.24	CINTAS CORP	SHAWN WILLIAMS	20240508
609	49750	50300	47.92	CINTAS CORP	SHAWN WILLIAMS	20240508
602	49450	50315	30.84	POST-HASTE BUSINESS SOLUT	SHAWN WILLIAMS	20240509
615	49550	50404	98.15	NAPA AUTO 0023892	SHAWN WILLIAMS	20240509
615	49550	50404	15.06	NAPA AUTO 0023892	SHAWN WILLIAMS	20240509
101	42280	50401	56.97	MAIN STREET HARDWARE	SHAWN WILLIAMS	20240509
620	49600	50300	323.42	PER MAR SECURITY	SHAWN WILLIAMS	20240513
101	43000	50210	14.99	AMAZON PRIME*5U7U00P13	SHAWN WILLIAMS	20240513
609	48000	50300	42.65	CINTAS CORP	SHAWN WILLIAMS	20240515
101	41940	50300	47.96	CINTAS CORP	SHAWN WILLIAMS	20240515
602	49450	50237	48.09	CINTAS CORP	SHAWN WILLIAMS	20240515
101	45000	50237	12.24	CINTAS CORP	SHAWN WILLIAMS	20240515
101	43000	50237	101.17	CINTAS CORP	SHAWN WILLIAMS	20240515

620	49600	50404	61.04	ZIEGLER INTERNET SALES	SHAWN WILLIAMS	20240516
101	42110	50404	308.42	ZIEGLER INTERNET SALES	SHAWN WILLIAMS	20240516
101	43000	50224	6.99	MENARDS CAMBRIDGE MN	SHAWN WILLIAMS	20240520
620	49600	50401	26.12	MENARDS CAMBRIDGE MN	SHAWN WILLIAMS	20240520
101	45000	50404	208.19	CRAWFORDS EQUIPMENT SA	SHAWN WILLIAMS	20240520
101	45000	50401	600.00	IN *NELSON ELECTRIC INC	SHAWN WILLIAMS	20240521
620	49600	50404	61.04	ZIEGLER INC COLUMBUS	SHAWN WILLIAMS	20240521
101	42110	50404	308.42	ZIEGLER INC COLUMBUS	SHAWN WILLIAMS	20240521
101	43000	50210	64.90	CULLIGAN PINE CITY	SHAWN WILLIAMS	20240521
101	42280	50404	52.68	NAPA AUTO 0023892	SHAWN WILLIAMS	20240522
609	49750	50300	47.92	CINTAS CORP	SHAWN WILLIAMS	20240522
101	45000	50237	12.24	CINTAS CORP	SHAWN WILLIAMS	20240522
602	49450	50237	22.83	CINTAS CORP	SHAWN WILLIAMS	20240522
101	43000	50237	90.06	CINTAS CORP	SHAWN WILLIAMS	20240522
609	49750	50401	169.00	AMAZON RET* 114-776447	SHAWN WILLIAMS	20240523
609	49750	50401	169.00	AMAZON.COM*349WS0N13	SHAWN WILLIAMS	20240524
101	45000	50210	207.39	MENARDS CAMBRIDGE MN	SHAWN WILLIAMS	20240527
620	49600	50210	87.27	MENARDS FOREST LAKE MN	SHAWN WILLIAMS	20240527
620	49600	50210	143.86	MENARDS CAMBRIDGE MN	SHAWN WILLIAMS	20240527
620	49600	50210	150.00	GREENWORLD GREENHOUSES	SHAWN WILLIAMS	20240527
101	45000	50210	501.34	GREENWORLD GREENHOUSES	SHAWN WILLIAMS	20240527
101	41940	50210	150.00	GREENWORLD GREENHOUSES	SHAWN WILLIAMS	20240527
101	45000	50404	48.56	NAPA AUTO 0023892	SHAWN WILLIAMS	20240527
602	49450	50210	25.00	REVEAL BY TACTACAM	SHAWN WILLIAMS	20240529
101	45000	50210	144.20	GREENWORLD GREENHOUSES	SHAWN WILLIAMS	20240529
609	48000	50300	42.65	CINTAS CORP	SHAWN WILLIAMS	20240529
101	42280	50300	9.49	CINTAS CORP	SHAWN WILLIAMS	20240529
101	45500	50300	25.96	CINTAS CORP	SHAWN WILLIAMS	20240529
101	45000	50237	12.24	CINTAS CORP	SHAWN WILLIAMS	20240529
602	49450	50237	22.83	CINTAS CORP	SHAWN WILLIAMS	20240529
101	43000	50237	164.07	CINTAS CORP	SHAWN WILLIAMS	20240529
101	43000	50210	(881.73)	AMAZON.COM	SHAWN WILLIAMS	20240530
101	45000	50210	40.75	NAPA AUTO 0023892	SHAWN WILLIAMS	20240530

101	45000	50415	2,050.00	LAKESHORE RECYCLING SYST	SHAWN WILLIAMS	20240603
101	43000	50321	40.59	VERIZON*CONNECT	SHAWN WILLIAMS	20240603
620	49600	50404	(61.04)	ZIEGLER INC COLUMBUS	SHAWN WILLIAMS	20240605
101	42110	50404	(308.42)	ZIEGLER INC COLUMBUS	SHAWN WILLIAMS	20240605
101	42500	50404	600.00	EAST CENTRAL ENERGY	SHAWN WILLIAMS	20240605
602	49450	50237	22.83	CINTAS CORP	SHAWN WILLIAMS	20240605
615	49550	50300	11.80	CINTAS CORP	SHAWN WILLIAMS	20240605
609	49750	50300	47.92	CINTAS CORP	SHAWN WILLIAMS	20240605
101	45000	50237	12.24	CINTAS CORP	SHAWN WILLIAMS	20240605
101	43000	50237	79.83	CINTAS CORP	SHAWN WILLIAMS	20240605
101	45000	50415	2,600.00	OLSON POWER & EQUIPMENT	SHAWN WILLIAMS	20240606
101	45000	50210	195.70	GREENWORLD GREENHOUSES	SHAWN WILLIAMS	20240606
602	49450	50210	39.98	AMZN MKTP US*Z01QM4E23	SHAWN WILLIAMS	20240606
101	42110	50332	1,200.00	MARIE RIDGEWAY LICSW	DANIEL T MEYER	20240515
101	42110	50210	235.00	SQ *CHAOS & CO.	DANIEL T MEYER	20240520
101	42110	50433	225.13	THOMSON WEST*TCD	DANIEL T MEYER	20240527
101	42110	50404	162.50	CK HOLIDAY # 06403	DANIEL T MEYER	20240603
101	42110	50433	36.75	GETSLING.COM	DANIEL T MEYER	20240606
101	00000	36218	(2,657.78)	US Bank Rebate / 20240515		20240529
			35,206.00			



Prepared By:
Ragini Varma, City Clerk / IT Director
Presenter: Ragini Varma, City Clerk / IT Director
Date: 04/29/2024

Board & Commission: City Council

Subject: Approve Minutes

The Council is presented with the two minutes to be approved:

Council Regular Meeting - June 25, 2024

Council Special Meeting - July 1, 2024

Voting Requirements:

INFO



NORTH BRANCH —Minnesota—

Kevin Schieber
Mayor

Robert Canada
Councilmember/Acting Mayor

Travis Miles
Councilmember

Kelly Neider
Councilmember

Peter Schaps
Councilmember

**CITY COUNCIL
REGULAR AGENDA
TUESDAY, JUNE 25, 2024 @ 7:00 PM
CITY HALL, 6408 ELM STREET, NORTH
BRANCH, MN 55056**

MINUTES OF THE PROCEEDINGS OF THE OF THE CITY OF NORTH BRANCH IN THE COUNTY OF CHISAGO AND IN THE STATE OF MINNESOTA

REGULAR MEETING

Tuesday, June 25, 2024

1. CALL TO ORDER

The North Branch City Council met in REGULAR and Mayor Kevin Schieber called the meeting to order at 7:00 PM.

2. PLEDGE OF ALLEGIANCE

Mayor Schieber led the pledge of allegiance.

3. ROLL CALL

Present: Mayor Kevin Schieber, Councilmember Robert Canada, Councilmember Travis Miles, Councilmember Peter Schaps, Councilmember Kelly Neider

Absent:

Remote: City Attorney Nicholas K.C. Garcia Lisle

Others: Interim City Administrator Ziemer, City Clerk/IT Director Varma, Public Works

Present: Director Williams, Fire Chief Heinen, Police Chief Meyer, Finance Director Wright along with members of the public and press.

Notes:

4. AGENDA APPROVAL

a. Approve Agenda

ACTION

RESULT: Passed

MOVER: Robert Canada

SECONDER: Peter Schaps
AYES: Kevin Schieber, Robert Canada, Travis Miles, Peter Schaps, Kelly Neider
ABSENT:
NOTES:

5. PRESENTATION & PROCLAMATION

- a. Plaque Presentation to Officer Huset INFO

Chief Meyer presented a plaque to Officer Huset for his service to law enforcement for twenty-nine years and seventeen years, of which was dedicated to the City of North Branch and its community.

6. PUBLIC COMMENT

Provides an opportunity for the public to address the Council on items that are not on the Agenda. Please raise your hand to be recognized. Please state your name and address for the record. This section is for the express purpose of addressing concerns of City services and operations. It shall not be used to clarify individual's views for political purposes.

Walt Anderson made comments to the Council on freedom of speech.

7. CONSENT AGENDA

All matters listed under Consent Agenda are considered routine and/or non-controversial and will be approved by one motion. There will be no separate discussion of these items unless a Councilmember or citizen so requests, in which case the item will be removed from the Consent Agenda and considered in its normal sequence on the Agenda.

RESULT: Passed
MOVER: Robert Canada
SECONDER: Travis Miles
AYES: Kevin Schieber, Robert Canada, Travis Miles, Peter Schaps, Kelly Neider
ABSENT:
NOTES:

- | | |
|---|--------|
| a. Claims | ACTION |
| b. Approve Minutes | ACTION |
| c. Approve Adjusted City Hall Hours on Friday, July 5 | ACTION |
| d. Approve Change of Date for the August 13 City Council Meeting | ACTION |
| e. Approve a Resolution Governing Write-in Vote Counting | ACTION |
| f. Approve a Resolution for Appointing Election Judges for the 2024 Primary Election | ACTION |
| g. Approve LG220 Application for Exempt Permit - East Central Friends of NRA | ACTION |
| h. Approve LG220 Application for Exempt Permit - Long Spurs of Sunrise River | ACTION |
| i. Approve LG214 Premises Permit Application - North Branch Area Hockey Association | ACTION |
| j. Approve Resolution No. R-59-2024, Supporting Chisago County HRA-EDA Funding for Flashing By Design Expansion | ACTION |
| k. Resolution No. R-60-2024, Approving a Reduction to the Letter of Credit for Meadows North 4th Addition | ACTION |
| l. Resolution No. R-61-2024, Approving a Reduction to the Letter of Credit for Meadows North Townhomes 1st Addition | ACTION |

- m. Approve Hiring of Public Works Maintenance 1 Workers for Public Works Department. ACTION
- n. Approve Promotion of Liquor Store Employee ACTION
- o. Approve Resolution R-61-2024 Approving Northwood Park Pickleball Court & Site Improvements - Pay Request 2 ACTION
- p. Consumer Confidence Report for Water INFO

8. PUBLIC HEARINGS

There were no public hearings.

9. STAFF REPORTS

- a. Fire Department Recruitment & Hiring VERBAL UPDATE

Fire Chief Heinen went over the fire department recruitment and hiring and hire three more firefighters to make a total of twenty-eight firefighters.

RESULT: Passed
MOVER: Kevin Schieber
SECONDER: Robert Canada
AYES: None
ABSENT:
NOTES:

- b. Approve a Contract with WSB, Inc. for Interim Planning, Zoning and Development Services ACTION

RESULT: Passed
MOVER: Travis Miles
SECONDER: Robert Canada
AYES: Kevin Schieber, Robert Canada, Travis Miles, Peter Schaps, Kelly Neider
ABSENT:
NOTES: Council approved the contract to go with WSB for the City's interim Planning and Development services.

10. MAYOR/CITY COUNCIL

- a. Discussion Regarding a Proposal to Conduct the Search for a Permanent Community Development Director / EDA Executive Director INFO

Council tabled this item to a future meeting and work on the City Administrator hire first and have that person be part of the recruiting process of the Community Development/EDA Executive Director.

RESULT: Passed
MOVER: Kevin Schieber
SECONDER: Robert Canada
AYES: Kevin Schieber, Robert Canada, Travis Miles, Peter Schaps, Kelly Neider
ABSENT:
NOTES:

- b. Approve City Council to gain Supervisory Functions over Department Heads ACTION

RESULT: Passed
MOVER: Kevin Schieber
SECONDER: Robert Canada
AYES: Kevin Schieber, Robert Canada, Travis Miles, Peter Schaps, Kelly Neider
ABSENT:

NOTES: The Council will gain supervisory functions over department heads under state law until December 31, 2024, or until a new City Administrator is hired.

- c. Discussion and actions relating to Acting City Administrator and Alternate Acting City Administrator Designations ACTION

RESULT: Passed
MOVER: Kevin Schieber
SECONDER: Robert Canada
AYES: Kevin Schieber, Robert Canada, Travis Miles, Peter Schaps, Kelly Neider
ABSENT:

NOTES: Finance Director Wright was appointed as the acting City Administrator and Police Chief Meyer as an alternate acting City Administrator until Interim City Administrator is hired.

RESULT: Passed
MOVER: Kevin Schieber
SECONDER: Robert Canada
AYES: Kevin Schieber, Robert Canada, Travis Miles, Peter Schaps, Kelly Neider
ABSENT:

NOTES: Compensation of \$100 per day for any of the acting City Administrator duties until a Interim City Administrator is hired.

The Council thanked Mr. Ziemer for his dedicated service as a Community Development Director as well as Interim City Administrator and best of luck for his future. Mr. Ziemer thanked everyone and the community for the two years as it continues to grow and evolve.

11. ADJOURNMENT

RESULT: Passed
MOVER: Kevin Schieber
SECONDER: Robert Canada
AYES: Kevin Schieber, Robert Canada, Travis Miles, Peter Schaps, Kelly Neider
ABSENT:

NOTES: The meeting was adjourned at 8:05pm.



NORTH BRANCH

—Minnesota—

Kevin Schieber
Mayor

Robert Canada
Councilmember/Acting Mayor

Travis Miles
Councilmember

Kelly Neider
Councilmember

Peter Schaps
Councilmember

**CITY COUNCIL
SPECIAL SESSION AGENDA
MONDAY, JULY 1, 2024 @ 6:00 PM
CITY HALL, 6408 ELM STREET, NORTH
BRANCH, MN 55056**

MINUTES OF THE PROCEEDINGS OF THE OF THE CITY OF NORTH BRANCH IN THE COUNTY OF CHISAGO AND IN THE STATE OF MINNESOTA

SPECIAL SESSION MEETING

Monday, July 1, 2024

1. CALL TO ORDER

The North Branch City Council met in SPECIAL SESSION and Mayor Kevin Schieber called the meeting to order at 6:02 PM.

2. PLEDGE OF ALLEGIANCE

Mayor Schieber led the pledge of allegiance.

3. ROLL CALL

Present: Mayor Kevin Schieber, Councilmember Robert Canada, Councilmember Travis Miles, Councilmember Peter Schaps, Councilmember Kelly Neider

Absent:

Remote: City Attorney Nicholas K.C. Garcia Lisle

Others Present: Finance Director & Acting City Administrator Sharon Wright, Police Chief & alternative Acting City Administrator Meyer, Liquor Operations Director Golden, GIS Specialist/Parks Director Sondrol, Building Official Meyer, Public Works Director Williams along with members of the public.

Notes: Linda Woulfe was present.

4. AGENDA APPROVAL

a. Approve Agenda

ACTION

No need for a motion or second needed to approve the agenda being a special session.

5. MAYOR/CITY COUNCIL

- a. **Discussion and action to approve a candidate for the position of Interim City Administrator** ACTION

RESULT: Passed

MOVER: Kevin Schieber

SECONDER: Robert Canada

AYES: Kevin Schieber, Robert Canada, Travis Miles, Peter Schaps, Kelly Neider

ABSENT:

NOTES: Council approved a conditional offer to Linda Woulfe and approved the Mayor and the City Clerk to execute the agreement. The contract will be from July 8, 2024, to October 31, 2024.

6. ADJOURNMENT

RESULT: Passed

MOVER: Kevin Schieber

SECONDER: Robert Canada

AYES: Kevin Schieber, Robert Canada, Travis Miles, Peter Schaps, Kelly Neider

ABSENT:

NOTES: The meeting was adjourned at 6:15pm



Prepared By:
Sharon Wright, Finance Director
Presenter: Sharon Wright, Finance Director
Date: 06/06/2024

Board & Commission: City Council

Subject: Approve a Resolution Adopting the Financial Management Plan

Overview / Background

The Financial Policies guide the work done by the Finance Department. It is important to have strong financial policies in place to make decisions. The attached Financial Management Plan has been reviewed by department heads and by outside professionals. The intent is to have all policies in one place and to review them on a regular basis.

Staff Recommendation

City staff recommend approval of the Financial Management Plan.

Recommended City Council Action

Motion to approve Resolution R-68-2024, adopting the North Branch Financial Management Plan.

Voting Requirements:

Voting Options Simple Majority

STATE OF MINNESOTA

COUNTY OF CHISAGO

CITY OF NORTH BRANCH

CITY COUNCIL RESOLUTION NO. R-68-2024

A Resolution Approving the North Branch Financial Management Plan, in its entirety, superseding all previous policies.

WHEREAS, The City of North Branch recognizes that strong financial policies are the keystone to strong internal controls;

WHEREAS, The City of North Branch desires to set strong parameters for debt management, investments, purchasing, budgets, and revenue; and

WHEREAS, A Financial Management Plan helps to ensure fiscal responsibility, resilience and is key to sound financial management.

NOW, THEREFORE, BE IT RESOLVED The North Branch Financial Management Plan is hereby adopted by the City of North Branch on July 16, 2024, and a copy of the policy is attached to this resolution R-68-2024.

NORTH BRANCH FINANCIAL MANAGEMENT POLICY



The City strives to maintain adequate and consistent funding as well as promote transparency and understanding of local government services as desired by the North Branch Community.

Prepared by the Finance Department

Table of Contents

Introduction and Purpose.....	2
Organizational Mission	2
Public Purpose Expenditure Policy	4
External Auditor Independence Policy	6
Budgetary and Financial Controls.....	8
Operating Budget Policy	8
Capital Improvement Program Policy	10
Capital Assets Policy	11
Fiscal Agent Services Policy	13
Funds and Fund Balance Policy.....	15
Investment Management Policy.....	19
Debt Management	25
Private Activity or Conduit Bonds Policy.....	27
Post-Issuance Debt Compliance Policy	30
Post-Issuance Debt Compliance Procedures	31
Purchasing Policy	36
Procurement Card (PCard) Use Policy	43
Travel, Training and Reimbursement Policy	45
Surplus Donations.....	51
Asset Forfeiture Policy.....	53
Municipal Liquor Store Donation Policy	53
Revenue and Collection	55
Revenue Policy.....	55
Public Utilities Revenue and Remittance Policy	56
Adoption and Implementation	59
Interpretation Policy.....	59
Discipline	59
Adoption	59

Introduction and Purpose

Organizational Mission

The Vision Statement for the City of North Branch, MN per the 2018 Comprehensive Plan which guides our daily and long-term activities of the organization.

Vision Statement: North Branch is a growing and safe community with outstanding natural and recreational amenities and opportunities for all, and well maintained infrastructure, vibrant business districts and neighborhoods, and provides residents with an excellent quality of life.

Purpose

The City has an important responsibility to its citizens to plan for the adequate funding of services desired by the public and the City Council, including the provision and maintenance of public facilities, appropriate staffing, prudent financial management and accurate accounting for public funds. The City strives to maintain adequate and consistent funding as well as promote transparency and understanding of local government services as desired by the North Branch Community.

Objectives

In order to achieve this purpose, the following objectives are established for the City's fiscal performance:

- To enhance the City Council's policy – making ability by providing accurate information on the full costs of current operations, new proposals and capital requests;
- To assist sound management of the City by providing accurate and timely information on its financial condition;
- To provide sound principles to guide the decisions of the City Council and staff;
- To set forth operational principles which promote long-term cost effectiveness while providing services desired by the public with prudent financial risk;
- To employ revenue policies and forecasting tools to identify and prevent undue or unbalanced reliance on certain revenues, but to distribute the costs of municipal services fairly and to provide adequate funds to operate desired programs;
- To provide and improve essential public facilities and prevent deterioration of the City's infrastructure;
- To protect and enhance the City's credit rating;
- To ensure the legal use and protection of all City funds through a strong system of financial and accounting controls;
- To record transactions in a manner that matches current revenues to current expenditures; and
- To report year-end financial information in accordance with *Generally Accepted Accounting Principles (GAAP)* and in accordance with recommended best practices as promulgated by the GFOA and the Statements of Position of the Office of the State Auditor (OSA).

Code of Professional Ethics

The City shall adhere to the Code of Professional Ethics as established by the GFOA as outlined below.

To further the above objectives, all affiliated with the City are enjoined to adhere to legal, moral, and professional standards of conduct in the fulfillment of their professional responsibilities. Standards of professional conduct as stated herein are set forth in order to enhance the performance of all persons engaged in public finance and to protect the North Branch community.

Personal Standards. Employees shall demonstrate and be dedicated to the highest ideals of honor and integrity in all public and personal relationships to merit the respect, trust, and confidence of governing officials, other public officials, employees, and of the public.

- They shall devote their time, skills, and energies to their office, both independently and in cooperation with other professionals.
- They shall abide by approved professional practices and recommended standards.

Responsibility as Public Officials. Employees shall recognize and be accountable for their responsibilities as officials in the public sector.

- They shall be sensitive and responsive to the rights of the public and its changing needs.
- They shall strive to provide the highest quality of performance and counsel.
- They shall exercise prudence and integrity in the management of funds in their custody and in all financial transactions.
- They shall uphold both the letter and the spirit of the constitution, legislation, and regulations governing their actions and report violations of the same to the appropriate authorities.

Professional Development. Employees shall be responsible for maintaining their own competence, for enhancing the competence of their colleagues, and for providing encouragement to those seeking to enter the field of government finance. They shall promote excellence in the public service.

Professional Integrity – Information. Employees shall demonstrate professional integrity in the issuance and management of information.

- They shall not knowingly sign, subscribe to, or permit the issuance of any statement or report which contains any misstatement, or which omits any material fact.
- They shall prepare and present statements and financial information pursuant to applicable law and generally accepted practices and guidelines.
- They shall respect and protect privileged information to which they have access by virtue of their office.
- They shall be sensitive and responsive to inquiries from the public and the media, within the framework of state or local government policy.

Professional Integrity – Relationships. Employees shall act with honor, integrity, and virtue in all professional relationships.

- They shall exhibit loyalty and trust in the affairs and interest of the government they serve, within the confines of this manual.
- They shall not knowingly be a party to or condone any illegal or improper activity.
- They shall respect the rights, responsibilities, and integrity of their colleagues and other public officials with whom they work and associate.
- They shall manage all matters of personnel within the scope of their authority so that fairness and impartiality govern their decisions.
- They shall promote equal employment opportunities, and in doing so, oppose any discrimination, harassment, or other unfair practices.

Conflict of Interest. Employees shall actively avoid the appearance of or the fact of conflicting interests.

- They shall discharge their duties without favor and shall refrain from engaging in any outside matters of financial or personal interest incompatible with the impartial and objective performance of their duties.
- They shall not, directly or indirectly, seek or accept personal gain which would influence, or appear to influence, the conduct of their official duties.

- They shall not use public property or resources for personal or political gain.

Public Purpose Expenditure Policy

The City Council recognizes that public funds may only be spent if the expenditure meets a public purpose as outlined in State law, case law of the Minnesota Supreme Court and opinions of the Minnesota Attorney General.

The meaning of “public purpose” is constantly evolving. The Minnesota Supreme Court has followed a broad approach and has generally concluded that “public purpose” means an activity that meets all of the following standards:

- The activity will primarily benefit the community as a whole;
- The activity is directly related to functions of government; and
- The activity does not have as its primary objective the benefit of a private interest whether for-profit or not.

This section is intended to provide guidelines regarding which expenditures are consistent with public purpose(s) and authorized in accordance with the city’s annual budget process, and which expenditures are not considered within the public purpose definition and are therefore prohibited.

Responsibility

The City Administrator is the responsible authority overseeing all City expenditures and as such is the Chief Purchasing Agent for the City. Responsibility for administering and interpreting this Public Purpose Expenditure Policy has been delegated to the City Administrator, or their designee. Further, all employees authorized by the City Administrator or their respective Department Director to make purchases on behalf of their respective departments are responsible for complying with this Financial Management Policy Manual (Manual) and corresponding procedures. Expenditures of public funds must comply with the public purpose standards defined above.

Permitted Expenditures for Meals and Refreshments

Use of City funds for reasonable meals and/or refreshments for elected officials and employees shall be permitted in the following circumstances, upon City Administrator approval:

- Professional association meetings, conferences, and training when meals are not included as part of the registration or program fee, or in accordance with the travel and training section of this Manual;
- City-sponsored training or work-related meetings where employees are required to participate or be available during break periods; and
- Work activities requiring continuous service when it is unreasonable to break for meals (e.g. elections days, water main breaks, emergency snow removal, time-sensitive public safety responses);

When reviewing an expenditure to verify the standards have been met, the City Administrator, or their designee, should consider the time of day the event is held, the business purpose of the event, and the reasonableness of the cost. These guidelines address specific examples of public expenditures, but this list is not meant to be exhaustive. Per the Internal Revenue Code section 132(a)(4) “De Minimis Fringe Benefits”, any item or service with a value exceeding \$100 is taxable to the employee.

Other Permitted Expenditures

Apart from meals and refreshments, the City Administrator, or their designee, may permit the following expenditures:

- Recognition events or purchases (Minnesota Statutes § 412.221 and § 15.46);
 - Purchases for recognition at special one-time or annual events when provided at modest level (e.g. recognition plaques);
 - Employee recognition programming for years of services for regular and permanent part-time employees that work 20 or more hours per week;
- Uniforms, clothing or apparel that is considered necessary for the performance of official duties, safety or for visible staff recognition by the public (e.g. safety footwear, eyewear for maintenance personnel);
- Employee wellness programming, the City Council recognizes the importance of employee fitness and health as it relates to the overall work and life satisfaction of the employee and the overall impact on the City's insurance programs;
- Special Events, including:
 - National Night Out/Night to Unite, Department Open Houses and other events that involve or invite participation by the general public; and
 - Expenditures for meals and participation fees are allowed, and representative staff members may participate in the events that directly benefit the marketing of the City, pursuant to Minnesota Statutes § 469.101, subd. 16 and § 438.11;
- Employee Training, including the reasonable registration, tuition, meals and travel expenses for conferences, seminars, workshops, tuition and approved city employment related course work;
- Memberships and Dues:
 - Participation in the local Chamber of Commerce is allowed per Minnesota Statute § 469.191;
 - Cost of membership/dues in professional organizations and City social and community organizations when the purpose is to promote, advertise, improve or develop the City's resources and relationships and not personal interest or gain;
- City expenditures for non-profit organizations allowed by applicable State statutes, Minnesota Supreme Court case law, or opinions of the Minnesota Attorney General; and
- Certificates and licensures that employees must hold and maintain on behalf of and for the benefit of the City.

Prohibited Expenditures

Use of City funds for meals and/or refreshments for elected officials and employees are prohibited, including, but not limited to:

- Food and refreshments for routine work meetings, other than as identified in other sections of the Manual;
- Alcoholic beverages and tobacco products;
- Employee functions or celebrations that are solely social in nature (e.g. birthdays, holiday luncheon, ice cream social);
- Fundraisers for non-City related events (e.g. Chamber of Commerce);
- Participation in optional activities unless included as part of an overall conference registration fee (e.g. optional golf rounds, concerts);
- Employee-sponsored fundraising events (e.g. charitable giving campaign);
- Funeral flower arrangements or other such gifts; and/or
- Clothing or apparel that is not considered necessary for safety or for visible staff recognition by the public (e.g. sweatshirts for a "job well done").

Permitted Use of Assets

Specific City assets, such as equipment, may be used by City employees for personal reasons only when City has established the following:

- Costs and wear resulting from use of the assets are reasonable and minimal;
- Administrative controls are in place to ensure that the use is appropriate and not abused; and
- There is a documented/demonstrated City benefit by such usage (e.g. such as the Mobile Device Policy or Information Security Policy) as approved by the City Administrator or City Council.

Such permitted use may include incidental and de Minimis use of City-owned electronic equipment such as City-owned mobile devices and multi-function copiers. It may also include the use of City-owned vehicles provided to City employees as part of their official duties (e.g. Fire Chief, Public Works Director).

The limited use of City-owned assets shall be a privilege, and the City Administrator may end such practices at their discretion.

Documentation

All expenses allowed above must be fully documented. The expected documentation will include:

- Date and time of the expenditure;
- Business reason for the expenditure (e.g. agenda from a meeting);
- Staff and non-city representatives in attendance, if appropriate; and
- A receipt for the actual purchase.

City Administrator approval and written documentation is required for use of City assets. Failure to provide sufficient documentation may result in a denial of the expense.

Any expenditure for meals or refreshments that exceeds \$250 for one event must have prior, written authorization by the City Administrator, before the purchase is made. Failure to obtain the necessary authorization may result in denial of the claim.

Special Requests

From time to time, there may be an event that is a proper public expenditure, but that is not contemplated by this Manual. Departments must submit in writing to the City Administrator, or their designee, a request for such prior to the expenditure. This request must show how the expenditure is related to a public purpose as stated in this Manual, or other applicable laws or regulations.

External Auditor Independence Policy

The City will arrange for an annual audit of all funds and account types by independent, certified public accountant(s) that are qualified and licensed to issue such reports.

In accordance with the Government Accountability Office (GAO), the authority on local government audits, in all matters relating to audit work, the external auditor shall be free both in fact and appearance from personal, external and organizational impairments to independence.

The City's external audit organization shall not be responsible for designing, developing and/or installing the City's accounting system or its operating system where this system generates information used in preparing financial statements of the City.

External auditors shall not develop a performance measurement system, or any other system relied upon in developing financial statements.

External auditors may prepare draft financial statements, schedules or perform other duties as long as they are based on the City's direction and the work results in a recommendation to management. Decisions based on the external auditor's recommendations must be approved by the City Finance Director, or their designee.

External auditors shall provide routine advice to the City and to management to assist them in activities such as establishing internal controls or implementing audit recommendations and answers to technical questions and provide training. However, they may not direct or unduly influence management with those decisions.

Any non-audit work related to tax rulings, arbitrage, attestation, compilation, sales tax audits, counted value audits and financial report assistance proposed by the auditors, or for which the City wishes to hire them must be consistent with the purchasing provisions of this manual.

Budgetary and Financial Controls

The City will establish and maintain the highest standard of accounting practices, in conformity with GAAP, Governmental Accounting Standards Board (GASB) guidance and recommended best practices as provided by the GFOA, along with all applicable laws and regulations governing the activities of a municipality.

The city shall maintain a structurally balanced budget, which includes the following:

- The City shall submit a balanced budget in which appropriations do not exceed the total of the estimated revenues and available fund balance as outline in this Manual;
- The City will avoid budgetary strategies or procedures that balance the current budget at the expense of future budgets;
- The City will coordinate the development of the Capital Improvement Program (CIP) and Capital Assets with the operating budget, and include all estimated operating costs associated with CIP activities and Capital Assets in the budget projections; and
- The budget will provide for the adequate maintenance and orderly replacement of all capital assets.

General budgetary and financial control is to be centralized in one department, under the direction of the Finance Director, whose functions shall include, but not be limited to, the following:

- Debt management;
- CIP budget management and asset tracking;
- Cash management;
- Annual audit;
- Financial analysis;
- Grant accounting and management;
- General accounting;
- Investment management;
- Operating budget preparation and monitoring;
- Payment of claims against the City;
- Payroll;
- Purchasing;
- Special Assessments; and
- Utility billing, revenue collection and all other receipting.

The Finance Department will review, and update, the schedule of fund balances, reserves, and working capital in all funds of the City, as needed, and determine adequacy of those cash and/or fund balances, using specified guidelines and criteria in conjunction with the budgets set annually.

The Finance Department will also monitor the performance of the North Branch Fire Relief Association through its City representatives, pursuant to Minnesota Statute § 424A.04.

Operating Budget Policy

The formal budgeting process provides the primary mechanism by which key decisions are made regarding the levels and types of services to be provided by the City, given the anticipated level of available funding sources.

Primary responsibility in the management of budgeted funds lies with the Department Directors. Such management includes, but is not limited to, reviewing expenditures before authorization, reviewing monthly financial reports to detect errors and assess progress, and complying with the revenue and expenditure budgets authorized by the City Council.

Department Directors will be responsible for administration of their assigned budgets. Department Directors are to submit requests for any budget adjustments that cause the total department to be over budget to the Finance Director before the project, program or service incurs cost during the budget period.

Budget Process

The City will utilize a performance based budget approach to resource allocation. At the start of each budget development cycle (as determined by the City Administrator or their designee), the City Administrator, in consultation with the City Council, identifies budgetary targets and/or goals for each department and their program areas. The City will attempt to maintain its present service level for all services identified as priority and/or essential, as determined by the City Administrator, within available funding sources.

The City will utilize procedures that allow departments to integrate priorities and objectives into the budget requests. However, all budget assumptions and projections shall be determined by the Finance Director in consultation with the City Administrator.

The city will conservatively estimate and budget its annual expenditures and revenues through an objective and analytical process. All existing and potential revenue sources shall be reviewed on at least an annual basis, and the total of the sums appropriated shall be less than or equal to the total estimated revenues by fund annually. When possible, the City shall maintain a margin of 3%, which shall be reflected in the budget as a contingency expenditure.

The City will publish the proposed budget on its official website at least 10 days prior to the adoption by the City Council. All publications and preparations of the annual budget documents shall be consistent with standard practices.

Any City enterprise funds are intended to be self-supporting (i.e., current revenues will cover current expenses), including capital improvements, debt services and depreciation. Enterprise operations are to be reviewed annually for their self-sufficiency.

Budget Compliance

In order to maintain compliance with the adopted budget resolution(s), the City shall maintain a strict budget compliance program with the thresholds established biennially, at a minimum, by the City Council through the budget resolution.

The budgetary legal level of control is at the fund level. The City Administrator is authorized to transfer appropriations within any department budget. Additional interdepartmental or interfund appropriations and deletions are or may be authorized by the City Council with fund (contingency) reserves or additional revenues. The City Council may authorize transfer of budgeted amounts between City funds.

Under no circumstances may budget adjustments be split to avoid approval thresholds or limits. In order to effectuate a budget amendment, the Department Directors shall complete a Budget

Amendment request, which shall be maintained by the Finance Director. All approved budget amendments shall be subsequently included in the revised annual budget.

No expenditures may exceed the amounts authorized by the respective budget resolution, except by identifying offsetting decreases in other areas of the budget. In order to maintain compliance, the City will strive to limit transfer within and among departments as outlined in this Manual.

All costs incurred must be reasonable, necessary and for a bona fide public purpose. Any obligation incurred by an officer or City employee for any purpose not authorized in the budget resolution or for any amount in excess of the amount appropriated in the budget resolution or in excess of available moneys in any fund of the City may be considered a personal obligation upon the person incurring the expenditure.

Department Directors shall be responsible for contacting the Finance Director should there be any questions regarding financial management or if the issue or concern is related to internal controls. The Finance Director will monitor overall operating and CIP budget progress routinely throughout the year.

Performance Measurement and Use of Data

The City integrates performance measurement and productivity indicators to measure operational performance where practical. Performance data should be directly related to the goals and objectives of the unit and focus on results and accomplishments rather than inputs. Performance measures should provide a meaningful way to assess the effectiveness and efficiency of each operational unit.

Capital Improvement Program Policy

A Capital Improvement Program (CIP) will be developed for a period of up to 10 years. As resources are available, the most current year of the CIP will be incorporated into the annual budget. The CIP will be reviewed and updated at a minimum of biennially. Years two through five are for planning purposes only and do not confer any official budget authority. Generally, the CIP will be composed of two parts:

1. Capital Improvements, and
2. Capital Equipment.

The City will identify the estimated cost and potential funding sources for each capital project proposal before it is submitted to the City Council for approval and in that process, will determine the most effective financing method for the proposed project. All construction projects shall include at least a 10% budgeted contingency prior to receiving bids. Once a bids are accepted, this can be reduced to a 5% contingency. The City will make all capital improvements in accordance with the adopted CIP, which may be amended by the City Council from time to time.

To be considered in the CIP, a project must meet the capitalization threshold. The only exception to this would be the need to identify projects for pursuit of external revenue sources (i.e. grants, donations). Projects may not be combined to meet the minimum standard unless they are dependent upon each other and qualify for capitalization as a group asset.

Capital projects and/or capital asset purchases will receive a higher priority if they meet a majority of the following criteria:

- Mandatory project;
- Maintenance project;
- Improve efficiency;
- Positive effect on operation and maintenance costs;

- Availability of external grants;
- Elimination of hazards (i.e., improves public safety)
- Prior commitments; and/or
- Replacement due to disaster or loss.

The City will maintain all its asset in a manner adequate to protect the City's and its citizens' capital investment and to minimize future maintenance and replacement costs. The City will provide for maintenance and replacement from current revenues where possible.

The CIP is to be presented at least biennially by the Finance Director to the City Council for approval. Any substantive change to the CIP not addressed in this Manual must be reviewed and adopted by the City Council.

Capital Assets Policy

Per GASB Statement No. 34, a Capital Asset is defined as the purchase of an improvement to land, easements, buildings, building improvements, vehicles, machinery, equipment, art, historical treasures, infrastructure, and all other tangible or intangible assets that are used in operations and that have initial useful lives extending beyond a single reporting period.

For this section of the Manual, the City shall use the following definitions:

- Inventory – an inventory of capital assets will be reviewed and updated annually;
- Reporting – the capital asset inventory will be reported within the audited financial statements (in accordance with governmental accounting standards);
- Depreciation – all capital assets within the inventory (excluding land, easements, and construction in progress) will be depreciated evenly based on their original or historical valuation over their estimated useful life.

Asset Capitalization and Depreciation Tables

The City will account for all capital assets that have a useful life of greater than 12 months with values equal to or exceeding \$20,000.00.

The following ranges represent guidelines in setting estimated useful lives for capital asset reporting:

Asset Classification or Type	Depreciation	Target
Land	N/A	N/A
Land Improvements:		
Athletic fields and playfields	15 years	15
Fencing	15 years	15
Irrigation systems & outside lighting	15 years	15
Retaining walls	10 years	10
Parking lots	20 years	20
Landscaping (including trees & shrubs)	10-15 years	10
Easements	N/A	N/A
Buildings and Building Improvements:		
Buildings	25-40 years	40
Park Shelters	20 years	20

Roofing, Fire Sprinkling, Electrical, Plumbing	20 years	20
HVAC Systems	15 years	15
Cabinetry and Permanent Furnishings	10 years	10
Well Rehab and Reconstruction	5-20 years	10
Vehicles:		
Cars, Vans, Light Trucks	5-7 years	5
Medium/Heavy Duty Trucks	8-16 years	10
Fire Trucks	15-25 years	20
Police Vehicles	5-7 years	5
Machinery and Equipment:		
Heavy Equipment (Sweepers, Loaders, etc.)	10-20 years	15
Tractors	15 years	15
Large Mowers	7-10 years	8
Small Mowers	3-5 years	4
Firefighting Equipment	10 years	10
Well Pumps and Equipment	20-25 years	20
Other Equipment	7-15 years	10
Furniture and Office Equipment	3-10 years	4
Recreation Equipment:		
Play Structures	10 years	10
Scoreboards	10 years	10
Tennis and Basketball Courts	20 years	20
Information Technology:		
Telecommunication Systems (i.e., Fiber Optic)	25 years	25
Servers, Network Switches and Firewalls	5 years	5
Infrastructure:		
Bridges	25 years	25
Streets (includes curb and gutter)	25 years	25
Sidewalks and Trails	15 years	15
Water Distribution	40 years	40
Sanitary Sewer Collection		
Mains and Lines	40 years	40
Lift Stations, Equipment & Liners	20-30 years	20
Storm Water System		
Mains and Storm Ponds	40 years	40
Catch Basins, Culverts, Manholes	25 years	25
Non-Structural BMPs	10-25 years	20
Structural BMPs	25-40 years	30
Streetlights and Traffic Signal Systems	25 years	25
Other Infrastructure	20-40 years	30

Disposition of Capital Assets

Capital Assets may be disposed of, in accordance with State guidelines, through the following methods:

- Sold by a public auction or advertisement for bids;
- Exchanged or “traded-in” for a replacement;
- Donated in a manner consistent with the Donation section of this Manual;
- Retired, recycled or placed in garbage (i.e., obsolete, broken items); or
- Salvaged, after the end of its useful life.

Fiscal Agent Services Policy

From time to time, the City, in order to support applicable public purposes or other community-wide benefits, may agree to provide fiscal agent services to an external organization. If the City determines such an arrangement would be in the best interest of both parties, the following Fiscal Agent Service Policy shall apply and control.

Eligibility

The City shall only provide fiscal agent services to a 501(c)(3) organization fulfilling a statutorily recognized public purpose or other community-wide benefit as determined by the City. All requests for fiscal agent services shall be reviewed on a case-by-case basis. If the City maintains a same or similar business relationship with other organizations, such relationships shall not be a basis for the approval or denial of any individual request.

All fiscal agent service arrangements shall be governed by a written Fiscal Agent Services Agreement (Agreement) approved by the governing board of the external organization and the City Council. Any costs associated with the creation, review and implementation of this Agreement shall be borne by the external organization through a non-refundable, administrative fee as determined by the City.

The City shall not provide fiscal agent services for any unincorporated associations or groups. It may also deny any request for fiscal agent services at any point prior to the approval and execution of the Agreement.

Fiscal Agent Services Requirements

The Agreement shall outline the type of assistance and services to be provided by the City. Generally, these services may be administrative, financial or legal in nature. The City may also provide access to insurance products and other services through its vendors. As a rule, the City will not provide programmatic assistance (i.e., providing staff for an event) or waive fees or similar costs charged to the general public (e.g., park shelter rental fee). All services outlined in the Agreement shall be conducted in a manner consistent with the legal requirements and best practices of the City, State, and applicable accounting standards.

Any material changes, as determined by the City, in the activities of the external organization shall require the written approval of the City, and a subsequent modification of the Agreement by the City Council. The City shall not provide any fiscal agent services associated with any unapproved activities, or activities not otherwise contemplated by the Agreement.

The external organization shall support all costs associated with the fulfillment of the Agreement, including, but not limited to:

- Annual audit requirements;

- Interim reports and other requests for information;
- Banking needs;
- Daily and regular transactions and associated fees;
- Amendments to the Agreement;
- Legal services;
- Insurance premiums;
- And other costs determined by the City to support the letter and spirit of the Agreement.

The City may also charge up to a 5% administrative fee based on the total expenditures of the external organization annually in addition to the costs outlined above.

On behalf of the external organization, the City, as the Fiscal Agent, shall establish and maintain a separate Fiduciary Fund to segregate applicable financial activities. The City shall only disburse, or release funds associated with such account upon the written authorization of at least two parties, as identified in the Agreement, upon a form(s) determined by the City. The maintenance of all funds shall be consistent with the internal controls established for regular City business activities.

The City will maintain all financial records associated with the external organization according to GAAP and OSA requirements, as well as any other applicable standards associated with the business activities of the external organization (e.g., grant covenants). The external organization shall support the cost of any employee trainings or certifications necessary to support its business activities.

The Agreement shall require the external organization to indemnify the City and allow the City Council to terminate upon a 90-day written notice. Additionally, if the City Council concludes any illicit, illegal and/or disreputable activities on the part of the external organization, it may terminate the Agreement when the external organization either fails to remedy or cannot remedy the situation(s) within 10 days of written notice. If the City terminates the Agreement, it shall provide all data and information to the external agency upon request and to complete required reports and submissions.

Funds and Fund Balance Policy

In order to maintain compliance with applicable Federal regulations, State laws and City provisions, the City shall maintain the following standards with respect to cash and investment management.

The purpose of this Fund Balance Policy is to establish appropriate fund balance levels for each fund that is primarily supported by property tax revenues or user fees. These policies will ensure that adequate resources are available to meet cash flow needs for carrying out the regular operations of the City.

The GFOA's guiding principle for classifying the various components of fund balance is to indicate the extent to which the government is bound to honor constraints on the specific purposes for which amounts in the fund can be spent. Following governmental accounting standards, the City has two basic categories: Governmental Funds and Proprietary Funds. This Fund Balance Policy applies only to the governmental categories.

Government Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, altered the categories and terminology used to describe the components of fund balance in governmental funds (but it does not apply to the proprietary or fiduciary funds). The City's governmental funds include the following fund types:

- General Fund;
- Special Revenue Funds;
- Debt Service Funds; and
- Capital Projects Funds.

For the purpose of GASB Statement No. 54 and this Manual, the following definitions shall apply to the types of fund balances:

- Fund Balance – The difference between assets and liabilities reported in a governmental fund;
- Non-Spendable Fund Balance – Amounts that are not in a spendable form (e.g., prepaid items and inventories of supplies), resources that must be maintained intact pursuant to legal or contractual requirements are also considered non-spendable.
- Restricted Fund Balance – Amounts subject to externally enforceable legal restrictions (e.g., creditors, grantors, contributors, and by law through constitutional provisions or enabling legislation);
- Unrestricted Fund Balance - The total of committed fund balance, assigned fund balance, and unassigned fund balance, as described below;
 - Committed Fund Balance – Amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority (i.e., City Council). Commitments may be changed or lifted only by the City Council taking the same formal action that imposed the constraint originally. The City Council must act on these commitments before year end;
 - Assigned Fund Balance – Amounts a government intends to use for a specific purpose; intent can be expressed by the government body or by an official or body to which the governing body delegates the authority; and
 - Unassigned Fund Balance – Amounts that are available for any purpose in the General Fund.

The City Council authorizes the Finance Director and/or City Administrator to assign fund balances that reflects the City's intended use of those funds. When both restricted and unrestricted resources are available for use, it is the City's policy to first use restricted resources, and then use unrestricted resources as they are needed. When unrestricted resources are available for use, it is the City's policy to use resources in the following order:

- 1) Committed
- 2) Assigned
- 3) Unassigned.

General Fund

The General Fund is established to account for all revenues and expenditures which are not required to be accounted for in other funds. Revenue sources include property taxes, license and permit fees, fines and forfeits, charges for services, intergovernmental revenues, investment interest earnings and transfers.

The General Fund will have committed fund balances at year end for any purchase order encumbrances and budget carryovers. The General Fund may have a portion of its fund balance classified as non-spendable if there are long term receivables, inventories, or prepaid items. The General Fund is the only fund that can have a positive unassigned fund balance.

The City will strive to maintain an unassigned fund balance in the General Fund in the range of 45%-55% of the subsequent year's budgeted operating expenditures. Since a significant source of revenue in the General Fund comes from property taxes, maintaining a fund balance that is equal to at least five months of operating expenditures ensures that sufficient resources are available to fund basic City functions between property tax settlements. This range is in conformance with guidance from the OSA. An assignment or restriction of fund balance may be used to offset revenues earned in one year where substantial services are required to be performed in the next fiscal period.

Special Revenue Funds

Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. Consistent with GASB Statement No. 54, substantial inflows of revenues into a Special Revenue Fund must be either restricted or committed in order for the fund to be considered a Special Revenue Fund.

Debt Service Funds

Debt Service Fund balances are considered restricted as they are resources that are being accumulated for payments of principal and interest maturing in current and future years. The Debt Service Funds are required to maintain sufficient fund balance to pay the February 1 debt service payments of the following year.

Capital Project Funds

Capital Project Funds are used to account for and report financial resources that are restricted, committed, or assigned for capital outlays, including the acquisition or construction of capital facilities and other capital assets. They also accumulate funds for future, planned expenditures.

The City shall consider all Capital Project Funds as assigned fund balances, except in the following circumstances:

- Long-term receivables, inventories, and prepaid items, which shall be non-spendable;

- Proceeds from the sale of bonds, and any Municipal State Aid held by the City or similarly designated funding, which shall be restricted;
- Funds held for the Capital Equipment Fund; and
- Signed contracts or agreements approved by the City Council.

For any other activity, the Finance Director, or their designee, shall determine the fund balance classification. Given the type of activities supported by these funds (e.g., one-time expenditures), the City does not maintain fund balance policies for each individual fund.

Enterprise Funds

Enterprise Funds are established to account for the operation of Water, Generation, Sanitary Sewer, Storm Water and Municipal Liquor operations which are designed to be self-supporting from user charges and fees.

Water - This fund is used to account for the provision of water services for the customers of the City related to administration, operations and capital outlay. This fund is financed primarily through user charges and fees.

The City will strive to maintain a cash balance in the Water Utility Fund in the range of 50%–60% of the subsequent year’s budgeted operating expenses less depreciation, plus the subsequent year’s debt service and capital improvement obligations. Since a significant source of revenue in the Water Fund comes from user charges and fees, maintaining a cash balance in this range ensures that sufficient resources are available to fund basic City functions between receipts of user charges and fees. In addition, due to the mature water infrastructure within the City, a higher percentage of fund balance is prudent to address any potential issues.

Generation - This fund is used to account for the provision of electrical generation for Southern Minnesota Municipal Power Agency (SMMPA) related to administration, operations and capital outlay. This fund is financed primarily through contracted fees.

The City will strive to maintain a cash balance in the Generation Fund in the range of 50%–60% of the subsequent year’s budgeted operating expenses less depreciation, plus the subsequent year’s debt service and capital improvement obligations. Since a significant source of revenue in the Generation Fund comes from fees, maintaining a cash balance in this range ensures that sufficient resources are available to fund basic City functions between receipts of fees.

Sanitary Sewer - This fund is used to account for the provision of sanitary sewer collection and conveyance for the customers of the City related to administration, operations and capital outlay. This fund is financed predominantly through user charges and fees.

The City will strive to maintain a cash balance in the Sanitary Sewer Utility Fund in the range of 50-60% of the subsequent year’s budgeted operating expenses less depreciation, plus the subsequent year’s debt service and capital improvement obligations. Since a significant source of revenue in the Sanitary Sewer Fund comes from user charges and fees, maintaining a cash balance in this range ensures that sufficient resources are available to fund basic City functions between receipts of user charges and fees. In addition, due to the age of the sanitary sewer infrastructure within the City, a higher percentage of fund balance is prudent to address any potential issues.

Storm Water - This fund is used to account for the provision of storm water collection, conveyance and water quality management for the customers of the City related to administration, operations and capital outlay. This fund is financed predominantly through user charges and fees.

The City will strive to maintain a cash balance in the Storm Water Fund in the range of 50%–60% of the subsequent year’s budgeted operating expenses less depreciation, plus the subsequent year’s debt service and capital improvement obligations. Since a significant source of revenue in the Storm Water Fund comes from user charges and fees, maintaining a cash balance in this range ensures that sufficient resources are available to fund basic City functions between receipts of user charges and fees. In addition, due to the age of storm water infrastructure within the City, a higher percentage of fund balance is prudent to address any potential issues.

Municipal Liquor - This fund is used to account for the operations of the City’s off-sale liquor stores. This fund is financed predominantly through the sale of liquor and similar items.

The City will strive to maintain a cash balance in the Municipal Liquor Fund in the range of 10%–20% of the subsequent year’s budgeted expenses, or approximately 1-3 months of subsequent year’s budgeted expenses. Due to the correlation of sales to purchases of inventory, a lesser cash balance percentage is justifiable. This will ensure that sufficient resources are available to fund Municipal Liquor operations and future capital improvements.

Carryovers and Encumbrances

At year end, the City Council may approve budget carryovers. The budget carryovers will be considered Committed Fund Balances upon approval of the City Council through the subsequent annual budget.

Investment Management Policy

This Investment Policy specifically outlines the investing philosophy and practices of the City of North Branch and serves as a reference point for the management of City assets. It is the policy of the City to invest public funds in a manner which will provide for the following in order of importance: safety, liquidity and yield (i.e., return on investment) that conforms to all Federal, State and local regulations governing the investment of public funds.

Scope

This Investment Policy applies to all financial assets of the City of North Branch. These funds are accounted for within the City's audited financial statements. These funds include:

- General Fund;
- Special Revenue Funds;
- Capital Project Funds;
- Debt Service Funds;
- Enterprise Funds; and
- Any new fund created by the City, unless specifically exempted by City Council; and/or falling under the constraints of a separate section of State law other than Minnesota Statute Chapter 118A.

Prudence

Investments shall be made with judgement and care, under circumstances existing at the time the investment is made, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering probable safety of the capital as well as interest yield to be derived.

The standard of prudence to be used by investment officials shall be the "prudent investor" standard and shall be applied in the context of managing the overall portfolio. Investment officers acting in accordance with written procedures and this Investment Policy and exercising due diligence shall be relieved of personal liability for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse situations. Investment procedures developed for the Finance Department must be complied with by those with access to and management responsibilities for City investments, including any external investment managers, advisors, consultants, brokers and/or counterparties.

Objective

At all times, investments of the City shall be made in accordance with Minnesota Statutes Chapter 118A and amendments thereto. The primary objectives of the City's investment activities shall be in the following order of priority.

Safety – Safety of principal is the foremost objective of the investment portfolio. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The objective will be to mitigate credit risk, interest rate risk, and custodial risk.

Credit Risk – Credit Risk is the risk of loss due to failure of the security issuer to make payments on time and/or in full. Credit Risk will be minimized by:

- Limiting investments to the type of securities listed in this Investment Policy; and
- Diversifying the investment portfolio so that the impact of potential losses from any type of security or from any on individual issuer will be minimized.

Interest Rate Risk – Interest Rate Risk is the risk that the market value of securities in the portfolio will fall due to changes in general interest rates. The City will minimize Interest Rate Risk by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity.

Custodial Risk – The City will minimize deposit Custodial Risk, which is the risk of loss due to failure of the depository bank (or credit union), by obtaining collateral or bond for all uninsured amounts on deposit, and by obtaining necessary documentation to show compliance with state law and a perfected security interest under federal law.

The City will minimize investment Custodial Risk by maintaining custody of securities and cash holdings outside of authorized depository institutions with an eligible custodian(s) that meets statutory and Investment Policy requirements or with a Federal Reserve Bank. Investment Custodial Risk is the risk that in the event of failure of a custodian, such as a broker/dealer, the City will not be able to recover the value of its investment securities that are in possession of an outside party and in that party's nominee name for which the City is a beneficial owner.

Liquidity

The City's investment portfolio will remain sufficiently liquid to enable the City to meet all operating requirements that might reasonably be anticipated. The portfolio will be structured so that securities mature concurrent with cash needs to meet anticipated demands (i.e., static liquidity). Furthermore, since all possible cash demands cannot be anticipated, the portfolio should consist largely of securities with active secondary or resale markets (i.e., dynamic liquidity). Alternatively, a portion of the portfolio may be placed in money market mutual funds or local government investment pools which offer same day liquidity for short-term funds.

Yield

The City's investment portfolio shall be designed with the objective of attaining a market rate return. Securities shall generally be held until maturity with the following exceptions:

- A security with declining credit may be sold early to minimize loss of principal and the risk the investment will no longer comply with the requirements of Minnesota Statutes, Chapter 118A;
- A security swap (simultaneous sale and purchase) would improve that quality, yield, or target duration in the portfolio; and
- Liquidity needs of the portfolio require that the security be sold.

Trading

Portfolio purchases will focus on holding investments until maturity to maintain securities at amortized value. Excessive investment portfolio turnover commonly referred to as "trading" or "overtrading" to obtain short-term gains is not consistent with the City's stated investment objectives and will be prohibited.

Delegation of Authority

The Investment program shall be operated in conformance with Federal, State, and other legal requirements. Authority to manage the City's investment program is derived from the following:

- Minnesota Statutes Chapter 118A, Deposit, and Investment of Local Public Funds

Management responsibility for the investment program is hereby delegated to the Finance Director, who shall establish written procedures for the operations of the Investment Program consistent with

this Investment Policy. The Finance Director, with assistance from the Finance Department, monitors performance of the investment portfolio, and ensures that proper internal controls are developed to safeguard investment assets. Procedures should include reference to: safekeeping (custody), delivery versus payment (DVP), investment accounting wire transfer agreements, collateral/depository agreements and banking service contracts. Such procedures shall include explicit delegation of authority to a person responsible for investment transactions.

No person may engage in an investment transaction except as provided under the terms of this Investment Policy and the procedures established by the Finance Director. An Investment Committee comprised of City Administrator, Finance Director, minimum of 1 Councilmember shall oversee all investment transactions and shall establish a system of controls to regulate the activities of subordinate officials and any external parties.

Ethics and Conflicts of Interest

Officers and employees involved in the investment process shall refrain from conducting personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions.

Authorized Broker/Dealers and Investment Advisors

The City will conduct investment transactions only with authorized broker/dealers that have met the following criteria:

- They act as primary or regional dealers that qualify under Securities & Exchange Commission (SEC) Rule 15C3-1 (Uniform Net Capital Rule); and
- Submit annually to the Finance Director an OSA Broker Certification Form.

All broker/dealer relationships, providing they meet the above requirements, will be maintained at the discretion of the Finance Director. The purchase of all investments must be from institutional brokers.

The City may enter into contracts with investment advisory firms at the discretion of the Finance Director when their services are deemed beneficial to the City. Any such firm must be registered under the Investment Advisor's Act of 1940. The advisor may have authority to transact investments on behalf of the City and must comply with State statute and this Investment Policy.

Authorized and Suitable Investments

Based on the investment objectives as defined in this Investment Policy, the City will limit its investments to securities authorized under Minnesota Statute 118A and future revisions.

Concentration of Credit Risk

It is the intent of the city to diversify its investments and thereby reduce the risk of loss resulting from the over-concentration of assets in a specific maturity, issuer, institution or market sector. No more than 50% of the entity's total investment portfolio will be invested in a single market sector and no more than 15% of the overall portfolio may be invested in the securities of a single issuer. The following investments are exempt from diversification restrictions:

- U.S. Treasury and Agency securities
- Money Market Funds, Local Government Investment Pools (LGIPs)
- Deposits fully insured by Federal Deposit Insurance Corporation (FDIC) or National Credit Union Administration (NCUA).

Due to the fluctuations in the value of the portfolio, maximum percentages for a particular issuer or investment type may be exceeded at a point in time subsequent to the purchase or maturity of a particular security. Securities need not be liquidated to realign the portfolio; however, consideration should be given to this matter when future purchases are made.

Collateralizations

In accordance with Minnesota Statute 118a.03, financial institutions will be required to provide collateral on the following:

- Certificates of Deposits (i.e., Time Deposits); and
- Demand Deposits.

The City chooses to limit collateral to the following U.S. government securities:

- Treasury Bills;
- Treasury Notes;
- Treasury Bonds;
- Federal National Mortgage Associations (FNMA);
- Federal Home Loan Bank (FHLB);
- Federal Farm Credit Bank (FFCB);
- Government National Mortgage Association (GNMA); and
- Federal Home Loan Mortgage Corporation (FHLMC).

Deposits may additionally be collateralized by an irrevocable standby letter of credit issued by Federal Home Loan Banks.

The underlying securities will be subject to periodic (i.e., monthly) market valuations to ensure there is no market exposure. In order to anticipate market changes and provide a level of security for all funds, the collateralization level will be 110% of market value of principal and accrued interest except that where the collateral is irrevocable standby letters of credit issued by Federal Home Loan Banks. The amount of collateral shall be at least equal to the amount on deposit at the close of the financial institution's banking day.

For cash deposits on-hand collateral will always be held by an independent third party with whom the City has a current custodial agreement. Clearly marked evidence of ownership (i.e., safekeeping receipt) must be supplied by the entity and retained. Collateralization shall be in the form of specific securities held for the City. The only exceptions are FDIC, NCUA, Securities Investor Protection Corporation (SIPC) and pre-approved insurance coverage. The right of collateral substitution is granted, subject to approval from the Finance Director.

Safekeeping and Custody

Securities purchased shall be held in a segregated account for the City's benefit at a third-party trustee as safekeeping agent. The investment dealer or bank from which the security is purchased shall issue a confirmation ticket to the City listing the specific instrument, issuer, coupon, maturity, Committee on Uniform Security Identification Procedures (CUSIP) number, purchase or sale price, transaction date, and other pertinent information. The financial service provider who executes the transaction on the City's behalf, if any, shall deliver all securities on a delivery versus payment method. This means that neither the buyer nor the seller is exposed to the risk that the other will default.

Investments, contracts, and agreements may be held in safekeeping with:

- Any Federal Reserve Bank; and

- Any bank authorized under the laws of the United States or any state to exercise corporate trust powers including, but not limited to, the bank from which the investment is purchased.

The City's ownership of all securities should be evidenced by written acknowledgements identifying the securities by:

- The names of the issuers;
- The maturity dates;
- The interest rates; and
- Any CUSIP, serial numbers, or other distinguishing marks.

The City may not invest in securities that are both uninsured and not registered in the name of the City and are held by either the counterparty or the counterparty's trust department or agent, but not in the name of the City.

Maximum Maturities

To the extent possible, the City will attempt to match its investment maturities with anticipated cash flow liquidity demands (i.e., static liquidity).

Maturities selected shall provide for stability of income and reasonable liquidity. Because of the inherent difficulties in accurately forecasting cash flow requirements, a portion of the portfolio should be continuously invested in readily available funds such as local government investment pools and/or money market funds to ensure that appropriate liquidity is maintained to meet ongoing obligations.

Internal Control

The Investment Committee is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft or misuse. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that

- (1) the cost of a control should not exceed the benefits likely to be derived; and
- (2) the valuation of the costs and benefits requires estimates and judgments by management.

The City will engage an external auditor for an annual independent review to assure compliance with policies and procedures.

Performance Standards

The investment portfolio will be designed to obtain a market average rate of return during budgetary and economic cycles, considering the City's investment risk constraints and cash flow needs. The investment portfolio will be structured to meet specific criteria addressing safety, liquidity and yield. The City's reporting system will provide information concerning cash position, investment performance, and percentage of the portfolio that is invested by security issuers and maturity structure.

Market Yield/Benchmark

The City's investment strategy is conservative. Under this conservative philosophy, the City will purchase investments that fit in accordance with this policy. Given this strategy, the Finance Director may establish benchmarks, as appropriate, based on the investment needs of the City.

Reporting

An Investment Advisory Committee consisting of the City Administrator and the Finance Director at a minimum, shall meet quarterly and discuss the investment activity and returns of the City, which will

include: security diversification information, maturity breakdowns and investment earnings, and a brief summary of current economic conditions affecting the portfolio. The City will also report this information as part of the annual audited financials.

Debt Management

One of the keys to sound financial management is the development of a Debt Management Policy. This need is recognized by bond rating agencies and development of a debt policy is a recommended practice of the GFOA. A debt policy establishes the parameters for issuing debt and managing the debt portfolio. It provides guidance to the administration regarding purposes for which debt may be issued, types and amounts of permissible debt and method of sale that may be used. It helps ensure fiscal responsibility and promotes financial sustainability. The following Debt Management Policy is intended to demonstrate a commitment to long-term financial planning in conjunction with the CIP for the City.

Debt Issuance Guidelines

The City will confine long-term borrowing to capital improvements, projects, and equipment that have a useful economic life of more than five years and cannot be financed from current revenues. For the purpose of this Debt Management Policy, current revenues are defined to include that portion of fund balance in excess of appropriate required reserves and designations.

The City will endeavor to keep the total maturity length of general obligation bonds at or below 20 years and at least 50% of the principal shall be retired within 10 years. In all cases, the maturity shall be shorter than the useful life of the related asset(s).

At a minimum, the City will prepare a ten-year CIP biennially, which will be approved by the City Council. The CIP will include an analysis of the City's infrastructure and other capital needs, and their corresponding financial impact and any associated debt service. The City will not issue any long-term debt to support operating activities nor will it consider debt issuance outside of the adopted CIP, except in the case of a financial emergency.

The City will analyze each project and the proposed debt financing to determine the tax impact and future operating costs associated with the project and related debt issuance costs. The City Council shall authorize, approve and appropriate all debt related proceeds.

The City will plan bond issues to minimize the frequency of issuance to ensure the lowest possible costs of issuance and administrative/compliance costs. When determining the size of a bond issue, the City will consider the need for construction, debt service and capitalized interest funds. The City will prepare construction fund draw schedules in conjunction with CIP planning.

The City's preferred method of sale of bonds is via competitive sale to underwriters; however, the City may sell bonds via a negotiated sale, private placement, or other method if deemed advantageous. The City shall on all occasions comply with the requirements of Minnesota Statutes, Chapter 475 with respect to method of sale and the use of an independent municipal advisor.

Total net general obligation debt, which is generally defined as debt fully supported by property taxes, will not exceed the statutory limit as required by Minnesota Statutes § 475.53. The total debt levy will not exceed 50% of the total property tax levy in any given year. Where possible and cost-effective, the City will use revenue, including General Obligation backed revenue bonds, or other self-supporting type bonds instead of General Obligation Bonds.

The City will maintain frequent and regular communications with bond rating agencies about its financial condition and will follow a policy of full disclosure in every financial report and bond prospectus. The City will comply with SEC reporting requirements.

Interfund Borrowing

Interfund borrowing for periods of more than one year shall only be undertaken for capital expenditures. A reasonable payment schedule for repayment of the borrowed amounts and enforceable covenants, established to ensure recourse if the schedule is not adhered to, shall be approved by the City Council. Interest charges shall be included to compensate the originating fund for the use of its financial resources. Bond proceeds should never be included during interfund borrowings as this can create additional arbitrage exposure.

Debt Issuance Types

The City may issue general obligation debt for equipment, capital or other properly approved projects. Where possible and cost-effective, the City will use special assessment, revenue, or other self-supporting bonds instead of General Obligation Bonds.

The City may issue revenue bonds to finance proprietary fund activities such as water, sanitary sewer and storm water utilities as well as the municipal liquor store(s) or for other capital projects that generate adequate revenues from user fees to support operations and debt service requirements. The bonds will include written legal covenants, which require that revenue sources be adequate to fund annual operating expenses and annual debt service requirements.

The City may issue tax increment bonds to fund public improvements or for economic development (i.e., private). All Tax Increment Financing (TIF) proposals shall include a financial impact analysis addressing the economic relationship of the proposed project to the City's estimated tax rates, service costs, and employment opportunities. If General Obligation TIF Bonds are proposed, there shall be a review and opinion by the City's Financial Advisor regarding structuring the issue and the adequacy of the tax increments to retire the debt.

Capital leases may be used to purchase buildings, equipment, furniture and fixtures. The term of any capital lease shall not exceed the useful life of the leased asset. Lease financing and master lease obligations, including lease revenue bonds, may be considered as alternative financing sources.

Refunding of Debt

The City will refund debt when it is in the best financial interest of the City to do so.

Debt Service Savings – When a current or advance refunding are undertaken to generate interest rate cost savings, the minimum aggregate present value savings will be 3% of the refunded bond principal amount. The present value savings will be net of all costs related to the financings.

Term of Refunding Issues - The City will refund bonds within the term of the originally issued debt. However, the City may consider maturity extension, when necessary to achieve a desired outcome, provided that such extension is legally permissible. The City also may consider shortening the term of the originally issued debt to realize greater savings. The remaining useful life of the financed project or facility should be considered in this decision.

Arbitrage – The City shall take all necessary steps to optimize escrows and to avoid negative arbitrage in its refunding.

Private Activity or Conduit Bonds Policy

The City has been granted the power to issue private activity or conduit revenue bonds, and other conduit revenue obligations, under Minnesota Statutes, § 469.152-469.165, as amended, and Minnesota Statutes, Chapter 462C, as amended (Conduit Bonds Acts).

It is the judgement of the City Council that tax-exempt financing is to be used on a selective basis to encourage a certain development or project that offers a benefit to the City as a whole, including significant employment and housing opportunities. It is the applicant's responsibility to demonstrate the benefit to the City, both in writing and at the required public hearings.

Although approval may have been granted by the City Council for the issuance of financing for a similar project or a similar debt structure, it shall not be a basis upon which approval will be granted. Each application will be judged on the merits of the project as it relates to the authorized public purpose, the Conduit Bonds Acts, and the benefits to the City at the time of the request for financing.

Criteria

The proposed project must be compatible with the overall development plans and objectives of the City as outlined in the Comprehensive Plan or other duly adopted actions, resolutions and/or ordinances of the City Council.

It is also the City's intent to assist in business expansions or relocations within the City where it can be shown that such would have a substantial, favorable impact on employment, qualified housing or the property tax base of the City.

The project must not put an undue burden on existing City services or public utilities beyond that which can be reasonably and economically accommodated, as determined by the City Engineer or their designee. Additionally, the applicant shall not place the City in competition with other jurisdictions or political subdivisions for project financing.

Any and all bonding and bonding authority shall be available on a first-come, first-serve basis, assuming the applicant(s) in question meet the other criteria and procedures outlined in this section of the Manual.

The applicant must have a good financial standing, show a substantial net worth, equity in the project, or both, and have an acceptable earnings history or pro forma. Proposed projects are to show in the application for financing an owner equity or other collateral (such as a Letter of Credit, insurance company guarantee, or similar security), which will be satisfactory to the end-lender or rating agency, all determined with reference to total project costs. The applicant will also file with the City, if requested, a final statement of total costs and project equity, certified by an authorized officer or partner, or the individual applicant, and said statement to be filed at time of requesting the final resolution.

Debt will be considered sold in a private placement if:

1. No advertising or solicitation of the general public occurs, and
2. If the bonds are initially sold to not more than ten purchasers (not including any underwriter or placement agent as a purchaser); and
3. The City receives written certification from each initial purchaser (or each underwriter or placement agent based on its reasonable belief) that:
 - a. Such purchaser has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and the risks of the debt; and

- b. Such purchaser is not purchasing for more than one account or with a view to distributing the debt.

In addition, for a private placement either:

1. All bonds or notes (except for one bond or note) must always remain in minimum denominations of not less than \$100,000, or
2. Investment letters from each initial purchaser, and from any subsequent purchaser, must be obtained and contain the above described certifications from the purchasers.

Any offering material for a private placement must prominently state in effect that: THE CITY OF NORTH BRANCH, MINNESOTA HAS NOT ASSUMED ANY RESPONSIBILITY TO REVIEW THIS OFFERING MATERIAL AND HAS NO RESPONSIBILITY FOR ITS ACCURACY OR COMPLETENESS. THE CITY HAS NO FINANCIAL OBLIGATION OF ANY NATURE WITH RESPECT TO THE OFFERED BONDS," or such other language to the same force and effect mutually agreeable to the borrower/obligator and the City.

Finally, to qualify as a private placement the financing documents must require annual financial statements from the benefited private party (or the ultimate provider of credit) to be delivered to each investor, or a trustee, and the City as the issuer.

Applications for acquisition or replacement of machinery and equipment will be discouraged unless in conjunction with a new business in the City, as physical plant expansion of an existing business, or where it is shown that the equipment acquisition is essential to the continued operation of the business.

Procedures

The applicant shall make an application for financing on forms determined by the City Administrator, or their designee. The completed application must be returned to the City, accompanied by the processing fee as determined by the City, whereupon the application will be reviewed by staff for possible consideration by the City Council. Specific findings shall be made and recited regarding the criteria as well as satisfaction of public purposes of the Conduit Bonds Acts, of other applicable Federal regulations and/or State statutes.

The applicant must select a qualified financial advisor or underwriter to assist the applicant in preparing all necessary application documents and materials. Applications must include a signed letter from a responsible financial institution indicating that the project is economically feasible and viable, and stating that bonds can be successfully sold for the project or that an individual or institution intends to purchase all of the bonds. Financial material submitted must also include the most recent fiscal year-end audited financial statements of the applicant and/or of any major lessee tenant, if readily available.

The applicant must receive approval from the appropriate State agencies, secure financing and commence construction within one year of the date of the final resolution giving approval to the project for the housing program. Upon application, the City Council may approve an extension of the approval.

The applicant shall furnish along with the application, a description of the project, plat plan (if needed), rendering of proposed buildings, and a brief description of the applicant, all in such form as shall be required at the time of application. This data may be furnished to other staff, appropriate consultants and members of the City Council.

The application shall not be considered complete until a review by the City regarding applicable City Code requirements, including, but not limited to:

- Street and traffic issues;

- Zoning compliance; and
- Public utility and drainage issues.

The review shall consider both existing and improved conditions of the proposed project. A failure to address these findings and requirements, or failure to demonstrate a capability to reasonably remediate the same in a timeline determined by the City, may result in the denial of the application.

If an allocation of bonding authority is required under Minnesota Statutes, Chapter 474A, as amended, the applicant shall be required to pay any required application fee(s) and provide any required application deposit as specified in Minnesota Statutes Chapter 474A, without regard to whether the application fee or application deposit will be refunded. If the City shall serve as a pass-through for any such deposit refunds, it shall process the same in ten business days of receipt.

Administrative

The City Council reserves the right to deny any application for financing for any reason, and at any stage of the proceedings, prior to adopting the final resolution authorizing issuance of the private activity or conduit financing. The City Council may waive any provision of this Conduit Bonds Policy if the City Council determines that such waiver is in the best interests of the City.

The City is to be reimbursed, and held harmless, for and from any “out-of-pocket” costs related to the actual or proposed issuance of bonds contemplated by this Manual. In addition, a non-refundable processing fee as determined by the City’s Comprehensive Fee Schedule must be submitted with the application. Upon closing, an Administrative Fee is due and payable to the City based on the following schedule:

- 1/8 of 1% annually of the outstanding principal for the life of the bond issue; or
- Up to 1% of the par amount of the bond.

Any costs incurred by the City will be recovered at the time of settlement or through scheduled payments collected by the Fiscal Agent. Requesting organizations must pay for any City expenses for Bond Counsel, Financial Advisor and any similar costs related to any financing, which shall be in addition to the Administrative Fee. The Administrative Fee is to be paid from proceeds of the Bonds or other sources on the date of issuance of the bonds or may be paid to the fiscal agent with each debt service payment. The applicant will be responsible for all costs associated with post-issuance compliance monitoring per this Manual, including the costs of the City in responding to any Internal Revenue Service (IRS) or other legal inquiries regarding the tax-exempt status of the bonds.

The applicant shall covenant in the applicable bond documents to comply with all applicable requirements of the Internal Revenue Code of 1986, as amended (Code), and the applicable Treasury Regulations, including, but not limited to:

- The arbitrage and rebate requirements of Section 148 of the Code; and
- The qualified bonds provisions of Sections 141(e), 142, 143, 144, and 145 of the Code.

The applicant shall be the party responsible for monitoring the private activity or conduit bonds for compliance with such requirements and to remediate non-qualified bonds in accordance with the requirements of the Code and applicable Treasury Regulations. The applicant shall be the party responsible for monitoring compliance with the requirements of Section 148 of the Code, and all other requirements outlined in the Post-Issuance Compliance Policy and Procedures of this Manual.

The first \$10,000,000 in bonding authority annually, the maximum allowed for designation as “bank qualified,” will be reserved for City purposes. To preserve its bank qualification authority, the City will only consider issuing these types of conduit obligations when the City’s needs have been fully met.

Should the City exceed the bank qualified limit, the borrower in question must pay the City the net present value between the bank qualified and non-bank qualified rates. The City's Financial Advisor shall provide this calculation, if needed.

All applications, supporting materials and documents shall remain the property of the City; and all such materials may be subject to disclosure and/or public review under applicable provisions of State law. Additionally, the applicant shall assist the City with any Minnesota Government Data Practices Act request(s), including paying for any applicable compliance costs determined by the City.

The Finance Department shall report any and all private activity or conduit debt issues in the Annual Financial Report in accordance with GAAP and shall report any material events with regard to all debt issued by the City, and still outstanding, to the City Council.

Post-Issuance Debt Compliance Policy

The City Council has chosen, by policy, to take steps to help ensure that all obligations will follow all applicable federal regulations. This Post-Issuance Debt Compliance Policy may be amended, as necessary.

The IRS is responsible for enforcing compliance with the Internal Revenue Code (Code) and regulations promulgated thereunder (Treasury Regulations) governing certain obligations (e.g., tax-exempt obligations, Build America Bonds, Recovery Zone Development Bonds and various Tax Credit Bonds). The IRS encourages issuers and beneficiaries of these obligations to adopt and implement a post-issue debt compliance policy and procedures to safeguard against post-issuance violations.

Post-Issuance Debt Compliance

The City desires to monitor these obligations to ensure compliance with the Code and Treasury Regulations. To help ensure compliance, the City has developed the following Post-Issuance Debt Compliance Policy. The Post-Issuance Debt Compliance Policy shall apply to the obligations mentioned above, including Bonds, notes, loans, lease purchase contracts, lines of credit, commercial paper or any other form of debt that is subject to compliance. The Finance Director is designated as the City's agent who is responsible for post-issuance compliance of these obligations.

The Finance Director shall assemble all relevant documentation, records and activities required to ensure post-issuance debt compliance as further detailed in corresponding procedures. At a minimum, the Post-Issuance Debt Compliance Procedures for each qualifying obligation will address the following:

- General post-issuance compliance;
- Proper and timely use of obligation proceeds and obligation-financed property;
- Arbitrage yield restriction and rebate;
- Timely filings and other general requirements;
- Additional undertakings or activities that support the items listed above;
- Continuing Disclosure Obligations;
- Maintenance of proper records related to the obligations and the investment of proceeds of obligations; and
- Other requirements that become necessary in the future.

The Finance Director shall apply the Post-Issuance Debt Compliance Procedures to each qualifying obligation and maintain a record of the results. Further, the Finance Director will ensure that the Post-Issuance Debt Compliance Policy are updated on a regular and as needed basis.

The Finance Director, or any other individuals responsible for assisting the Finance Director in maintaining records needed to ensure post-issuance debt compliance, are authorized to expend funds as needed to attend training or secure use of other educational resources for ensuring compliance such as consulting, publications, and compliance assistance.

Most of the provisions of this Post-Issuance Debt Compliance Policy are not applicable to taxable governmental obligations unless there is a reasonable possibility that the City may refund their taxable governmental obligation, in whole or in part, with the proceeds of a tax-exempt governmental obligation. If this refunding possibility exists, then the Finance Director shall treat the taxable governmental obligation as if such issue were an issue of tax-exempt governmental obligations and comply with the requirements of this Post-Issuance Debt Compliance Policy.

Private Activity or Conduit Bonds

The City may issue tax-exempt obligations that are qualified “private activity” bonds because either

1. The bonds finance a facility that is owned by the City but used by one or more qualified IRC 501(c)(3) organizations, or
2. The bonds are so-called “conduit bonds”, where the proceeds are loaned to a qualified IRC 501(c)(3) organization or another private entity that finances activities eligible for tax-exempt financing under federal law, such as certain manufacturing projects and certain affordable housing projects.

Prior to issuance of either of these types of bonds, the Finance Director shall take steps necessary to ensure that such obligations will remain in compliance with the requirement of this Post-Issuance Debt Compliance Policy.

In a case where compliance activities are reasonably within the control of a private party (i.e., an IRC 501(c)(3) organization or conduit borrower), the Finance Director may determine that all or some portion of compliance responsibilities described in this Post-Issuance Debt Compliance Policy shall be assigned to the relevant party. In the case of conduit bonds, the conduit borrower will be assigned all compliance responsibilities other than those required to be undertaken by the City under federal law. In a case where the Finance Director is concerned about the compliance ability of a private party, the Finance Director may require that a trustee or other independent third party be retained to assist with record keeping for the obligations and/or that the trustee or such third party be responsible for all or some portion of the compliance responsibilities.

The Finance Director is additionally authorized to seek the advice, as necessary, of bond counsel and/or its financial advisor to ensure the City follows this Post-Issuance Debt Compliance Policy. For additional information regarding other private activity bonds, please see the Private Activity or Conduit Bonds Policy section of this manual.

Post-Issuance Debt Compliance Procedures

The Post-Issuance Debt Compliance Policy applies to qualifying debt obligations issued by the City. As directed by the adoption of the Post-Issuance Debt Compliance Policy, the Finance Director of the City will perform the following Post-Issuance Debt Compliance Procedures for all of the City’s outstanding debt.

General Post-Issuance Compliance

These procedures provide written regulations when more than one party is responsible for ensuring compliance. These procedures also ensure training and/or educational resources for post-issuance compliance have been approved and obtained.

The Finance Director understands that there are options for voluntarily correcting failures to comply with post-issuance compliance requirements, such as remedial actions under Section 1.141-12 of the Treasury Regulations and the ability to enter into a closing agreement under the Tax-Exempt Bonds Voluntary Closing Agreement Program in Notice 2008-31 (VCAP Program).

General Recordkeeping

The responsible parties shall retain records and documents for the obligation and all obligations issued to refund the obligation for a period of at least seven years following the final payment of the obligation (or if such obligation is refunded, the final payment of the refunding bond) unless otherwise directed by the City's bond counsel.

The responsible parties shall also retain both paper and electronic versions of records and documents for the obligation. General records and documentation to be assembled and retained:

- Description of the purpose of the obligation (referred to as the project) and the State statute authorizing the project;
- Record of tax-exempt status or revocation of tax-exempt status, if applicable;
- Any correspondence between the City and the IRS;
- Audited financial statements;
- Bond transcripts, official statements, and other offering documents of the obligation;
- Minutes and resolutions authorizing the issuance of the obligation;
- Certifications of the issue price of the obligation;
- Any formal elections for the obligation (i.e., election to employ an accounting methodology other than the specific trading method);
- Appraisals, demand surveys, or feasibility studies for property financed by the obligation;
- Documents related to governmental grants, associated with construction, renovation or purchase of property financed with the obligation; and
- Reports of any prior IRS examinations of the City or the City's obligation.

Arbitrage Yield Restriction and Rebate Recordkeeping

The following investment and arbitrage documentation shall be assembled and retained.

- An accounting of all deposits, expenditures, interest income and asset balances associated with each fund established in connection with the obligation. This includes an accounting of all monies deposited into the Debt Service Fund Account to make debt service payments on the obligation, regardless of the source derived.
- Statements prepared by Trustee or Investment Provider.
- Documentation of at least quarterly allocations of investments and investment earnings to each obligation (i.e., un-commingling analysis).
- Documentation for investments made with obligation proceeds, such as:
 - Investment contracts (i.e., guaranteed investment contracts);
 - Credit enhancement transactions (i.e., bond insurance contracts);
 - Financial derivatives (i.e., swaps, caps);
 - Bidding of financial products (i.e., investments acquired with obligation proceeds are purchased at fair market value); and
 - Three bids for open market securities needed in advance refunding escrows.
- Computations of the arbitrage yield.
- Computations of yield restriction and rebate amounts including but not limited to:
 - Compliance in meeting the "Temporary Period from Yield Restriction Exception" and limiting the investment of funds after the temporary period expires;

- Compliance in meeting the “Rebate Exception;”
 - Qualifying for the “Small Issuer Exception;”
 - Qualifying for a “Spending Exception;”
 - 6 month Spending Exception;
 - 18 month Spending Exception;
 - 24 month Spending Exception;
 - Qualifying for the “Bona Fide Debt Service Fund Exception;” and
 - Qualifying arbitrage on all funds established in connection with the obligation in lieu of satisfying arbitrage exceptions, including Reserve Funds and Debt Service Funds.
- Computations of yield restriction and rebate payments.
- Timely Tax Form 8038-T filing, if applicable.
 - Remit any arbitrage liability associated with the obligation to the IRS at each five-year anniversary date of the obligation, and the date in which the obligation is no longer outstanding (redemption or maturity date), whichever comes sooner, within 60 days of said date.
- Timely Tax Form 8038-R filing, if applicable.
- Procedures or guidelines for monitoring instances where compliance with applicable yield restriction requirements depends on subsequent reinvestment of obligation proceeds in lower yielding investments (e.g., reinvestment in zero coupon SLGS).

Expenditure and Asset Documentation to be Assembled and Retained

Documentation of allocations of obligation proceeds to expenditures (i.e., allocation of proceeds to expenditures for the construction, renovation or purchase of facilities owned and used in the performance of exempt purposes).

- Such allocation will be done not later than the earlier of:
 - 18 months after the later of the date the expenditure is paid, or the date the project, if any, that is financed by the tax-exempt bond issue is placed in service; or
 - 60 days after the earlier of the fifth anniversary of the issue date of the tax-exempt bond issue, or the date 60 days after the retirement of the tax-exempt bond issue.
- Documentation of allocations of obligation proceeds to issuance costs.
- Copies of requisitions, draw schedules, draw requests, invoices, bills, and cancelled checks related to obligation proceed expenditures during the construction period.
- Copies of all contracts entered into for the construction, renovation or purchase of facilities financed with obligation proceeds.
- Records of expenditure reimbursements incurred prior to issuing bonds for facilities financed with obligation proceeds (i.e., Declaration of Official Intent/Reimbursement Resolutions including all modifications).
- List of all facilities and equipment financed with obligation proceeds.
- Depreciation schedules for depreciable property financed with obligation proceeds.
- Documentation that tracks the purchase and sale of assets financed with obligation proceeds.
- Documentation of timely payment of principal and interest payments on the obligation.
- Tracking of all issue proceeds and the transfer of proceeds into the debt service fund as appropriate.
- Documentation that excess earnings from a Reserve Fund is transferred to the Debt Service Fund on an annual basis. Excess earnings are balances in a Reserve Fund that exceed the Reserve Fund requirement.

Miscellaneous Documentation to be Assembled and Retained

Ensure that the project, while the obligation is outstanding, will avoid IRS private activity concerns.

- The Finance Director shall monitor the use of all obligation-financed facilities in order to:
 - Determine whether private business uses of obligation-financed facilities have exceeded the de minimus limits set forth in Section 141(b) of the Code as a result of sale of the facilities (including sale of capacity rights, leases and subleases of facilities),
 - including easements or use arrangements for areas outside the four walls, (e.g., hosting of cell phone towers),
 - leasehold improvement contracts, licenses, management contracts in which the City authorized a third party to operate a facility, (e.g., cafeteria),
 - research contracts,
 - preference arrangements (in which the City permits a third party preference, such as parking in a public parking lot),
 - joint ventures,
 - limited liability companies or partnership arrangements,
 - output contracts or other contracts for use of utility facilities (including contracts with large utility users),
 - development agreements which provide for guaranteed payments or property values from a developer, grants or loans made to private entities (including special assessment agreements),
 - naming rights agreements, or
 - other arrangements that provide special legal entitlements to nongovernmental persons; and
 - determine whether private security or payments that exceed the de minimus limits set forth in Section 141(b) of the Code have been provided by nongovernmental persons with respect to such obligation-financed facilities.
- The Finance Director shall undertake the following with respect to the obligations:
 - An annual review of the books and records maintained by the City with respect to such obligations; and
 - An annual physical inspection of the facilities financed with the proceeds of such obligations, conducted by the Finance Director with the assistance of any City staff who have the primary responsibility for the operation, maintenance, or inspection of such obligation-financed facilities.
- Changes in the project that impact the terms or commitments of the obligation are properly documented and necessary certificates or opinions are on file.

Additional Undertakings and Activities that Support Above Sections

The Finance Director will notify the City's Bond Counsel, Financial Advisor and arbitrage provider of any survey or inquiry by the IRS immediately upon receipt (usually responses to IRS inquiries are due within 21 days of receipt). Such IRS responses require the review of the above-mentioned data and must be in writing. As much time as possible is helpful in preparing the response.

The Finance Director will consult with the City's Bond Counsel, Financial Advisor and arbitrage provider before engaging in post-issuance credit enhancement transactions (i.e., bond insurance, letter of credit, or hedging transactions).

The Finance Director will monitor all "qualified tax-exempt debt obligations" within the first calendar year to determine if the limit is exceeded, and if exceeded, will address accordingly.

Comply with Continuing Disclosure Requirement

If applicable, the timely filing of annual information agreed to in the Continuing Disclosure Certificate; or give notice of any Material Event, as required within SEC Rule 15c2-12, as amended. Identify any post-issuance change to terms of bonds which could be a “reissuance” under applicable Treasury regulations.

The Finance Director will consult with the City’s Bond Counsel prior to any sale, transfer, change in use or change in users of obligation-financed property, which may require “remedial action” under applicable Treasury Regulations or resolution pursuant to the VCAP Program. A remedial action has the effect of curing a deliberate action taken by the City that results in satisfaction of the private business test or private loan test. Remedial actions under Section 1.141-12(d)(e) and (f) include the redemption of non-qualified bonds and alternative uses of proceeds or the facility (i.e. use for a qualified purpose instead).

The Finance Director will ensure that the appropriate tax form for federal subsidy payments is prepared and filed in a timely fashion for applicable obligations (i.e. Build America Bonds).

Compliance with Future Requirements

The responsible parties shall take measures to comply with any future requirements issued beyond the date of these Post-Issuance Debt Compliance Procedures, which are essential to ensuring compliance with the applicable state and federal regulations.

Purchasing Policy

To ensure that all City expenditures are lawful, the City shall:

- Maintain strict compliance with applicable Federal regulations, State laws, and City Ordinances; and
- Establish procedures to protect the City from undue liability or other concerns.

Additionally, this section of the Manual outlines the proper procedures for procurement and supersedes all previous policies and practices concerning the purchase of goods and/or services by the City.

This section of the Manual shall meet the following objectives:

- To ensure that tax and rate payer supported expenditures provide for cost-effective and efficient acquisition of goods and services;
- To establish uniform procurement processes for all staff and all departments;
- To ensure City expenditures are appropriately classified in the City's financial records; and
- To follow Minnesota Statute § 471.345 as it relates to the purchase of supplies, materials, equipment, or the rental thereof, or the construction, alteration, repair, or maintenance of real or personal property.

Responsibility

The City Administrator shall be the Chief Purchasing Agent of the City. In that capacity, the City Administrator may establish such policies and procedures to make purchases on behalf of the City and its component units. The administration, review and supervision of such purchasing shall be delegated to the Finance Director generally and the respective Department Director specifically, unless authorized elsewhere in this Manual.

The City has a decentralized purchasing system whereby individual departments are responsible for making their own purchases. Exceptions include, but are not limited to, the following types of purchases:

- Technology Director (e.g., hardware, software) must approve the Information Technology;
- Public Works Director must approve:
 - major equipment
 - Building maintenance and improvements; and
 - Vehicles, with the exception of police vehicles which may also be approved by the Chief of Police.

The City will purchase supplies, equipment, and services best suited to the specific needs of the City in as economical a means as possible, including:

- The City will purchase EnergyStar certified equipment and appliances if possible;
- The City will purchase paper containing at least 30% post-consumer recycled content, if possible; and
- The City will purchase recyclable or compostable consumable goods when feasible.

The City will promote fair competition among bidders and will comply with all statutes and regulations of the City, State, and Federal government that may pertain to the purchase of supplies, equipment, and services by a municipal entity.

Uniform Municipal Contracting Law

The City will follow procedures as set forth in Minnesota Statutes § 471.345. Purchases should not be separated into smaller components in order to eliminate an authorization threshold requirement. Labor and materials may be separated to properly calculate sales and use tax.

For the purchase of supplies, materials or equipment estimated to exceed \$25,000, the city must consider the availability, price, and quality of the supplies, materials, or equipment available through the State of Minnesota's cooperative purchasing venture (CPV), or another approved CPV, before purchasing through another source. The Finance Department will maintain a list of approved CPVs.

Competitive Bidding. The various requirements of the competitive bidding process are beyond the scope of this Manual, and, if necessary, departments meeting this threshold should consult the Finance Department before beginning the purchasing process.

Professional Services. Contracting for professional services, such as those provided by engineers, lawyers, architects, accountants, and other services requiring technical, scientific, or other professional training, when competitive bidding is not required, shall be the primary responsibility of the Department, with purchasing oversight by the Finance Director and in compliance with this manual.

Federal Grant Programs Purchasing Guidelines

For purchases under Federal grant programs, quotes must meet all Federal Grant program guidelines. Multiple price or rate quotations must be obtained from an adequate number of qualified sources (i.e., two or more) for purchases greater than this micro-purchase threshold (2 CFR 200.320(b)). Purchasers should familiarize themselves with requirements of purchases made under grant programs prior to any expenditures (e.g., Davis-Bacon Act, Buy American Provisions).

For all contracts for goods or services above the small purchase threshold, the City should document its review of the excluded parties list (see <https://www.sam.gov>) to ensure that certain parties, suspended and/or debarred or otherwise excluded or ineligible contractors are not contracted with when using federal or state funds (2 CFR 200.213). Contractors that apply or bid for an award exceeding \$100,000 must file the certification required by the Byrd Anti-Lobbying Amendment (31 U.S.C. 1352).

All purchases for construction projects using federal dollars in excess of \$2,000 are required to follow the Davis-Bacon Act and related federal regulations concerning labor standards applicable to federally financed contractors.

The process should ensure fair and open competition and include affirmative steps to assure that minority businesses, women's enterprises and other disadvantaged businesses are solicited and used whenever possible (CFR 200.321).

Exceptions

The City may contract for the purchase of supplies, materials or equipment without regard to the competitive bidding requirements of this Purchasing Policy if the purchase is through the State of Minnesota's CPV, a national municipal association's purchasing alliance or cooperative created by a joint powers agreement that purchases items from more than one source on the basis of competitive bids or competitive quotations. The City shall approve and maintain a list of authorized CPVs.

Other exceptions may include: professional services, insurance contracts, purchases from other government agencies, real estate, sole source vendors and others as defined by Minnesota Statutes § 471.345.

Best Value Alternative. Minnesota Statutes § 412.311 allows the City to use a “Best Value” alternative instead of awarding the bid to the lowest responsible bidder. The various requirements of the Best Value Alternative process are beyond the scope of this Manual, and departments interested in this approach should consult the Finance Department before beginning the purchasing process. Staff interested in this purchasing alternative must receive appropriate training, as determined by the Finance Director.

Authorization and Compliance

All purchases on behalf of the City shall be made and all contracts shall be let by the City Administrator, or the City Administrator’s designee(s), provided the City Council has appropriated sums necessary for the contract or purchase, and the amount of the purchase or contract does not exceed that required for competitive bids as established by state statute. Except for those purchase or contracts subject to the authority of the City Administrator as set forth herein, all bonds, contracts, conveyances, real estate purchases and sale agreements, and similar instruments shall be approved by the City Council and signed by the Mayor and City Administrator, or the City Administrator’s designee(s), and shall be executed in the name of the City.

The City Administrator, or their designee, may authorize routine expenditures that are already specifically adopted and identified by the annual budget (e.g., large equipment replacement), assuming those expenditures do not exceed the authorized amount appropriated by the budget.

The following table outlines the various thresholds and the authority level required for all purchases regardless of the type (e.g., capital improvement, professional service).

Purchase Amount	Initial Approval		Final Approval
	Budgeted	Unbudgeted	
Up to \$9,999	Department	Department Director	Department Director
\$10,000 to \$24,999	Department	Finance Director	Department Director
\$25,000 to \$174,999	Department Director	Finance Director	City Administrator
\$175,000 or greater	Department Director	City Administrator	City Council

Any purchase or project using sealed bids shall be presented to the City Council for review and approval if it exceeds \$175,000; no project activities may commence until after such approval. Upon approval, the respective Department Director may authorize applicable expenditures related to the approved bid or contract without regard for the thresholds listed in the above table, assuming such approval would not exceed the value of the bid or contract, or exceed the budget authorized by the City Council. In both of those situations, the thresholds outlined in this Manual shall apply.

In the event of a change order that increases the total cost of the purchase, the thresholds listed immediately above shall also apply assuming the amount may be accommodated through existing budget authority or by a budget revision outlined in the CIP Policy of the Manual. The City Council must also approve any change orders exceeding 10-20% of the original contract.

Any procurement transaction made on behalf of the City that is not in compliance with the established policies and procedures shall be deemed unauthorized. Employee reimbursement may be required for any purchases not in compliance with this policy.

Payment Procedures

In accordance with Minnesota Statutes § 471.425, the City has 35 days from receipt of the invoice to process payment. If an invoice is incorrect in any way, the City must notify the vendor within 10 days of the date of receipt. Department Directors should notify the Finance Department promptly of any invoices in dispute and the dispute should be documented on the invoice or with a memorandum accompanying the invoice.

The respective Department Director shall assign specific staff to provide the appropriate account codes to ensure the accurate recording of expenditures in the City's financial system. As outlined above, the applicable Department shall approve any purchases less than \$25,000, while the applicable Department Director shall approve any purchases greater than or equal to \$25,000. The respective party will be responsible for both the accurate recording and lawful nature of the purchase in question.

Certain routine transactions as defined by the Finance Director are excluded from Department Director and/or City Administrator review and approval. Such transactions may include but are not limited to: salaries and wages; health insurance and similar benefit premiums; property and casualty insurance premiums; utility payments; and applicable taxes.

All payments shall be summarized within a Claims List as required by Minnesota Statutes § 412.271, which will be presented to the City Council at their regularly scheduled meetings. Once the Claims List has been approved by the City Council, the Finance Department will release payment(s) to the vendor.

In some instances, payments made need to be released prior to City Council approval. Such payments will be authorized at the discretion of the Finance Director and will be presented to the City Council within the Claims List at the next scheduled regular City Council meeting. The Finance Director may issue checks or other forms of payment for the following types of claims without prior City Council approval:

- Salaries of regular employees;
- Overtime of regular employees, if approved by the respective Department Director;
- Salaries of temporary employees, if approved by the respective Department Director;
- Health insurance and similar benefits authorized by the City Council;
- Utility Bills or invoices for regular City operations;
- Construction permits and escrows;
- Early payment discounts and to avoid fees and penalties;
- Property and casualty insurance payments;
- Payments to the City (i.e., one fund to another fund);
- Petty cash items up to \$20;
- Postage, postage due or cash-on-delivery items;
- Advances to employees for the cost of attending out-of-state conferences, not to exceed \$500;
- Registration and other expenses for local conferences;
- Reimbursement to an employee for clothing allowance;
- Claims approved by the City Council as a separate agenda item (e.g., bids, contracts, estimates);
- Fixed charges that have been previously incurred (e.g., rent payments, payments on bonds, contracts for deeds);
- Investments and investment related expenditures and transfers;

- Payroll taxes and other liabilities withheld from employees' wages, and the corresponding City paid benefits;
- Contracted inspectors that maintain an agreement with the City;
- Refunds of deposits and escrows being held by the City; and
- Other reasonable transactions to affect the proper function of the City (e.g., liquor suppliers).

Conflicts of Interest

Employees are required to provide notice to the Finance Director of any conflicts of interest prior to entering into transactions on behalf of the City. No employee, officer, or agent may participate in the selection, award, or administration of a contract supported by a Federal award if they have a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, their partner, or an organization that employs or is about to employ any of the parties indicated herein, has financial or other interest in or a tangible personal benefit from a firm considered for a contract (Minnesota Statute § 471.87 - § 471.88).

No purchase orders, contracts or service agreements shall be given to an employee of the City or to a partnership or corporation of which an employee is a major stockholder or principal. No employee shall enter into the relationship with a vendor where the employee's actions are, or could reasonably be viewed as, not in the best interest of the City. If any employee becomes involved in a possible conflict of interest, the employee shall disclose the nature of the possible conflict to his or her supervisor and to the Finance Director. The Finance Director will promptly notify the individual in writing of an approval or disapproval of the activity. If disapproved, the employee shall remove themselves from the conflict situation.

Acceptance of Gifts and Gratuities

No member of the City Council, official or employee may accept any gift or gratuity in any size under circumstances in which it could be reasonably thought to influence the performance of their official duties or appears to be a reward for any official action of their part. Employees responsible for making purchasing decisions for the City may not accept, directly or indirectly, any gifts, favors, privileges, or employment from current or prospective City vendors.

Emergency Procurement

Under the Emergency Management Act (Minnesota Statutes §12.37, Act), the City has the authority to make purchases or enter into contracts during emergencies without following many of the normally required procedures. The Emergency Management Act defines an "emergency" as an unforeseen combination of circumstances that calls for immediate action to prevent a "disaster" from developing or occurring.

The Act defines a "disaster" as a situation that creates an actual or imminent serious threat to the health and safety of persons, or a situation that has resulted or is likely to result in catastrophic loss to property or the environment, and for which traditional sources of relief and assistance within the affected area are unable to repair or prevent injury or loss.

In the event of an emergency or disaster, the City Council has granted authority to the City Administrator, or their designee, to make emergency purchases. At the next regular scheduled City Council meeting, the City Council will approve the respective purchase(s) via a resolution declaring the emergency and describing the reasons necessitating the immediate action for protection of the health, safety or welfare of its citizens.

If practicable and feasible, the Department Director and/or City Administrator should consult the City Attorney and Finance Director prior to any expenditures under the Emergency Management Act.

Sole Source Procurement

Sole source purchases may be made if they comply with at least one of the following:

- Items or services under patent or copyright held by a single vendor and item or service possesses or has capabilities critical to use;
- Item or service possesses a unique function or capability critical in the use of the item or service and not available from any other sources;
- The purchase is for equipment associated with use of existing equipment where compatibility is essential for integrity of results;
- The purchase is for replacement parts needed for repair of existing equipment where compatibility with equipment from the original manufacturer is paramount;
- The purchase is for technical services associated with the assembly, development, installation, or servicing of equipment of a highly technical or specialized nature;
- Additional item, service, or work required, but not known to have been needed when the original order was placed with vendor and it is not feasible or practicable to contract separately for the additional need; and/or
- The purchase is exclusively compatible with an existing piece or brand of equipment and is only available from one vendor.

Bid Protest

The City recognizes the need to review and resolve complaints about its purchasing practices and procedures and has adopted this procedure to provide for any complaints. Any actual or prospective vendor or contractor who is reasonably aggrieved in connection with the solicitation or award of the contract may protest to the Finance Director per the following procedure:

- Each protest must be in writing and delivered by a certified letter to the Finance Director within five business days of the City's notice of award and must include:
 - A Notice of protest;
 - A statement of facts and the reasons for the protest;
 - All supporting documentation; and
 - Address all correspondence to: Bid Protest, Finance Director, City of North Branch, PO Box 910, 6408 Elm Street, North Branch, MN 55056.
- As soon as a bid protest is received, all award activity will be suspended. The applicable Department Director(s) will gather all relevant information about the solicitation, evaluation, and award of the bid and provide it to the Finance Director within five business days of being notified of the Bid Protest by the Finance Director.
- The Finance Director, and any applicable staff, will review the information relevant to the solicitation and will decide on the merits of the protest, in a prompt manner but not longer than ten business days after the bid protest. A copy of the decision will be mailed to the protestor at the address set forth in the bid protest. A copy of the decision will be posted on the City website. All documentation concerning the bid protest and the decision will be retained by the department subject to the protest.
- An appeal of the Finance Director's decision may be in writing and delivered by a certified letter by the protestor to the City Administrator within five business days of the release of the decision and must include:
 - A notice of Appeal;
 - A statement of the nature and the reasons for the appeal including claimed errors;

- All supporting documents; and
- A deposit to cover the City's cost for determining a bid protest will be made in the form of a certified check payable to the City of North Branch, in an amount determined by the Finance Director.
- The City Administrator will deliver the protest and all relevant information about the solicitation, evaluation, and award of the bid to the City Attorney or designee.
- A Hearing Date will be set by the City Attorney or designee for the appeal to commence, which date should not be later than twenty business days from the notice of appeal. The complainant will be presented with an opportunity to present their case to the City Attorney or designee.
- Upon the conclusion of the appeal, the City Attorney or designee will issue a decision within twenty business days of the conclusion of the appeal. Staff will track all costs (e.g., wages, expenses) spent in the appeals process. The total cost will be subtracted from the deposit. Any remaining balance will be returned to the vendor. If the appeal is upheld, the total deposit will be returned.

The City Administrator, with City Attorney review, may reject any unreasonable bid protest to prevent the unnecessary delay in the contract award process or to avoid additional cost to the City.

Sales and Use Tax

As a local government, the City remains generally exempt from sales and use tax. As such, staff should refrain from paying sales and use tax on official City transactions, unless the tax charge is authorized by applicable state law (i.e, food, shelter). The Finance Director, or their designee, may approve payment of sales and use tax on a case-by-case basis (e.g., staff reimbursement for an emergency expenditure).

Procurement Card (PCard) Use Policy

Pursuant to Minnesota Statutes § 471.382, the City may provide Procurement Cards (PCards) to employees that demonstrate a business rationale, such as frequent travel or routine purchasing. The City shall not issue a PCard for merely personal convenience of an employee.

Authorization

Consistent with the delegated authority of the City Administrator as the Chief Purchasing Agent, the City may only provide PCards upon the request of the respective Department Director. All PCard requests must be approved by the City Administrator prior to issuance. Only full-time regular employees shall be issued PCards. All PCards shall maintain the following limits, unless otherwise authorized by the City Administrator or their designee:

Staff Level/Position	Max Monthly Limit	Approval
Non-Management	\$1,000	Division Manager
Division Manager	\$5,000	Department Director
Department Director	\$10,000	City Administrator
City Administrator	\$25,000	Finance Director
Accounts Payable	\$50,000	Finance Director

User Guidelines and Rules

Each card holder will be responsible for ensuring that purchases made with their card comply with Minnesota Statutes, other sections of this Manual and this Procurement Card Use Policy.

All employees authorized to use a PCard shall review and sign an acknowledgement of the PCard Use Policy and a PCard User Agreement as provided by the financial institution issuing the PCard, which shall be retained by the Finance Department. The PCard User Agreement must also be signed by the applicable Department Director. The terms of the PCard User Agreement are considered a part of this Manual.

PCard shall be issued in the individual employee's name. The City shall not issue any generic or department-wide PCards, nor may any individual possess more than one PCard account.

Employees that do not possess a PCard shall not retain either physical possession of the PCard or electronic possession of the corresponding account information. All PCard use must be approved by the authorized PCard holder prior to any transaction. Personal use of the City issued PCard is prohibited.

It is the PCard holder's responsibility to safeguard the PCard (and corresponding account information) and protect it from theft and unauthorized use, including, but not limited to:

- Immediately reporting lost cards or unauthorized use to the PCard company as well as to the Finance Department;
- Not allowing any other person to use your assigned PCard;
- Not providing the PCard number to an individual or business to store for charging supplies or services;
- Promptly returning expired PCards to the Finance Department for destruction;
- Keeping the PCard in a secure location;
- Submitting the appropriate and requested documentation to support purchases and other activity in a timely fashion;
- Taking appropriate precautions when using the PCard to make purchases; and

- Returning PCard to the Finance Director upon termination.

The Finance Director, in their sole determination, may revoke the PCard for any reason. Improper use of the City's PCard may result in disciplinary action, and cardholders may be held personally responsible for unauthorized purchases, consistent with this Manual.

Documentation

The billing statement from the PCard issuer does not contain sufficient information to document a purchase made. Appropriate documentation is required for all purchases to verify compliance with this and other City policies.

A copy of the invoice or receipt for payment must be included to verify the amount charged on the PCard. Receipts from vendors that only list the total charged are not considered sufficient documentation. The receipt must identify each product or service purchased, shipping charges, and/or sales tax. A printed confirmation of an internet purchase may be sufficient to comply with this requirement. If an invoice is not immediately available, the invoice must be forwarded to the Finance Department as soon as possible. In lieu of an invoice or receipt as described above, the purchasers may sign an 'Affidavit in Lieu of Receipt' attesting to the purchase.

The City will not be responsible for any financing or interest charges accruing as a result of untimely submission of PCard receipts and transactions. In any instance where a product or service purchased with a City issued PCard is returned or cancelled, the transaction must be refunded to the PCard account.

Review and Payment

The PCard holder should sign and approve the overall monthly statement that shall constitute their approval of each individual charge or activity. The applicable supervisor shall review all aspects of the invoice and verifying the validity of the expenditure. The PCard holder and applicable supervisor shall also be responsible for providing the account coding and description of purchase so that expenditures are appropriately classified in the City's financial records. The applicable supervisor will authorize the expenditure for payment by including a date and signature or electronic approval.

All PCard statements will be reviewed by the Finance Department for compliance with this Manual and to ensure accurate accounting. Additional documentation may be requested from a PCard user to ensure such compliance.

The City will not use the PCard account for carrying any debt. The City shall make payment for the entire outstanding balance of the PCards and all PCard purchases shall be made through the City's normal vendor payment process.

No employees of the City shall use the PCard for cash advances or withdrawals. Under no circumstances may PCards be used by non-City employees.

Individual Vendor Procurement or Credit Cards

The City has established charge accounts with a handful of vendors to expedite the purchasing process with those respective vendors. With adoption of the Financial Management Policies, the City will shift away from such accounts and to the issuance of PCards. Thus, all such charge accounts are to be closed down upon the full implementation of the PCard program. Department Heads shall provide to the Finance Department a list of staff they identify as having a business need to possess and use a City

PCard; issuance (and removal) of PCards is subject to Finance Director approval. Charge accounts held by other establishments do not allow control at the City level, and can result in incorrect or non-City charges by others, including non-authorized City staff or non-City staff. Thus, for full financial control, only PCards will be used for future charge purchases.

Travel, Training and Reimbursement Policy

It is the purpose of this Travel and Training Policy to establish adequate internal controls to satisfy IRS regulations, GSA guidelines, State laws, and to provide a guide to prescribe circumstances for travel and training transactions, including reimbursements. This section of the Manual shall apply to all employees.

Guidelines

Generally, the City should apply the following expectations and guidelines when considering travel and training opportunities:

- Whether the employee will be receiving training on issues or topics relevant to the City, their specific job responsibilities, or reasonable promotional opportunity;
- Whether the employee will be meeting or networking with elected officials and/or government employees, both from Minnesota and other states, to exchange ideas on topics relevant to the City;
- Whether the employee will be viewing a facility or function that is similar in nature to one that is currently operating at, or under consideration, by the City where the purpose for the trip is to study the facility or function to return ideas for the consideration by the City;
- Whether the employee has been specifically assigned by the City Council and/or City Administrator to visit another government agency for the purpose of establishing a goodwill relationship, such as a “sister-city” relationship;
 - “Sister-city” expenditures are not supported by any statutory authority and the City shall only support such expenditure through donations or gifts by a third-party;
- Whether the employee has been specifically assigned by the City Council and/or City Administrator to testify on behalf of the City at the United States Congress or to otherwise meet with federal officials on behalf of the City; and
- Whether the City has sufficient budget authority available to pay for the cost of a trip.

The City shall also consider the following guidelines upon review of any request for travel or training expenditures:

- Efforts should be made to limit the number of employees from a single department that will attend a conference, institute, or training program to avoid excess expenditures;
- Travel and training funds should be utilized in an efficient manner in order to benefit the greatest number of employees possible;
- A demonstration of making essential contacts and/or obtaining significant information that is important to the improved operations and functions of City, and the respective department is essential prior to travel authorization;
- Out-of-state travel must be for a professional purpose and be included in the budget; and
- Employees are expected to utilize the same car when incurring official expenses that a prudent person would utilize if traveling on personal business.

Authorization

Given the limited resources of the City to support travel and training expenditures, all such costs should be included in an appropriate budget area prior to travel or training. All travel and training arrangements shall be approved at least 10 business days prior to any such commitments and/or expenditures, whenever possible. The City Administrator and the respective Department Director shall approve all travel and training activities.

Department Directors may authorize work time for non-exempt employees for travel out-of-area the day prior to, the day of, and the day following the convention or meeting date(s).

Travel Arrangements and Requirements

Employees shall travel using the most cost-effective and reasonable transportation alternatives. The section below outlines the expectations for the most common forms of transportation. All major travel and training expenditures must be made through a City-issued PCard, unless otherwise authorized by the Finance Director.

Commercial – Employees may travel in-state and out-of-area by commercial transportation when authorized.

- Air transportation shall be by coach class utilizing the advance reservation rates, when possible;
- Railroad accommodations shall be standard and shall include lower berth or roomette in case of overnight travel; and
- Bus transportation shall be reimbursed for the fare to and from the closest destination (i.e., bus stop) on the most direct route.

City or Personal Vehicle – When traveling in a City vehicle, for fuel purchases, employees should use a City assigned PCard whenever possible. Due to potential liability considerations, transportation of persons not on official City business is prohibited in City Vehicles.

When personal automobiles are used as a mode of transportation for travel, reimbursement will be reimbursed at the current IRS/GSA mileage reimbursement rate. Payment of mileage will be paid based on the shorter distance. This shall be either:

- The distance from worksite address to destination; or
- home address to destination.

The City is not responsible for damage to personal vehicles while on official business, as personal vehicles are not covered by the City's insurance policies.

Rental Vehicle – Prior approval by the Department Director is required if it is necessary to rent a vehicle at the travel destination. Pre-payment of a vehicle rental can be made using a PCard. No personal use of a rental vehicle shall be allowed.

Lodging – Hotel or motel accommodations should be appropriate to the purpose of the trip. Lodging should be chosen based on reasonableness of cost and proximity to the conference, meeting, or training site. Unless previously approved by the City Administrator, overnight stays within 45 miles of the City will not be reimbursed. The City Administrator, or their designee, shall approve the use of any short-term rental options (e.g., Airbnb, VRBO).

Each employee shall be allowed an individual single room. Detailed lodging receipts must be submitted for reimbursement as well as documentation for charges on a PCard. The receipts must include the nightly room rate and any incidental expenditures. Only incidental costs related to the room charges will be reimbursed. Expenditures that are not deemed reasonable and necessary will not be reimbursed (e.g., hotel room movies, health club fees, dry cleaning cost, personal item costs, use of the "mini-bar").

The individual department will make all arrangements for lodging. The PCard is the preferred method of payment. Distance from employee lodgings will be considered in order to minimize transportation

costs. Employees will retain payment receipts to submit to the Finance Department for reimbursement, if applicable.

International Travel – For domestic travel purposes, the IRS definition of the United States includes the 50 states and the District of Columbia. The purpose of travel outside the United States for City business must be for a professional purpose and should only be considered if a similar meeting, conference, or training of similar quality cannot be found within the continental limits of the United States.

International travel expenses for business related purposes are deductible, as outlined in the IRS Code Publication 463 (Travel Outside the United States) but may be limited if the travel involves non-business activities. Any travel outside the United States must be approved by the City Administrator.

Meal and Incidental Expenditures

The City in principle does not pay for meals and/or refreshments for the general public and/or vendors, and will use the utmost care as related to the expenditure of public funds. Funds will not be expended for any purpose which is specifically forbidden by Federal regulation, State law, City ordinances or policies. Expenditures made under this section shall be approved, authorized and documented according to established procedures.

For any expenditures related to elected officials, please refer to the separate policy.

For same-day travel, training or business meetings, meals will be reimbursed for the actual amount spent and will require an itemized receipt. The use of a PCard is encouraged, when possible. For meals involving multiple employees, the documentation provided for reimbursement or PCard documentation shall list all persons attending and participating in the meal(s). Additionally, the City shall not reimburse any personal expenditures, such as meals, from any petty cash funds as required by Minnesota Statutes § 412.271.

Expenditures associated with alcoholic beverages shall not be purchased with a PCard or reimbursed by the City, nor shall that City pay or reimburse for any activities associated with a political party or similar political activities. For additional guidance and related expenditures, please refer to the Public Purpose Expenditure Policy section of this Manual.

Per Diem – The per diem allowance is a daily payment for meals and related incidental expenses when overnight travel accommodations are necessary, in accordance with published federal per diem rates instead of receipt-based reimbursement. An employee may claim an amount not to exceed the allowable per diem rate in accordance with the Standard Federal Per Diem Rate schedule (Schedule) in effect at the time of travel. These rates are available at this web address:

<https://www.gsa.gov/travel/plan-book/per-diem-rates>.

A City assigned PCard may not be used to pay for meal and incidental expenditures when per diem is claimed. The per diem allowance is separate from lodging, transportation and other miscellaneous expenses. The per diem allowance covers all charges, including taxes and service charges where applicable for:

- **Meals** – Expenditures for breakfast, lunch, dinner and snacks as well as corresponding tips and taxes. For a City reimbursed meal, a tip shall not exceed 15%, and shall not be permissible if gratuity is already included in the bill.
 - In the event an approved training or conference event is more than one day in duration, the maximum reimbursement will not exceed the daily per diem rates set annually by the Schedule for meals and incidentals for the area of the conference or training.

- Per IRS regulation, the first and last calendar day of travel is calculated at 75% (e.g., if the daily Per Diem is \$50, then the days of travel are \$37.50).
 - When an event encompasses a full or partial day, the employees may spend the daily allowance among the applicable meals, at their discretion, unless meals are included as part of the event registration. In that case, the funds allotted for that meal cannot be used or reimbursed.
 - For partial days, the meal allowance will not exceed the amounts set annually by the Schedule for meals and incidentals separately for breakfast, lunch, or dinner.
 - Breakfast reimbursements may be claimed if the employee leaves their temporary or permanent work location before 8:00am or is away from home overnight.
 - Lunch reimbursements may be claimed if the employee is traveling more than a total of 45 miles away from their temporary or permanent work location or is away from home overnight.
 - Dinner reimbursements may be claimed only if the employee is away from their temporary or permanent work location until after 5:00pm or is away from home overnight.
 - Employees may occasionally be in the position of having to provide a meal for other persons who have official business with the City. In addition, receipts for these meals must include the name of each person attending the meal along with a description of the public purpose/benefit of the meeting.
- **Incidental Expenditures** – Fees for taxis (or similar services), parking, as well as reasonable tips for porters, baggage carriers, bellhop/hotel maid service, associated with travel while on official City business is included in the per diem as incidentals.

Advances and Reimbursements

The City will pay or reimburse for all travel and training costs that are both reasonable and necessary. In accordance with Minnesota Statutes and when a situation warrants it, a cash advance may be issued prior to departure with the approval of the Finance Director. Such requests will be considered an exception to normal procedures.

Only claims for accommodations and airfare actually incurred by the employee with corresponding documentation, such as itemized receipts or invoices shall be reimbursed. Payment of the reimbursement shall only be authorized upon approval of the travel Expenditure Report, which must be submitted after each travel or training event.

If an employee travels with their significant other and/or immediate family members on an official City business trip, the expenditures attributable to them (e.g., travel, meals, lodging) shall not be an authorized expenditure of the City nor shall they be subject to reimbursement. The City shall pay or reimburse travel and training expenditures at cost necessary to accommodate the employee only.

Travel must be by the most direct or normally traveled route unless approved in advance by the respective Department Director. Reimbursement will be limited to the cost of travel by direct route or on an uninterrupted basis, as determined by the Finance Department. The elected official or employee will be responsible for any additional cost exceeding the public purpose related expenditures.

Travel plans involving expenses that do not require overnight travel accommodations will be reimbursed based on actual cost substantiated by appropriate receipts. The employee is entitled to reimbursement

of meal expenses after submitting actual receipts. No reimbursement is authorized if meals are provided during the meeting or event. When available, the assigned City PCard should be used for these types of activities. This includes training or meetings within 45 miles from the City.

It shall be the responsibility of the elected official or employee to:

- Maintain accurate travel, training, and reimbursement records;
- Make a conscious effort to minimize expenses while maintaining a reasonable level of comfort and convenience; and
- Request reimbursement in an accurate and timely manner, typically 30 business days or less.

Employees who have announced their intention to resign or retire, involuntarily terminated, or in some disciplinary related status, will not be eligible for travel or training under this Travel, Training and Reimbursement Policy. The purposeful falsification of travel documents and expenditure reporting may result in disciplinary action, up to and including involuntary termination.

Personal Rebates and Rewards

Employees and elected officials shall not use their personal or private funds for travel and/or training related costs in an effort to accrue private benefit through rewards program and other incentives offered by their personal credit card(s). Additionally, the City shall not reimburse an employee for any expenditure originally made using rewards programs offered by their personal credit card (e.g., coupons, discounts, points, "frequent flyer miles").

Elected Officials

Similar to employees, this Travel, Training and Reimbursement Policy recognizes the need and value of elected officials to travel both in-state and out-of-state for official duties, such as conferences, events, trainings, and other assignments. Generally, elected officials shall be subject to the same rules and regulations applied to employees. However, elected officials shall also be subject to the following considerations, which are consistent with Minnesota Statute § 471.661.

Elected Officials Guidelines – The conference, event, training, workshop or other assignment shall be approved in advance by the City Administrator, and mentioned at an open, regularly scheduled meeting at least 10 business days before the occasion, and must include an estimate of the cost of the travel and training.

Within 30 days of their return from the travel and training, the elected official(s) shall make an oral report at an open, regular meeting of City Council regarding their activities. The elected official(s) shall also provide any information or materials obtained during the conference, event, training or workshop to the City Administrator for distribution to employees or the City Council upon request.

The City shall make payments in advance for airfare, lodging and registration as approved by the City Administrator. All other payments shall be made as reimbursement or per diem payments per the Schedule to the elected officials.

Elected officials who have announced their intention to resign, not to seek re-election, or who have been defeated in an election will not be eligible for travel or training under this Travel, Training and Reimbursement Policy. Unless duly noticed and authorized by the City Administrator, a quorum of the City Council shall not travel or train together.

The City Administrator may make exceptions to the Travel, training and Reimbursement Policy depending upon circumstances unique to the trip and/or elected officials and employee.

Surplus Donations

The City is committed to managing surplus property, such as used furniture and equipment, in a manner that is fiscally responsible, allows for options to reduce harmful environmental impacts, and promotes the City's philosophy of reduce-reuse-recycle. This Surplus Property Policy establishes a procedure for the sale or disposal of surplus equipment. It also facilitates the removal of surplus property, promotes alternative uses, and reduces the City's storage burden.

Any item disposed of in a manner designated to generate additional revenue (e.g., auction, trade-in) to support the cost of its replacement shall not be considered surplus equipment or property within the meaning of this section of the Manual.

This Surplus Property Policy is also in accordance with Minnesota Statutes Sections 15.054, 412.211, 471.345, and 471.3459. It applies to all City departments that generate Surplus Equipment and governs the actions of all elected officials and employees.

Procedure

The City shall identify and dispose of all Surplus Equipment and Surplus Property in conformance with the following guidelines.

- Identify Surplus Equipment, Department Directors are responsible for monitoring their equipment and shall identify and report all Surplus Equipment and Surplus Property to the City Administrator on an annual basis at a minimum.
- Determine the Fair Market Value of Surplus Equipment and Surplus Property. The City Administrator shall work with the City staff to determine the Fair Market Value of the Surplus Equipment and Surplus Property.
- Identify Surplus Equipment and Surplus Property Disposition Method. The City Administrator shall work with City staff to determine if Surplus Equipment and Surplus Property should be transferred, sold, donated, disposed of, recycled, or made available free of charge.
- Transfer – Prior to any disposition, all Surplus Equipment and Surplus Property must first be considered for transfer in the following manners:
 - Trade in the property toward the purchase of new property;
 - Transfer the property between departments for the benefit of the City; and
 - Transfer to another government entity through a state approved vendor or directly.
- Sale – If the Fair Market Value of the Surplus Equipment or Surplus Property is deemed greater than the cost to dispose of it or recycle it, the city may use applicable sources to allow for bidding and sale going to the highest bidder (e.g., public auction). If applicable, the City will determine the appropriate length of time an item may remain available for bidding based on the need to remove the equipment and personal property from the premises.
- Disposal – If the Fair Market Value of the Surplus Equipment or Surplus Property is deemed less than the cost to dispose of it or to recycle it, the City may solicit offers to acquire at no cost to the entity wanting to take possession. The City may use reasonable means to notify the general public about the availability of this Surplus Equipment or Surplus Property.
- Donation – The City may, but is not obligated to, donate Surplus Equipment. Only Surplus Equipment may be donated. Applicable Department Directors are responsible for coordinating the Donation of the Surplus Equipment in accordance with the terms of this Policy. Surplus Equipment that is not donated may be sold, recycled, or discarded at the discretion of the City Administrator but consistent with this Surplus Donation Policy.
- City Council Declaration – The City Administrator will forward a list of all Surplus Equipment regardless of Fair Market Value and Surplus Property with an estimated Fair Market Value of

\$25,000 or more to the City Council, which shall approve or deny the designation of the specific equipment as surplus and eligible for Donation or disposal pursuant to and in accordance with this Surplus Donation Policy.

- Advertisement of Surplus Equipment for Donation – Surplus Equipment shall be posted as available on the City’s website. The City may also use other reasonable means to notify Eligible Organizations about the availability of Surplus Equipment. The City shall wait at least 30 days after advertising Surplus Equipment before approving any Donation.
- Surplus Equipment Form – Eligible Organizations interested in Surplus Equipment shall fill out a Surplus Equipment Form and Submit the form to the City Administrator.
- Prioritization of Donations – If more than one Eligible Organizations requests a Donation for the same Surplus Equipment, the City shall consider factors it deems relevant including how the Surplus Equipment will be used, the benefit to the Eligible Organization, the impact on the City, how the Donation will accomplish goals of the City Council, and any previous Donation to the Eligible Organization.
- Conflict of Interest – All City employees and officials are prohibited from taking possession of any Surplus Equipment or Surplus Property for personal use or on behalf of an Eligible Organization.
- As Is – The exchange of Surplus Equipment and Surplus Property is made “as is” with no warranty, guarantee, or representation of any kind, express or implied, as to the condition, utility, or usability of the Surplus Equipment and Surplus Property offered. The Surplus Equipment and Surplus Property may be defective and cannot be relied on for safety purposes. The New Owner shall sign the Disclaimer of Warranties Form prior to acquiring Surplus Equipment and Surplus Property.
- Title – The City Administrator shall cause any title or other ownership documents to be transferred to the New Owner at the time of transfer. Any fees required for the transfer of the Surplus Equipment and/or Surplus Property are the responsibility of the New Owner.
- Transportation – The New Owner must provide a detailed plan for transporting the surplus Equipment and Surplus Property from the City. The New Owner must pay all expenses associated with the removal and transportation of the Surplus Equipment and Surplus Property.

The City Administrator may delegate specific responsibilities for implementing this Surplus Donation Policy. The City Clerk shall document the disposition of all Surplus Equipment and Surplus Property and shall keep such records in accordance with the City’s Records Retention Schedule.

Asset Forfeiture Policy

The City receives property and money through law enforcement seizures under Federal law 21USCS Section 881(e) and Minnesota Statutes, Sections 609.531-609.5317, and 169A.63. For inquiries or clarification, refer to these documents.

Municipal Liquor Store Donation Policy

The City, through North Branch Liquor, at the direction of the Liquor Operations Director or their designee, may support non-profit organizations whose primary objective is to promote the general health and well-being of the North Branch community consistent with public purpose expenditures authorized by State law and all applicable City rules or regulations.

Consistent with OSA Statement of Position No. 2007-1017 as amended, non-profit organizations formed under Section 501(c)(3) of the IRS Code, which also provide goods and/or services typically associated with a public purpose shall be eligible for a donation, including but not limited to:

- Artistic organizations;
- Historical causes;
- Animal shelters (or organizations for the prevention of cruelty);
- Food shelves;
- Senior and youth centers;
- Public recreation programs; and/or
- Community celebrations.

Support for such an organization, upon approval, shall take one or more of the following forms, which cannot be used by the organization itself or those coordinating the event:

- Through donation of merchandise that is commonly known as a “dealer loader” to be used for either a silent or live auction;
- Through assistance with a fundraising event that promotes the organization in general or for a specific fundraising need, as described below; and/or
- Through a discount price on purchase of products typically offered for sale at North Branch Liquor.

The organization(s) receiving the donation shall include North Branch Liquor, and its corresponding logo(s), in all forms of advertising and promotion of the event or occasion.

The City reserves the right to deny any request for a donation for any reason and in their sole discretion. If the City Administrator determines that any such request to be unlawful or in violation of the Manual or other City policies, the request shall be denied.

North Branch Liquor Event Participation

North Branch Liquor may participate in a fundraising activity or event for an eligible organization through one or more of the following formats:

- Assist the eligible organization with assembling a group of vendors to provide and pour samples of their products at a fundraising event;
- Coordinate with aforementioned vendors before and during the event to assure that the rules of the eligible organization, the City and applicable laws are followed; and assist with the logistics of hosting such an event;
- Provide support in age verification (i.e., carding) of attendees of the event;
- Provide advertising for the event through normal channels and frequencies, which may include: social media posts, in-store signage and e-mail “blasts” to North Branch Liquors e-mail list;
 - The e-mail addresses or any other information maintained by North Branch Liquor shall remain the property of the City and not distributed, communicated or disseminated to a third-party or another operating unit of the City for any reason whatsoever, consistent with the Minnesota Government Data Practices Act;
- North Branch Liquor will, upon agreement between the eligible organization and North Branch Liquor, sell or distribute tickets or other information in-store for the activity or event;
- North Branch Liquor will, upon agreement between the eligible organization and North Branch Liquor, assemble a tasting guide for the event, which will detail the item(s) involved, suggested retail price(s) and a place for tasting notes or other information;
 - Additional information or items may be added to the tasting guide at the discretion of both parties, which may include;

- Other supporters of the event;
- Description of the eligible organizations;
- The description or purpose of the event; and
- It will be the sole responsibility of the eligible organization to have the tasting guides and any other information, such as in-store signage, printed and available for distribution.

Support for any eligible organization, activity and/or event will be determined on a case-by-case basis, and upon an agreement between the eligible organization and the City acting on behalf of North Branch Liquor. The number of fundraising activities and/or events that North Branch Liquor will participate in may not exceed six events or a cost of \$5,000 annually, unless otherwise approved by the City Administrator.

Solicitations at North Branch Liquor

Solicitations by eligible organization for any purpose shall be limited to in-store signage, and shall not include any in-person activities on behalf of the eligible organization, activity or event, except for through the regular business of North Branch Liquor staff (i.e., mentioning the event to a patron during check-out).

North Branch Liquor may also allow an organization to fundraise through a point-of-sale transaction/donation, whereby the customer may be asked to “add a dollar” or some other amount to their purchase for an eligible cause and/or organization. Such requests may only be made by North Branch Liquor staff. North Branch Liquor may offer this service at its sole discretion.

Indemnification

Any party making use of a donation under this Municipal Liquor Store Donation Policy will agree to defend, Indemnify, and hold harmless the City, its officers, officials, employees and volunteers from and against any and all claims, suits, actions or liabilities for injury or death of any person, or for loss or damage to property, which arises out of the use of a donation, or from the conduct of the party’s business, or from any activity, work or thing done, permitted, or suffered by a party using a donation, except only such injury or damage as shall have been occasioned by the sole negligence of the City.

Revenue and Collection

Revenue Policy

The City will endeavor to maintain a diversified and stable revenue system to shelter it from annual fluctuations in any one revenue source.

In order to maintain a stable and predictable tax base, the City shall support a mix of commercial, industrial, and residential development.

The City shall establish all user charges and fees for all applicable funds and activities. It shall recoup estimated or actual costs at the full amount for providing the goods or services. In order to determine the appropriate user charge or fee, the City shall consider various sources:

- Internal cost review and study;
- Market rates and structures; and
- Statutory requirements or case law established by the Minnesota Judicial Branch.

The City will establish all user charges and fees for General Fund program activities at a level related to the full cost of providing the services, or as adjusted for particular program goals. The City will review the full cost of activities supported by user fees to identify the impact of inflation and other cost increases and will review these fees along with the resulting net property tax costs with the City Council at budget time. The Finance Director shall determine what defines and constitutes full cost.

The City shall annually review and adopt, via ordinance, a Comprehensive Fee Schedule, which shall be effective January 1 of each year. It shall provide for all of the various user charges and fees authorized by the City Council. If a user fee or charge has not been established by the Comprehensive Fee Schedule, the Finance Director shall determine the actual cost for providing the good or service, and assign the charge(s) and/or fee(s) accordingly.

Enterprise Funds

For the Enterprise Funds, the City shall set user charges and fees at a level that fully supports the total direct and indirect costs of the activity, including depreciation of capital assets and debt service, to ensure positive and stable cash flows, and provide for adequate working capital. Any capital costs and/or debt service for any particular activity shall be supported by the applicable Enterprise Fund. The City shall conduct external reviews of the user charges and fees associated with the public utilities at least every five years.

Any interfund loans and/or transfers from the Enterprise Funds to another City-controlled fund must be authorized by the City Council. Such interfund loans and transfers shall only be authorized on an exceptional basis and to fund unusual or extraordinary expenditures. The City may not authorize such transfers or interfund loans in consecutive years from the same Enterprise Fund.

The Municipal Liquor Stores, and the associated Enterprise Fund, shall be regarded as entrepreneurial in nature. The intent of these activities shall be to maximize revenues to the extent the market allows, which permits it to support other areas of the City financially, such as capital equipment purchases and park improvements.

Intergovernmental Revenues

Intergovernmental revenues, such as Local Government Aid and Municipal State Aid, are beyond the direct control of the City and shall be relied upon conservatively to support ongoing operations and

activities. Since these revenues occur on a consistent and regular basis, they shall be accounted for in the annual budget process. Any intergovernmental revenues in excess of this amount shall be directed to the CIP or other one-time expenditures.

The City will strive to eliminate the use of Local Government Aid as a source of funding for the annual, operating budget.

Grant Revenue or Funding

From time to time, the City or its component units may receive grants or similar awards to support the cost of certain activities, projects and/or programs. The City Administrator may administratively accept such financial awards or grants assuming they do not require a budget amendment as outlined in other sections of this Manual, specifically the Operating Budget and Capital Investment Program policies.

Public Utilities Revenue and Remittance Policy

Generally, in order to ensure payment of user charges and fees, the City utilizes special assessments for applicable, unpaid portions of a public utility bill or invoice. The procedures and additional costs associated with these and other situations are outlined in greater detail in the City Policy.

In order to ensure the timely and accurate payment of user charges and fees associated with the public utilities owned and operated by the City, the City shall utilize the following protocols and procedures.

Discontinuance of Services

The City reserves the right to discontinue public utility services without notice for necessary repairs, additional connections or reconnections and non-payment of user charges and/or fees. However, before disconnection, the City will attempt to notify the customer by:

- calling the phone number on the account twice,
- placing a door hanger on the doorknob at the service address, and/or
- emailing the email address on account.

The City will generally refrain from discontinuance in the event of non-payment and assess all applicable user charges, fees and penalties if the account is less than 60 days or less than \$50. If the account exceeds both of these criteria, and is not caught up to date in a timely manner, the service will be discontinued until arrangements have been made.

However, the City may discontinue services for its public utilities in the following circumstances:

- Vacant properties;
- Properties already disconnected from electric and/or gas utilities;
- Properties where the owners failed to respond to multiple maintenance requests;
- Properties presenting the potential of a backflow condition that may contaminate the public water system; and
- Properties presenting an emergency (e.g., significant damage) where the disconnection will preserve the safety and well-being of the property and/or public.

Prior to the disconnection of any public utility services, the City shall provide notice to the property owner of record at least 15 days prior to any action, unless an emergency prevents such a notice. The notice shall include an opportunity to discuss the pending action, and possible steps to prevent disconnection, if appropriate. The Finance Director, or their designee, shall act on behalf of the City, and

shall have the authority necessary to correct or otherwise resolve any payment concerns or issues, such as a repayment plan or other alternative.

User Charges and Fees

For the purposes of adjusting or modifying, including a dispute by a system user, the City shall adhere to the following standards, practices, and policy. The Finance Director, or their designee, shall administer and interpret this section.

Adjustment – If an adjustment may be required as the result of an error made by the City, a credit will be applied to the account in question. The City shall not issue refund payments directly, unless authorized by the Finance Director, or their designee. The City shall review up to three years of account activity to determine any adjustments.

In the event of an “under charged” account, the City may seek to recover its costs for up to the previous three years. When possible, the City will determine the recovery amount based on the user charges and fees in effect during the billing period(s) in question. The City will allow the account to repay the recovery amount in no more than three years, pursuant to a written repayment agreement. Per Minnesota Statute § 216B.098, a public gas and electric utility may not charge interest during a repayment period, and the City shall apply that standard to all of its public utilities.

In the event of an “over charged” account, the City will determine the need for an adjustment based on the last actual water meter reading for up to the previous three years. In the event of an adjustment, the City will return the over charged amount with interest using an interest rate determined by the Finance Director at the time of repayment. If the City or system user cannot demonstrate with certainty that a meter has not “rolled over”, stopped, been tampered with or any other similar situation, the City will not adjust the billing amount.

In the event the City authorizes a refund, it shall not be applied to the account until at least seven banking days after the applicable deposit of payment or activity in question, unless otherwise authorized by the Finance Director, or their designee.

No employee may unilaterally adjust or “write-off” their individual account(s) or their friends and/or family members. The employee shall report to the Finance Director, or their designee, any concerns or issues regarding their account(s) or the account(s) of their friends and/or family members – the Finance Director, or their designee, shall report the same situation to the City Administrator. Any unilateral action by any employee concerning themselves or their friends and/or family members may result in disciplinary action, up to and including involuntary termination.

Leaks and Summer Use – It shall be the responsibility of the property owner to inform the City of a water leak or similar event. Refer to the “Excessive Water Usage Credit Policy”. For a sewer credit related to a pool fill, leaks, or summer use, email pictures of the meter before and after the pool fill occurs. This should include:

1. Pictures of the start and end meter reads including start time/date and end time/date.
2. Pictures of the filled pool along with pool dimensions.

Credit will be applied at the discretion of the Public Works Director, or their designee, after the subsequent meter read.

Contested Bill or Invoice – If a customer wishes to formally contest their bill, invoice or the response of the City, they must submit their request in writing, including:

1. A description of the situation;
2. Their specific request; and
3. Their rationale for it.

The Finance Director, or their designee, shall review the request and provide a written response within 10 business days.

The determination of the Finance Director, or their designee, may be reviewed upon written appeal to the City Administrator. Any such appeal must be received within five business days and include a rationale for the appeal. The City Administrator shall review the appeal and provide a written determination within 10 business days. As the official representative of the City's utilities, the decision of the City Administrator shall be final.

Any unpaid portions of a contested public utility bill or invoice may be assessed to the property in question consistent with Minnesota Statute § 444.075. The City shall provide any party or property subject to such an assessment with at least 30 days of notice prior to the certification of the outstanding charges and fees to the County Auditor.

Penalties – The City shall only remove one penalty or similar charge per account holder, unless otherwise authorized by the Finance Director, or their designee.

Finalized Accounts – In the event of a discontinuation of service, any account balances will be reduced to zero (i.e., \$0.00). The City will make a reasonable attempt to collect any outstanding balances, including through special assessments, before writing-off an account balance. Any credits or credit balances shall be processed monthly. Any exception must be authorized by the Finance Director, or their designee.

Title Inquiries – Any request of a title company or similar organization with respect to the outstanding public utility charges and fees shall be responded to in order of closing date. These requests will be completed only once and as reasonably close to the closing date as possible.

Meter Installation – The City may provide a reasonable repayment schedule for costs associated with the replacement of a meter with a diameter of 1.5" or larger. The Finance Director, or their designee, shall determine the structure and interest rate for such repayment schedules. However, no repayment schedule shall exceed one year.

In the event that the customer fails to make timely payments consistent with an authorized repayment schedule, the entire amount, including any unpaid principal and accrued interest, shall become immediately payable and subject to the other sections of this Public Utilities Revenue and Remittance Policy, including the assessment of any unpaid charges and fees at the discretion of the City Council.

Other – Generally, the City will consider special assessments as a means for remittance on at least an annual basis.

Adoption and Implementation

Interpretation Policy

The City Administrator or their designee, may waive any section of this Manual, if doing so would not violate any applicable sections of the City ordinances, State and/or Federal laws, or resolutions adopted by the City Council. Waiver of any particular policy or section does not constitute a waiver for the entire Manual and the City Administrator, or their designee, may end such waivers at their sole discretion.

Apart from this Manual, certain activities and programs are also regulated by the Employee Handbook (Handbook) for non-unionized employees and Collective Bargaining Agreements (CBAs) for unionized employees. In any event when this Manual conflicts with either document, the respective CBA or Handbook shall control, unless such deference would violate applicable sections of the City resolutions, ordinances, or State and/or Federal laws.

Discipline

Violation of this Manual or its corresponding regulations, incorporated herein by reference, by an employee, may result in disciplinary action, consistent with the procedures outlined in the Handbook, up to and including involuntary termination.

Adoption

This Manual shall be adopted by resolution of the City Council and any applicable component units. It shall also be reviewed by staff on an ongoing basis and any administrative modifications shall be approved by the City Administrator, including:

- Changes related to applicable laws and regulations;
- Subsequent actions of the City Council;
- Clerical errors; and
- Revisions to clarify but not change the intent of the Manual.

The City Administrator shall notify the City Council or the governing body of a component unit, in writing, of any administrative changes or modifications at least 10 days prior to any such revisions to this Manual. All other modifications shall be approved by the City Council or the governing body of a component unit.

This North Branch Financial Management Policy shall supersede all prior financial policies.

Adoption

Approved and adopted by the City Council on _____ effective _____.

Administrative Revisions

None at this time.

City Council Amendments

None at this time.



Prepared By:
Shawn Williams, Public Works Director
Presenter: Shawn Williams, Public Works Director
Date: 06/06/2024

Board & Commission: City Council

Subject: Resolution R-66-2024 Approving Pay Request No. 4 for the Highway 95 Water Main Replacement Project

The Hwy. 95 Water main replacement project is under way and the contractor, Bituminous Roadways Inc. has submitted pay request #4 in the amount of \$592,489.23 for this project. All quantities and pricing for this pay request have been verified by WSB, the city engineer, as accurate. The project is going well and is on schedule with stage 3 of 3 of the project timeline. The project is ahead of schedule by one month, and we are looking at the end of July for substantial completion, weather pending.....

Project Background:

The former Water and Light Commission approved this project at their February 15, 2023 meeting. The water main in Hwy. 95 is the original 6 inch cast iron pipe installed when North Branch Water and Light created the public water supply for the town in approximately the late 1940s and early 50's. At 73 years of age, the pipe has more than served its life expectancy and is time for replacement. There have been numerous breaks over the years, and it is in the utilities capital plan for replacement. The first step in the process is to authorize preparation of plans and specifications and approve a contract with the City's Engineering Firm WSB for the design and construction services. This will include an updated engineer's estimate for the project based on the best installation method, and a detailed timeline for the project.

Plans, specifications and authorization to advertise for bids were approved at the October 18th, 2023 meeting. Bids were received for the above referenced project on Thursday, November 9th, 2023 and were opened and read aloud. Five bids were received and are listed in the table below for your reference. The bids were verified for accuracy and the low bid was from Bituminous Roadways Inc. of Mendota Heights, MN. The engineers estimate for this project was \$3,207,748.50. The project would be awarded this fall with an early 2024 start of mid to end of May, the definitive date will be determined once we have

the pre-construction meeting with the contractor after notice of award has been given.

Contractor	Grand Total Bid
Bituminous Roadways, Inc.	\$3,089,821.85
Minger Construction Co. Inc.	\$3,329,649.70
Northdale Construction Company	\$3,346,725.98
Geislinger and Sons	\$3,416,860.45
Meyer Contracting Inc	\$3,558,265.51

<i>Engineers Opinion of Construction Cost</i>	<i>\$3,207,748.50</i>
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Voting Requirements:

Voting Options	Simple Majority
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STATE OF MINNESOTA

COUNTY OF CHISAGO

CITY OF NORTH BRANCH

CITY COUNCIL RESOLUTION NO. R-66-2024

WHEREAS, the North Branch Water and Light Commission approved preparation of plans and specifications and ordering advertisement for bids for the 2023 Watermain Improvements-TH95 Project at their October 18th, 2023 meeting and Bituminous Roadways, Inc. is the lowest responsive bidder with their bid in the amount of \$3,089,821.85, and

WHEREAS, the contractor Bituminous Roadways Inc. has submitted pay request #4 in the amount of \$592,489.23 for this project. The quantities completed have been verified by WSB the city engineer, and agreed upon with the contractor as accurate for this request.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF NORTH BRANCH OF NORTH BRANCH, MINNESOTA, that the pay request #1 to Bituminous Roads Inc. is approved as presented for the amount of \$592,489.23.



July 3, 2024

Mr. Shawn Williams
City of North Branch
6408 Elm Street
North Branch, MN 55056

Re: TH 95 Watermain Improvement Project
City of North Branch, MN
WSB Project No. 022542-000

Dear Mr. Williams:

Please find enclosed Construction Pay Voucher No. 4 for the above referenced project in the amount of \$592,489.23. The quantities completed to date have been reviewed and agreed upon by the contractor, and we hereby recommend that the City of North Branch approve Construction Pay Voucher No. 4 for Bituminous Roadways, Inc.

The amount indicated above reflects work certified through July 1, 2024, with a 5% retainage applied. Please include one executed copy with the payment to Bituminous Roadway, Inc. and return one executed copy to our office for our file. If you have any questions or comments regarding this voucher, please contact me at 612.388.9652. Thank you.

Sincerely,

WSB

Justin Messner, PE
Director of Municipal Services

Attachments

Handwritten notes in red ink:
HW 95- Water main Project
615-00000-16500
S.W.
7-2-24

Client: City of North Branch 6408 Elm Street North Branch, MN 55056-0910	Contractor: Bituminous Roadways, Inc. 1520 Commerce Drive Mendota Heights, MN 55120
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WSB Project No.: 022542-000
Client Project No.:
State Project No.:
Federal Project No.:

Contract Amount		Funds Encumbered	
Original Contract	\$3,089,821.85	Original	\$3,089,821.85
Contract Changes	(\$6,366.92)	Additional	N/A
Revised Contract	\$3,083,454.93	Total	\$3,089,821.85

Work Certified To Date	
Base Bid Items	\$1,574,638.57
Contract Changes	\$214,137.23
Material On Hand	\$0.00
Total	\$1,788,775.80

Work Certified This Voucher	Work Certified To Date	Less Amount Retained	Less Previous Payments	Amount Paid This Voucher	Total Amount Paid To Date
\$623,672.87	\$1,788,775.80	\$89,438.79	\$1,106,847.78	\$592,489.23	\$1,699,337.01
Percent Retained: 5%			Percent Complete: 58.01%		

This is to certify that the items of work shown in this Pay Voucher have been actually furnished for the work comprising the above-mentioned project in accordance with the plans and specifications heretofore approved.

Approved By WSB

Signature



July 3, 2024

Date

Approved By Bituminous Roadways, Inc.

Signature



July 3, 2024

Date

Approved By City of North Branch

Signature

Date

Payment Summary				
No.	Up Through Date	Work Certified Per Voucher	Amount Retained Per Voucher	Amount Paid Per Voucher
1	04/01/24	\$176,490.00	\$8,824.50	\$167,665.50
2	04/28/24	\$385,171.70	\$19,258.59	\$365,913.11
3	06/04/24	\$603,441.23	\$30,172.06	\$573,269.17
4	07/01/24	\$623,672.87	\$31,183.64	\$592,489.23

Funding Category Name	Work Certified To Date	Less Amount Retained	Less Previous Payments	Amount Paid This Voucher	Total Amount Paid To Date
local	\$1,788,775.80	\$89,438.79	\$1,106,847.78	\$592,489.23	\$1,699,337.01

Accounting Number	Funding Source	Amount Paid This Voucher	Revised Contract Amount	Funds Encumbered To Date	Paid Contractor To Date
1	Local	\$592,489.23	\$3,083,454.93	\$3,089,821.85	\$1,699,337.01

Contract Item Status									
Line No.	Item	Description	Unit	Unit Price	Contract Quantity	Quantity This Voucher	Amount This Voucher	Quantity To Date	Amount To Date
1	2021.501	MOBILIZATION	LS	\$94,500.00	1	0	\$0.00	0.5	\$47,250.00
2	2101.502	CLEARING	EACH	\$295.00	7	0	\$0.00	6	\$1,770.00
3	2101.502	GRUBBING	EACH	\$943.00	7	0	\$0.00	6	\$5,658.00
4	2102.503	PAVEMENT MARKING REMOVAL	L F	\$1.15	600	553	\$635.95	553	\$635.95
5	2104.502	REMOVE GATE VALVE & BOX	EACH	\$207.00	12	3	\$621.00	16	\$3,312.00
6	2104.502	REMOVE CURB STOP & BOX	EACH	\$207.00	45	22	\$4,554.00	32	\$6,624.00
7	2104.502	REMOVE HYDRANT	EACH	\$330.00	8	1	\$330.00	5	\$1,650.00
8	2104.502	REMOVE DRAINAGE STRUCTURE	EACH	\$347.00	1	0	\$0.00	2	\$694.00
9	2104.502	SALVAGE SIGN	EACH	\$118.00	8	0	\$0.00	4	\$472.00
10	2104.503	SAWING CONCRETE PAVEMENT (FULL DEPTH)	L F	\$6.00	130	0	\$0.00	48	\$288.00
11	2104.503	SAWING BIT PAVEMENT (FULL DEPTH)	L F	\$2.00	4570	311	\$622.00	1734	\$3,468.00
12	2104.503	REMOVE WATER MAIN	L F	\$4.00	1380	161.5	\$646.00	490.5	\$1,962.00
13	2104.503	REMOVE SEWER PIPE (STORM)	L F	\$10.00	288	0	\$0.00	392	\$3,920.00
14	2104.503	REMOVE CURB	L F	\$12.50	640	0	\$0.00	0	\$0.00
15	2104.503	REMOVE CURB & GUTTER	L F	\$12.50	1400	1337	\$16,712.50	2486	\$31,075.00
16	2104.503	REMOVE WATER SERVICE PIPE	L F	\$2.00	980	353	\$706.00	635	\$1,270.00

Contract Item Status									
Line No.	Item	Description	Unit	Unit Price	Contract Quantity	Quantity This Voucher	Amount This Voucher	Quantity To Date	Amount To Date
17	2104.504	REMOVE CONCRETE DRIVEWAY PAVEMENT	S Y	\$21.00	130	54	\$1,134.00	100.7	\$2,114.70
18	2104.504	REMOVE CONCRETE PAVEMENT	S Y	\$19.00	110	0	\$0.00	6	\$114.00
19	2104.504	REMOVE BITUMINOUS DRIVEWAY PAVEMENT	S Y	\$15.00	130	60	\$900.00	90	\$1,350.00
20	2104.504	REMOVE BITUMINOUS PAVEMENT	S Y	\$9.25	7070	700.43	\$6,478.98	4837.43	\$44,746.23
21	2104.518	REMOVE CONCRETE WALK	S F	\$2.00	12030	5806	\$11,612.00	12342	\$24,684.00
22	2106.507	EXCAVATION - COMMON	C Y	\$47.00	1600	620	\$29,140.00	1060	\$49,820.00
23	2106.507	EXCAVATION - SUBGRADE	C Y	\$55.50	330	36	\$1,998.00	36	\$1,998.00
24	2106.507	SELECT GRANULAR EMBANKMENT (CV)	C Y	\$33.00	330	27.2	\$897.60	27.2	\$897.60
25	2106.601	DEWATERING	LS	\$122,000.00	1	0.6	\$73,200.00	0.8	\$97,600.00
26	2112.604	SUBGRADE PREPARATION	S Y	\$3.00	7070	2713	\$8,139.00	4467.88	\$13,403.64
27	2123.610	STREET SWEEPER (WITH PICKUP BROOM)	HOURL	\$180.00	120	3.75	\$675.00	6	\$1,080.00
28	2123.610	UTILITY CREW	HOURL	\$1,060.00	20	10	\$10,600.00	17.75	\$18,815.00
29	2130.523	WATER (DUST CONTROL)	MGAL	\$104.00	60	0	\$0.00	0	\$0.00
30	2211.509	AGGREGATE BASE CLASS 5	TON	\$32.00	2970	1078	\$34,496.00	1746.4	\$55,884.80
31	2331.603	JOINT ADHESIVE	L F	\$0.90	6820	0	\$0.00	0	\$0.00
32	2357.506	BITUMINOUS MATERIAL FOR TACK COAT	GAL	\$1.00	1220	100	\$100.00	325	\$325.00
33	2360.504	TYPE SP 9.5 WEAR CRS MIX(2,C) 3.0" THICK	S Y	\$40.00	130	0	\$0.00	0	\$0.00
34	2360.509	TYPE SP 12.5 WEARING COURSE MIX (3,C)	TON	\$106.00	3680	251.41	\$26,649.46	979.27	\$103,802.62
35	2503.503	12" RC PIPE SEWER DES 3006 CL V	L F	\$98.50	34	0	\$0.00	0	\$0.00
36	2503.503	15" RC PIPE SEWER DES 3006 CL V	L F	\$70.00	84	0	\$0.00	38.5	\$2,695.00
37	2503.503	24" RC PIPE SEWER DES 3006 CL IV	L F	\$138.00	40	0	\$0.00	0	\$0.00
38	2503.503	33" RC PIPE SEWER DES 3006 CL III	L F	\$387.00	18	0	\$0.00	0	\$0.00
39	2503.602	RECONNECT SANITARY SEWER SERVICE	EACH	\$2,385.00	10	5	\$11,925.00	9	\$21,465.00
40	2503.602	CONNECT TO EXISTING STORM SEWER	EACH	\$778.00	10	0	\$0.00	9	\$7,002.00

Contract Item Status									
Line No.	Item	Description	Unit	Unit Price	Contract Quantity	Quantity This Voucher	Amount This Voucher	Quantity To Date	Amount To Date
41	2503.602	CONNECT INTO EXISTING DRAINAGE STRUCTURE	EACH	\$1,130.00	8	0	\$0.00	1	\$1,130.00
42	2503.603	TELEWISE SANITARY SEWER	L F	\$4.00	5800	0	\$0.00	1060	\$4,240.00
43	2503.608	DUCTILE IRON FITTINGS	LB	\$17.00	1680	563	\$9,571.00	2733	\$46,461.00
44	2504.503	2" TYPE K COPPER PIPE (BORING)	LF	\$123.00	0	0	\$0.00	0	\$0.00
45	2504.601	TEMPORARY WATER SERVICE	LS	\$62,910.00	1	0	\$0.00	0.66	\$41,520.60
46	2504.602	IRRIGATION SYSTEM REPAIR	EACH	\$353.00	10	0	\$0.00	6	\$2,118.00
47	2504.602	CONNECT TO EXISTING WATER MAIN	EACH	\$2,455.00	10	2	\$4,910.00	9	\$22,095.00
48	2504.602	CONNECT TO EXISTING WATER SERVICE	EACH	\$281.00	0	0	\$0.00	0	\$0.00
49	2504.602	HYDRANT	EACH	\$8,705.00	9	1	\$8,705.00	6	\$52,230.00
50	2504.602	ABANDON WATER SERVICE	EACH	\$1,240.00	1	0	\$0.00	0	\$0.00
51	2504.602	1" CORPORATION STOP	EACH	\$777.00	0	0	\$0.00	0	\$0.00
52	2504.602	2" CORPORATION STOP	EACH	\$1,735.00	0	0	\$0.00	0	\$0.00
53	2504.602	6" GATE VALVE & BOX	EACH	\$3,055.00	14	3	\$9,165.00	12	\$36,660.00
54	2504.602	8" GATE VALVE & BOX	EACH	\$4,005.00	16	1	\$4,005.00	12	\$48,060.00
55	2504.602	10" GATE VALVE & BOX	EACH	\$5,720.00	2	0	\$0.00	2	\$11,440.00
56	2504.602	1" CURB STOP & BOX	EACH	\$1,000.00	0	0	\$0.00	0	\$0.00
57	2504.602	2" CURB STOP & BOX	EACH	\$2,070.00	0	0	\$0.00	0	\$0.00
58	2504.603	1" TYPE K COPPER PIPE (BORING)	LF	\$106.00	0	0	\$0.00	0	\$0.00
59	2504.603	8" PVC WATERMAIN (PIPE BURSTING)	LF	\$88.50	2191	1311	\$116,023.50	3161	\$279,748.50
60	2504.603	1" TYPE K COPPER PIPE	L F	\$104.00	0	0	\$0.00	0	\$0.00
61	2504.603	2" TYPE K COPPER PIPE	L F	\$121.00	0	0	\$0.00	0	\$0.00
62	2504.603	6" WATERMAIN DUCTILE IRON CL 52	L F	\$101.00	290	83	\$8,383.00	284.5	\$28,734.50
63	2504.603	10" WATERMAIN DUCTILE IRON CL 52	L F	\$103.00	40	0	\$0.00	48.5	\$4,995.50
64	2504.603	8" PVC WATERMAIN	L F	\$88.50	1408	47	\$4,159.50	301.5	\$26,682.75

Contract Item Status									
Line No.	Item	Description	Unit	Unit Price	Contract Quantity	Quantity This Voucher	Amount This Voucher	Quantity To Date	Amount To Date
65	2504.603	8" PVC WATERMAIN (DIRECTIONAL DRILLED)	L F	\$95.00	458	0	\$0.00	540	\$51,300.00
66	2504.603	18" STEEL CASING PIPE	L F	\$449.00	160	0	\$0.00	0	\$0.00
67	2504.604	4" POLYSTYRENE INSULATION	S Y	\$75.00	100	48	\$3,600.00	70.62	\$5,296.50
68	2506.502	ADJUST FRAME & RING CASTING	EACH	\$1,065.00	13	0	\$0.00	5	\$5,325.00
69	2506.503	CONSTRUCT DRAINAGE STRUCTURE DESIGN 60-4020	LF	\$1,360.00	4.4	0	\$0.00	8	\$10,880.00
70	2519.507	CLSM LOW DENSITY	C Y	\$306.00	90	0	\$0.00	0	\$0.00
71	2521.518	4" CONCRETE WALK	S F	\$10.00	9590	3884	\$38,840.00	5122	\$51,220.00
72	2521.518	6" CONCRETE WALK	S F	\$15.50	2300	438	\$6,789.00	910	\$14,105.00
73	2531.503	CONCRETE CURB & GUTTER DESIGN B618	L F	\$37.50	1080	786	\$29,475.00	1006	\$37,725.00
74	2531.503	CONCRETE CURB & GUTTER DESIGN B624	L F	\$41.00	320	0	\$0.00	168	\$6,888.00
75	2531.503	CONCRETE CURB DESIGN V4	L F	\$44.00	640	0	\$0.00	0	\$0.00
76	2531.504	6" CONCRETE DRIVEWAY PAVEMENT	S Y	\$95.00	70	0	\$0.00	0	\$0.00
77	2531.504	8" CONCRETE DRIVEWAY PAVEMENT	S Y	\$110.00	60	0	\$0.00	47	\$5,170.00
78	2531.604	7" CONCRETE VALLEY GUTTER	S Y	\$177.00	110	0	\$0.00	0	\$0.00
79	2531.618	TRUNCATED DOMES	SF	\$70.50	240	54	\$3,807.00	120	\$8,460.00
80	2545.602	ADJUST HANDHOLE	EACH	\$1,265.00	1	0	\$0.00	0	\$0.00
81	2563.601	TRAFFIC CONTROL	LS	\$60,320.00	1	0	\$0.00	0.7	\$42,224.00
82	2563.601	ALTERNATE PEDESTRIAN ROUTE	LS	\$7,895.00	1	0	\$0.00	0	\$0.00
83	2563.613	PORTABLE CHANGEABLE MESSAGE SIGN	UNIT DAY	\$147.00	48	42	\$6,174.00	42	\$6,174.00
84	2564.602	INSTALL SALVAGED SIGN	EACH	\$177.00	8	0	\$0.00	2	\$354.00
85	2565.602	RIGID PVC LOOP DETECTOR 6'X6'	EACH	\$1,515.00	7	0	\$0.00	0	\$0.00
86	2565.616	TEMPORARY SIGNAL SYSTEM A	SYS	\$140,000.00	1	0	\$0.00	0	\$0.00
87	2565.616	TEMPORARY SIGNAL SYSTEM C	SYS	\$138,500.00	1	0	\$0.00	1	\$138,500.00
88	2573.501	STABILIZED CONSTRUCTION EXIT	LS	\$1,395.00	1	0	\$0.00	0	\$0.00

Contract Item Status									
Line No.	Item	Description	Unit	Unit Price	Contract Quantity	Quantity This Voucher	Amount This Voucher	Quantity To Date	Amount To Date
89	2573.502	STORM DRAIN INLET PROTECTION	EACH	\$252.00	40	0	\$0.00	29	\$7,308.00
90	2573.503	SILT FENCE, TYPE MS	L F	\$2.50	500	0	\$0.00	0	\$0.00
91	2573.503	SEDIMENT CONTROL LOG TYPE WOOD FIBER	L F	\$2.50	3360	0	\$0.00	500	\$1,250.00
92	2574.507	COMMON TOPSOIL BORROW	C Y	\$53.50	430	0	\$0.00	40.25	\$2,153.38
93	2574.508	FERTILIZER TYPE 3	LB	\$1.00	110	50	\$50.00	50	\$50.00
94	2575.504	ROLLED EROSION PREVENTION CATEGORY 20	S Y	\$4.00	200	0	\$0.00	0	\$0.00
95	2575.505	SEEDING	ACRE	\$295.00	1.05	0	\$0.00	0	\$0.00
96	2575.508	SEED MIXTURE 21-111	LB	\$1.00	60	0	\$0.00	0	\$0.00
97	2575.508	SEED MIXTURE 21-112	LB	\$1.00	60	0	\$0.00	0	\$0.00
98	2575.508	SEED MIXTURE 25-151	LB	\$5.00	70	0	\$0.00	50	\$250.00
99	2575.508	HYDRAULIC STABILIZED FIBER MATRIX	LB	\$2.00	3130	0	\$0.00	200	\$400.00
100	2575.523	WATER	MGAL	\$177.00	50	0	\$0.00	0	\$0.00
101	2582.503	4" DOUBLE SOLID LINE MULTI COMPONENT	L F	\$1.50	1510	0	\$0.00	0	\$0.00
102	2582.503	4" SOLID LINE PAINT (WR)	L F	\$0.30	20570	0	\$0.00	15557	\$4,667.10
103	2582.503	6" SOLID LINE PAINT (WR)	L F	\$0.90	660	0	\$0.00	610	\$549.00
104	2582.503	4" DBLE SOLID LINE PAINT (WR)	L F	\$0.70	11333	701	\$490.70	9146	\$6,402.20
105	2582.503	4" SOLID LINE MULTI COMP	L F	\$0.70	2810	0	\$0.00	840	\$588.00
106	2582.503	4" BROKEN LINE MULTI COMP	L F	\$0.70	120	0	\$0.00	70	\$49.00
107	2582.518	PAVT MSSG MULTI COMP GR IN	S F	\$14.00	90	0	\$0.00	62	\$868.00
108	2582.518	CROSSWALK MULTI COMP GR IN	S F	\$10.00	2170	0	\$0.00	252	\$2,520.00
109	2104.601	SALVAGE AND REINSTALL LANDSCAPE STRUCTURES	L S	\$3,000.00	1	0	\$0.00	0	\$0.00
Bid Totals:							\$496,920.19		\$1,574,638.57

Project Category Totals		
Category	Amount This Voucher	Amount To Date
SCHEDULE A. WATERMAIN IMPROVEMENTS	\$496,920.19	\$1,574,638.57
SCHEDULE B. PROVISIONAL ITEMS	\$0.00	\$0.00

Contract Change Item Status											
CC	CC No.	Line No.	Item	Description	Units	Unit Price	Contract Quantity	Quantity This Voucher	Amount This Voucher	Quantity To Date	Amount To Date
CO	1	110	2563.601	ADDITIONAL TRAFFIC CONTROL	LS	\$4,312.50	1	0	\$0.00	0	\$0.00
CO	2	111	2504.503	2" PE PIPE (BORING)	LF	\$114.17	450	188	\$21,463.96	263	\$30,026.71
CO	2	112	2504.602	CONNECT TO EXISTING WATER SERVICE	EA	\$281.00	53	18	\$5,058.00	29	\$8,149.00
CO	2	113	2504.602	1" CORPORATION STOP	EACH	\$784.75	18	0	\$0.00	0	\$0.00
CO	2	114	2504.602	2" CORPORATION STOP	EACH	\$1,741.27	35	18	\$31,342.86	28	\$48,755.56
CO	2	115	2504.602	1" CURB STOP & BOX	EACH	\$1,014.16	18	0	\$0.00	0	\$0.00
CO	2	116	2504.602	2" CURB STOP & BOX	EACH	\$2,069.11	35	18	\$37,243.98	29	\$60,004.19
CO	2	117	2504.603	1" PE PIPE (BORING)	LF	\$102.37	590	0	\$0.00	0	\$0.00
CO	2	118	2504.603	1" PE PIPE	LF	\$100.37	80	18	\$1,806.66	18	\$1,806.66
CO	2	119	2504.603	2" PE PIPE	LF	\$112.17	550	266	\$29,837.22	583	\$65,395.11
Contract Change Totals:									\$126,752.68		\$214,137.23

Contract Change Totals				
No.	Contract Change	Description	Amount This Voucher	Amount To Date
2	CO	Additional Traffic Control Material Cost Reduction	\$126,752.68	\$214,137.23
1	CO	ADDITIONAL TRAFFIC CONTROL	\$0.00	\$0.00

Material On Hand Additions					
Line No.	Item	Description	Date	Added	Comments

Material On Hand Balance						
Line No.	Item	Description	Date	Added	Used	Remaining



Prepared By:
Shawn Williams, Public Works Director
Presenter: Shawn Williams, Public Works Director
Date: 06/06/2024

Board & Commission: City Council

Subject: Resolution R-67-2024 Approving Pay Request No. 6 for the Water Tower #1 Rehab Project

Background Information:

Osseo Construction Company LLC has submitted pay request #6 for the Water Tower 1 rehab project. WSB, our engineer, has reviewed and verified the pay request for accuracy and recommends payment for the amount of \$50,978.90 as presented. I am asking the council to consider this request, and if so inclined, do so in the form of a motion. Attached are the pay request documents for your review. The project schedule has now been pushed out 30 days, to July 22, 2024 as the completion date. This delay is from the recent rains prohibiting exterior work.

Below is the project background for your reference.

At the February 15th 2023 the former North Branch Water and Light Meeting, the commission approved requesting RFP's for the water tower 1 rehabilitation project. Then at the May 17th meeting the commission approved WSB to design plans and specifications for the project, next the project was advertised for bids, and at the June 28th meeting the commission awarded the low bid to Osseo Construction Co. LLC. for the amount of \$773,760.00

Financial/Budget Impacts:

This is a planned and budgeted capital project funded within the water utilities 2023 budget.

Deadline:

Approval at this meeting to meet the contract payment requirements.

Staff Recommendation:

Approval as presented.

Requested Commission Action:

Approval of pay request #6 as presented.

Voting Requirements:

Voting Options Simple Majority

STATE OF MINNESOTA

COUNTY OF CHISAGO

CITY OF NORTH BRANCH

CITY COUNCIL RESOLUTION NO. R-67-2024

Resolution R-67-2024 Approving Pay Request #6 for the Water Tower 1 Rehabilitation Project

WHEREAS, pursuant to North Branch Water and Light Commission Authorization on February 15th, 2023 by awarding the 2023 Water Tower #1 Rehabilitation Project to Osseo Construction Co. LLC for the amount of \$773,760.00, and

WHEREAS, Osseo Construction Co. LLC has submitted Pay Request #6 for the 2023 Water Tower #1 rehabilitation project for the amount of \$50,978.90 and all pay items have been verified by WSB the City's Engineer as accurate.

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

Water Tower No. 1 Rehabilitation Project pay request No. 6 in the amount of \$50,978.90 to Osseo Construction Co. LLC be approved as presented.



July 2, 2024

Mr. Shawn Williams
City of North Branch
P.O. Box 910
North Branch, MN 55056

Re: Application for Payment No. 6
Water Tower No. 1 Rehabilitation
City of North Branch
WSB Project No. 022305-000

Dear Mr. Williams:

Please find attached Application for Payment No. 6 from Osseo Construction Co. LLC for the construction of the Water Tower No. 1 Rehabilitation. We reviewed this application and find it acceptable for payment. Note that this application includes the deduct for additional construction administration and inspection services by WSB and Badger State Inspection (BSI) *to date* per Change Order No. 1, which will continue to accrue on future applications. We recommend making a payment of \$50,978.90 to Osseo Construction Co. LLC. If you are in agreement, please sign the application and process it for payment.

Sincerely,

WSB

Jon Christensen
Project Manager
jchristensen@wsbeng.com
(612) 437-7967

cc: Justin Messner, WSB
Steve Nelson, WSB
Kelly Mulhern, BSI

*Water Tower #1
Re-hab Project Pay
Request # 6*

615-00000-16500

*S.W.
7-5-24*

178 E 9TH STREET | SUITE 200 | SAINT PAUL, MN | 55101 | 651 286 8450 | WSBENG.COM

APPLICATION FOR PAYMENT

PAGE ONE OF TWO PAGES

Owner: PROJECT: Water Tower No. 1
City of North Branch Rehabilitation
PO Box 910
North Branch, MN 55056
CONTRACTOR: VIA ARCHITECT: WSB
Osseo Construction Co. LLC
PO Box 143, 14248 10th Street
Osseo, WI 54758

APPLICATION NO: 6

PERIOD TO: 6/28/2024

Distribution to:

☒	OWNER
☒	ARCHITECT
☒	GENERAL CONTRACTOR
☐	SUBCONTRACTOR
☐	

PROJECT #: 022305-000
CONTRACT #:
CONTRACT DATE:

CONTRACTOR'S APPLICATION FOR PAYMENT

Application is made for payment, as shown below, in connection with the Contract.
Continuation Sheet is attached.

1. ORIGINAL CONTRACT SUM

\$773,760.00
2. Net change by Change Orders

\$(37,113.70)
3. CONTRACT SUM TO DATE (Line 1 ± 2)

\$736,646.30
4. TOTAL COMPLETED & STORED TO DATE (Column G)

\$499,633.30
5. RETAINAGE:
- a. 5% of Completed Work (Column D + E)

\$24,981.67
- b. % of Stored Material (Column F)

n/a
- Total Retainage (Lines 5a + 5b or Total in Column I)

\$24,981.67
6. TOTAL EARNED LESS RETAINAGE (Line 4 Less Line 5 Total)

\$474,651.64
7. LESS PREVIOUS CERTIFICATES FOR PAYMENT (Line 6 from prior Certificate)

\$423,672.74
8. CURRENT PAYMENT DUE

\$50,978.90
9. BALANCE TO FINISH, INCLUDING RETAINAGE (Line 3 less 6)

\$261,994.67

The undersigned Contractor certifies that to the best of the Contractor's knowledge, information and belief the Work covered by this Application for Payment has been completed in accordance with the Contract Documents, that all amounts have been paid by the Contractor for Work for which previous Certificates for Payment were issued and payments received from The Osseo Construction Co. LLC, and that current payment shown herein is now due.



Contractors Signature

7/1/2024

Date



Engineers Signature

07/02/2024

Date

Owners Signature

Date

CHANGE ORDER SUMMARY	ADDITIONS	DEDUCTIONS
Total changes approved in previous months by Contractor	\$49,736.30	(\$63,750.00)
Total approved this Month	\$4,900.00	(\$28,000.00)
TOTALS	\$54,636.30	(\$91,750.00)
NET CHANGES by Change Order	\$54,636.30	(\$91,750.00)

CONTINUATION SHEET						PAGE 2 OF 2 PAGES			
						APPLICATION NO	6		
						APPLICATION DATE	6/28/2024		
n tabulations below, amounts are stated to the nearest dollar						PERIOD TO	6/28/2024		
Use Column I on Contracts where variable retainage for line items may apply						CONTRACTOR'S PROJECT NO			
A	B	C	D	E	F	G		H	I
ITEM	DESCRIPTION OF WORK	SCHEDULED	WORK COMPLETED		MATERIALS	TOTAL	%	BALANCE	RETAINAGE
NO		VALUE	FROM PREVIOUS	THIS PERIOD	PRESENTLY	COMPLETED	(G - C)	TO FINISH	(IF VARIABLE
			APPLICATION		STORED	AND STORED		(C - G)	RATE)
			(D + E)		(NOT IN	TO DATE			
					D OR E)	(D+E+F)			
1	Mobilization & Site Maintenance	\$50,000 00	\$22,500 00	\$0 00	N/A	\$22,500 00	45 00%	\$27,500 00	\$1,125 00
2	Construct new precast concrete altitude valve vault including appurtenant work necessary to connect and integrate altitude valve with existing NBWL SCADA system CO2 - additional dewatering and watermain realignment work as detailed in the C&L Excavating reports	\$184,042 30	\$184,042 30	\$0 00	N/A	\$184,042 30	100 00%	\$0 00	\$9,202 12
3	Remove existing chain link fence and gate and install new 8' tall chain link fence and gate as shown CO2 Increase by \$10,500 for additional fencing	\$25,500 00	\$2,500 00	\$0 00	N/A	\$2,500 00	9 80%	\$23,000 00	\$125 00
4	Provide miscellaneous grinding	\$6,000 00	\$6,000 00	\$0 00	N/A	\$6,000 00	100 00%	\$0 00	\$300 00
5	Provide miscellaneous welding	\$4,500 00	\$2,250 00	\$0 00	N/A	\$2,250 00	50 00%	\$2,250 00	\$112 50
6	Seal weld the inside unwelded seams around the roof manway and the drywell tube collar Seal weld the overlapped plate joint of the dollar plates See photos 2 through 5 in Appendix A	\$7,500 00	\$7,500 00	\$0 00	N/A	\$7,500 00	100 00%	\$0 00	\$375 00
7	Seal weld the dollar plate to roof plates, the overlapping roof plate seams, both sides of the intermittently welded roof rafters, and the overlapped roof plates to the upper torus plates See photos 2 through 5 in Appendix A	\$20,000 00	\$20,000 00	\$0 00	N/A	\$20,000 00	100 00%	\$0 00	\$1,000 00
8	Replace the overflow diffuser plate Radius all edges by grinding See photo 6 in Appendix A	\$2,500 00	\$2,500 00	\$0 00	N/A	\$2,500 00	100 00%	\$0 00	\$125 00
9	Remove the rigid safety climb pipe from the interior wet ladder Furnish and install a Self-Retracting Lifeline (SRL) and seal welded bracket to the roof plates See photo 2 in Appendix A	\$3,000 00	\$3,000 00	\$0 00	N/A	\$3,000 00	100 00%	\$0 00	\$150 00
10	Remove approximately eight (8) painter rigging tabs by air arch gouging cutting torch, or grinding Repair the surface by welding and grinding to a smooth plate condition	\$2,400 00	\$0 00	\$0 00	N/A	\$0 00	0 00%	\$2,400 00	\$0 00
11	Furnish and install two (2) 1-inch x 1/2-inch bars on the inlet/outlet pipe opening	\$500 00	\$500 00	\$0 00	N/A	\$500 00	100 00%	\$0 00	\$25 00



12	Remove the complete Cathodic Protection (C.P.) System from the interior roof plates, including equipment laying on the bowl plates. Seal weld a 10-inch diameter cover plate over the twelve (12) roof openings both interior and exterior. See BSI Drawing No. 4 in Appendix B.	\$4,200.00	\$4,200.00	\$0.00	N/A	\$4,200.00	100.00%	\$0.00	\$210.00
13	Seal weld on the interior of the roof vent and in the inlet/outlet pipe extension a 2" x 3 x 1/4-inch Stainless Steel plate with threaded bolt hole. This plate will be used for Low-Voltage Holiday Testing.	\$500.00	\$500.00	\$0.00	N/A	\$500.00	100.00%	\$0.00	\$25.00
14	Temporarily remove, store, and protect the Kasco Mixer from the interior wet area. Contractor shall be the responsible to repair or replace any damage they cause to the unit. Reinstall the mixer per manufacturer's instructions by welding new mounting brackets on the drywell tube next to the ladder. See photo 8 in Appendix A. See BSI Drawing 15 in Appendix B for reference only.	\$2,500.00	\$2,000.00	\$0.00	N/A	\$2,000.00	80.00%	\$500.00	\$100.00
15	Seal weld the unwelded plate seams on the underside of the drywell tube compression rings.	\$4,000.00	\$4,000.00	\$0.00	N/A	\$4,000.00	100.00%	\$0.00	\$200.00
16	Complete sandblasting and recoating of the interior wet surfaces per the specifications. See photos 2 through 10 in Appendix A. The existing coating Dry Film Thickness (DFT) on the roof structural members and roof plates varies from 10 to 15 mils DFT. The existing coating DFT on the shell plates varies from 9.8 to 18.6 mils DFT, with an average of 12 mils plus DFT.	\$90,000.00	\$36,000.00	\$13,500.00	N/A	\$49,500.00	55.00%	\$40,500.00	\$2,475.00
17	Seal weld (interior and exterior) the coupling for the electrical under the cover plate of the drywell tube.	\$3,000.00	\$3,000.00	\$0.00	N/A	\$3,000.00	100.00%	\$0.00	\$150.00
18	Complete the following to convert the top landing into a condensate ceiling: Install a 3- inch by 3-inch by 1/4-inch (3" x 3" x 1/4") rolled angle around the perimeter of the top landing. Plug weld the existing drain holes and grind smooth on both sides of the floor. Add a four-inch by one-quarter-inch (4" x 1/4") curb around the overflow and inlet and outlet pipe penetrations. See BSI Drawing 18 in Appendix B.	\$7,500.00	\$7,500.00	\$0.00	N/A	\$7,500.00	100.00%	\$0.00	\$375.00
19	Install a three-inch (3") condensate ceiling drain with a connecting line with a one-way check valve to the overflow pipe on both the upper and lower condensation floors. The drain lines shall be sloped to the overflow pipe. See BSI Drawing 16 in Appendix B.	\$6,000.00	\$6,000.00	\$0.00	N/A	\$6,000.00	100.00%	\$0.00	\$300.00



20	Remove the 18-inch x 24-inch oval manway in the lower section of the drywell tube. Furnish and install a new 24-inch diameter pressure style manway with repad and interior davit arm. See BSI Drawing 10 in Appendix B.	\$12,000.00	\$12,000.00	\$0.00	N/A	\$12,000.00	100.00%	\$0.00	\$600.00
21	Furnish and install a 3-inch diameter drain valve and piping that connects to the overflow pipe as directed by the Engineer. Install a General Construction Stainless Steel drain valve. See BSI Drawing 19 in Appendix B. Install a flexible connection in the overflow pipe for the new Frost-Free Drain Valve.	\$6,500.00	\$5,875.00	\$0.00	N/A	\$5,875.00	90.38%	\$625.00	\$293.75
22	Furnish and install a new 24-inch diameter pressure style manway with repad in the bowl plates as directed by the Engineer and a ladder from the upper platform for access to this manway. This manway should be located 180 degrees from the drywell tube manway. See BSI Drawing 10 in Appendix B.	\$12,000.00	\$12,000.00	\$0.00	N/A	\$12,000.00	100.00%	\$0.00	\$600.00
23	Remove the existing pole style safety climb system on all the interior dry ladders. Furnish and install a new cable style safety system on all interior ladders. The system shall be made by DBI Sala or an approved equivalent. The system shall also include two large DBIS Sala ExoFit NEX Harnesses (Item No. F1C-1113082) Two Lad Safe Cable Sleeves (Item No. F1C-6116540), Two 2'6" shockwave double lanyard (Item No. F1C-1244321) and One Web rebar positioning Assembly (Item No. F1C-1231380).	\$8,500.00	\$7,500.00	\$0.00	N/A	\$7,500.00	88.24%	\$1,000.00	\$375.00
24	Furnish and install two (2) 16-inch diameter round bolted manways in the center of the floor of both landings. Manway curb shall extend four inches (4") above platform floors. Include a new neoprene/rubber flat gasket for the bolted manway. All seams shall be seal welded top and bottom. The manways shall be similar to that shown in BSI Drawing 11 with bolted plate cover. Remove, relocate, and weld into new location the "C-Channel" on the underside of both condensation platforms as directed by the Engineer.	\$8,000.00	\$8,000.00	\$0.00	N/A	\$8,000.00	100.00%	\$0.00	\$400.00
25	Furnish and install a 4-foot high section of transition ladder welded next to each of the two (2) dry riser platform manways as directed by the Engineer.	\$3,000.00	\$3,000.00	\$0.00	N/A	\$3,000.00	100.00%	\$0.00	\$150.00



26	Temporarily remove, store, and protect the inlet/outlet pipe insulation. Contractor shall replace at their own cost all insulation damaged by their misuse. After the coating has been cured and inspected on the inlet/outlet pipe, reinstall the insulation and install a new aluminum jacket. Install new aluminum jacket from the bottom upward to wick away water.	\$5,000.00	\$2,500.00	\$0.00	N/A	\$2,500.00	50.00%	\$2,500.00	\$125.00
27	Furnish and weld install Coaxial brackets spaced 4-feet apart on the interior of the drywell tube. See BSI drawing 42A in Appendix B.	\$4,000.00	\$4,000.00	\$0.00	N/A	\$4,000.00	100.00%	\$0.00	\$200.00
28	Furnish and install ten (10) brackets spaced 8-feet apart on the interior of the dry riser for attaching electrical conduit. See BSI Drawing 41 in Appendix B.	\$3,000.00	\$3,000.00	\$0.00	N/A	\$3,000.00	100.00%	\$0.00	\$150.00
29	Furnish and install a 2-inch diameter Sch40 messenger pipe from the tower cone to the bottom of the drywell tube for antenna cable support. Install 8" diameter penetrations at each landing, each penetration shall be seal welded and include a 4" curb. Remove any old conduits or brackets as directed and plug weld or install plates for each of the landing penetrations.	\$10,000.00	\$10,000.00	\$0.00	N/A	\$10,000.00	100.00%	\$0.00	\$500.00
30	Remove the sump pump and piping from the valve pit in its entirety. See photos 20 and 27 in Appendix A.	\$1,000.00	\$1,000.00	\$0.00	N/A	\$1,000.00	100.00%	\$0.00	\$50.00
31	Remove the existing 1-inch condensation drain line that runs from the first landing and exits out the tower cone. Seal weld a three-eighths-inch by four inch (3/8"x4") diameter round plate on both sides of the cone. See photo 20 in Appendix A.	\$2,500.00	\$2,500.00	\$0.00	N/A	\$2,500.00	100.00%	\$0.00	\$125.00
32	After exterior reconditioning, replace all damaged, loose or missing concrete grout under the base plate with non-shrink 3000 PSI grout. After painting is completed and allowed to cure, apply a bead of urethane caulk around the entire perimeter of the interior and exterior seams between the grout and base plate using Sikaflex-1A or approved equal. Apply finish coat over the caulk after the caulking has cured.	\$3,000.00	\$0.00	\$0.00	N/A	\$0.00	0.00%	\$3,000.00	\$0.00
33	Remove existing electrical panel and upper electrical meter of the two existing electrical meters. Install new electrical panel as specified in Section 09 92 00.	\$20,000.00	\$0.00	\$0.00	N/A	\$0.00	0.00%	\$20,000.00	\$0.00
34	Remove and replace all interior light fixtures, electrical conduit, and electrical outlets with new LED light fixtures, including seven (7) light fixtures and eight (8) electrical outlets.	\$15,000.00	\$3,000.00	\$0.00	N/A	\$3,000.00	20.00%	\$12,000.00	\$150.00

35	Complete sandblasting and recoating of the interior dry surfaces, including the inlet/outlet and overflow pipes of the tower and the vault/pit piping, per the specifications. See photos 11 through 28 in Appendix A. The existing coating DFT on the interior of the drywell tube varies from 8 to 14 mils with an average of 12 mils DFT, on the interior of the cone and bowl plates varies from 12 to 15 mils with an average of 13.5 mils DFT, and on the interior of the dry riser is from 8.8 to 14.6 mils with an average of 12.5 mils DFT.	\$52,000.00	\$15,000.00	\$13,600.00	N/A	\$28,600.00	55.00%	\$23,400.00	\$1,430.00
36	Remove the existing roof vent. Furnish and install a new 24-inch diameter frost free aluminum mushroom vent with removable cover that is compliance with AWWA D100-11 and Minnesota Department of Health regulations. See photo 30 in Appendix A and BSI Drawing 6 in Appendix B.	\$11,000.00	\$10,000.00	\$0.00	N/A	\$10,000.00	90.91%	\$1,000.00	\$500.00
37	Install a Handhold/Lanyard attachment safety bracket on the drywell tube exterior cover.	\$1,000.00	\$1,000.00	\$0.00	N/A	\$1,000.00	100.00%	\$0.00	\$50.00
38	Remove the exterior screen around the drywell tube, including all nuts and bolts. Furnish and install a 2-inch x ¼-inch plate the same diameter of the drywell tube exterior cover and seal welded both interior and exterior. Furnish and install a 1 ½-inch x ¼-inch plate around the edge of the drywell tube cover by seal welding. After finish coating the exterior install a 6-inch x 1/8-inch exterior grade rubber membrane with steel banning. See photo 29 in Appendix A.	\$4,000.00	\$4,000.00	\$0.00	N/A	\$4,000.00	100.00%	\$0.00	\$200.00
39	Furnish and install manway stops on all the roof access manways. See BSI Drawing 12 in Appendix B.	\$6,000.00	\$3,000.00	\$0.00	N/A	\$3,000.00	50.00%	\$3,000.00	\$150.00
40	Furnish and install three (3) 4" diameter schedule 40 coax cable penetrations at the top of the drywell tube cover. Include rubber boots for a water tight finish. See BSI Drawing 43 in Appendix B.	\$1,800.00	\$1,800.00	\$0.00	N/A	\$1,800.00	100.00%	\$0.00	\$90.00
41	Remove the existing roof hand railing. Furnish and install a 16' diameter 2-½" Sch40 pipe style handrail with post every 4'. Include seal welded 24" angle iron vertical cable brackets with ½" holes every 3" up each post for current and future cable support. See BSI Drawing 14 in Appendix B.	\$18,000.00	\$18,000.00	\$0.00	N/A	\$18,000.00	100.00%	\$0.00	\$900.00



42	Furnish and install two antenna coax cable trays from the drywell tube to the new roof handrail as directed by the engineer. After installation plug weld all existing cable in the drywell manway collar or install cover plates over the holes, seal welding both interior and exterior.	\$2,000.00	\$2,000.00	\$0.00	N/A	\$2,000.00	100.00%	\$0.00	\$100.00
43	Replace the existing SCADA antenna mount with a new bracketed style mount with 4" schedule 40 cable penetration and rubber boot for a watertight fit. Remove Line Item per CO2.	\$0.00	\$0.00	\$0.00	N/A	\$0.00	#DIV/0!	\$0.00	\$0.00
44	Remove the existing aviation light and post. Furnish and install a new LED light and a new 10-foot aviation light bracket/post to the new handrail, including all cable, conduit, and connections required for proper operation. See photo 32 in Appendix A and BSI Drawing 8 in Appendix B.	\$5,000.00	\$4,000.00	\$0.00	N/A	\$4,000.00	80.00%	✓ \$1,000.00	\$200.00
45	After exterior reconditioning, replace all damaged, lose or missing concrete grout under the base plate with non-shrink 3000 PSI grout. After painting is completed and allowed to cure, apply a bead of urethane caulk around the entire perimeter of the interior and exterior seams between the grout and base plate using Sikaflex-1A or approved equal. Apply finish coat over the caulk after the caulking has cured.	\$3,000.00	\$0.00	\$0.00	N/A	\$0.00	0.00%	\$3,000.00	\$0.00
46	Modify the overflow pipe to include a 45 degree bend downward 18" from the ground. Add a splash pad if needed. Add 304SS No. 4 screen and screen retainer. See BSI Drawing 43 in Appendix B.	\$7,500.00	\$7,500.00	\$0.00	N/A	\$7,500.00	100.00%	\$0.00	\$375.00
47	Remove the existing nameplate and mounting plate, repair surface by welding and grinding to a smooth condition. Furnish and install a new SS Nameplate bracket that sticks out 6" from the wall seal weld the complete exterior plate seam. Furnish and install a new nameplate (include the year last painted and by Contractor).	\$3,000.00	\$3,000.00	\$0.00	N/A	\$3,000.00	100.00%	\$0.00	\$150.00
48	Remove the existing Dead-Bolt lock. Furnish and install an adjustable door handle so that it closes the tower entrance door tight without any gaps. See photos 23 and 24 in Appendix A.	\$2,500.00	\$2,500.00	\$0.00	N/A	\$2,500.00	100.00%	\$0.00	\$125.00
49	Provide full exterior containment system with a roof bonnet and ground cover to contain blasting and painting operations.	\$30,000.00	\$30,000.00	\$0.00	N/A	\$30,000.00	100.00%	\$0.00	\$1,500.00
50	Complete sandblasting and recoating of the exterior per the specifications. See photos 29 through 40 in Appendix A.	\$110,360.00	\$16,554.00	\$49,662.00	✓ N/A	\$66,216.00	60.00%	✓ \$44,144.00	\$3,310.80

51	Replace the lettering NORTH BRANCH with the North Branch Logo in Appendix E (same as Tower No. 2 west of I-35) at three (3) locations with the size, layout, and orientation as directed by Owner and Engineer.	\$18,000.00	\$0.00	\$0.00	N/A	\$0.00	0.00%	\$18,000.00	\$0.00
52	Disinfection	\$1,000.00	\$0.00	\$0.00	N/A	\$0.00	0.00%	\$1,000.00	\$0.00
54	Deduct \$2000+\$4250=\$6250 for one additional week of inspection and construction services each by BSI and WSB to date per CO1. Second additional week of inspection and construction services (additional \$6250).	(\$12,500.00)	(\$12,500.00)	\$0.00	N/A	(\$12,500.00)	100.00%	\$0.00	(\$625.00)
55	Deduct for additional weeks of inspection and construction services each by BSI (\$6500) and WSB (\$2000). Pay App 4 is 1 week of WSB and 2 weeks of BSI (\$15,000 total). Pay App 5 is 2 weeks of WSB and 4.5 weeks of BSI (\$33,250). Pay App 6 is 1 week of WSB and 4 weeks of BSI (\$28,000 total).	(\$76,250.00)	(\$48,250.00)	(\$28,000.00)		(\$76,250.00)	100.00%	\$0.00	(\$3,812.50)
56	CO2 - New SCADA Antenna on the roof as detailed in C02 attachment for SCADA Pricing, Option 2	\$7,194.00	\$0.00	\$0.00	N/A	\$0.00	0.00%	\$7,194.00	\$0.00
57	CO3 - Provide 49 additional hours of miscellaneous grinding	\$4,900.00	\$0.00	\$4,900.00	N/A	\$4,900.00	100.00%	\$0.00	\$245.00
	GRAND TOTALS	\$736,646.30	\$445,971.30	\$53,662.00	\$0.00	\$499,633.30	67.83%	\$237,013.00	\$24,981.67

CHANGE ORDER NO. 3

WATER TOWER NO. 1 REHABILITATION
CITY OF NORTH BRANCH, MN
WSB PROJECT NO.: 022305-000

June 26, 2024

OWNER:	CONTRACTOR:
City of North Branch PO Box 910 North Branch, MN 55056	The Osseo Construction Co. LLC PO Box 143, 14248 10th Street Osseo, WI 54758

YOU ARE DIRECTED TO MAKE THE FOLLOWING CHANGES IN THE CONTRACT DOCUMENT DESCRIPTION:

1 ADD \$4,900.00 to the contract amount for forty-nine (49) additional miscellaneous grinding hours at the as-bid unit cost of \$100 per hour.

IT IS UNDERSTOOD THAT THIS CHANGE ORDER INCLUDES ALL ADDITIONAL COSTS AND TIME EXTENSIONS WHICH ARE IN ANY WAY, SHAPE, OR FORM ASSOCIATED WITH THE WORK ELEMENTS DESCRIBED ABOVE.

CHANGE IN CONTRACT PRICE:		CHANGE IN CONTRACT TIME:	SUBSTANTIAL	FINAL
ORIGINAL CONTRACT PRICE:	\$773,760.00	ORIGINAL CONTRACT TIME:	9/29/2023	10/27/2023
PREVIOUS CHANGE ORDERS:	TBD (CO1)	NET CHANGE FROM PREVIOUS CHANGE ORDERS:	263	277
CONTRACT PRICE PRIOR TO THIS CHANGE ORDER:	TBD (CO1)	CONTRACT TIME PRIOR TO THIS CHANGE ORDER:	6/18/2024	7/30/2024
NET <u>INCREASE</u> DECREASE OF THIS CHANGE ORDER:	\$4,900.00	NET INCREASE OF CHANGE ORDER:	0	0
CONTRACT PRICE WITH ALL APPROVED CHANGE ORDERS:	TBD (CO1)	CONTRACT TIME WITH APPROVED CHANGE ORDERS:	6/18/2024	7/30/2024

RECOMMENDED BY:

Jon Christensen

Jon Christensen, PE, PROJECT MANAGER

APPROVED BY:

Trinity Pope

CONTRACTOR SIGNATURE

WSB
ENGINEER

The Osseo Construction Co. LLC
CONTRACTOR

APPROVED BY:

CITY ADMINISTRATOR

Mr. Wilbur

PUBLIC WORKS DIRECTOR

DATE

6-12-24

DATE



Prepared By:
Carla Golden, Liquor Operations Director
Presenter: Carla Golden, Liquor Operations Director
Date: 07/09/2024

Board & Commission: City Council

Subject: Approve Hiring of Liquor Store Clerk

Overview / Background

Liquor Operations Director Carla Golden is recommending the hiring of Thomas Flanery as a Liquor Store Clerk due a vacancy related to a recent promotion. The probationary period will be one (1) year from the hire date, according to the Collective Bargaining Agreement for that position. As of July 1, 2024, a background check has been successfully completed. Thomas Flanery would start at 15.03 per hour. The date of hire would be July 17, 2024.

Staff Recommendation

The City Staff recommend approval of the hiring.

Recommended City Council Action

Motion to approve as a Liquor Store Clerk.

Voting Requirements:

Simple Majority



Prepared By:
Nathan Sondrol, GIS Specialist/Parks Director
Presenter: Nathan Sondrol, GIS Specialist/Parks Director
Date: 07/10/2024

Board & Commission: Parks, Trails and Open Space Commission

Subject: Approve appointing Wendy Chelberg to the PTOS Commission

Background

The Parks, Trails and Open Space Commission has a current vacancy on the commission with a term that expires on December 31, 2025.

Wendy Chelberg has submitted an application to serve on the Parks, Trails and Open Space Commission.

PTOS Recommendation

The PTOS Commission recommended approval to appoint Wendy Chelberg to the Parks, Trails and Open Space Commission at the July 1, 2024, meeting.

Requested Action

To appoint Wendy Chelberg to the Parks, Trails and Open Space Commission.

Voting Requirements:

Voting Options Simple Majority



City of North Branch Application for Advisory Boards/Commissions

Board/Commission Applying For (please note that some boards/commissions may have special requirements for membership): ☒ Parks, Trails and Open Spaces Commission ☐ Planning Commission
☐ Economic Development Authority ☐ Water and Light Commission

Name: Wendy Chelberg email: wendychelberg@gmail.com

Address: 4670 382nd Dr

Phone: 651-503-2151 How long have you lived in North Branch? 1.5 yrs

Occupation and Employer (name and address): Retired

Education and Professional Experience: Degree in Broadcast Communications
Sales experience and Flight Attendant.

Civic, Volunteer and Community Activities: Was on Forest Lake Park board
for 9 yrs. Was president of St. Paul Stars Synchronized Swimming Club
for 8 yrs.

Previous Public Experience (Elected or Appointed): Appointed to Forest Lake Park board.

Please briefly describe the aspects of your experience that you believe qualify you for the board or commission selected and explain why you would like to serve on that board or commission (if additional space is needed, you can attach a one page supplement):

I believe I could be an asset to North Branch park board
because of my previous experience in Forest Lake.
I am familiar with park planning and would like to
see a variety of age applications in North Branch. I would
also like to help in placements of demographics.

What issues do you believe the board or commission should consider:

A person who has previous experience and cares about
the community they live in.

Date: 6-13-2024

Applicant Signature Wendy Chelberg

Please return to: City of North Branch, Attn: City Administrator, 6408 Elm Street,
PO Box 910, North Branch, MN 55056 or via email to: renaef@ci.north-branch.mn.us

651-674-8113

www.ci.northbranch.mn.us

Under Minnesota law, some of the information requested above is public information, which must be provided to anyone who requests it. Some of it is classified as private information, which is not generally available to the public. All of the information will be used by the City Council in determining whether you should be appointed to a board or commission. Therefore the information will be reviewed at a city council meeting open to the public and will be part of the official record for that meeting and available to anyone. Only the information provided will be considered and failure to provide the requested information may result in your not being considered for appointment.

RECEIVED
JUN 24 2024



Prepared By:
Dan Meyer, Police Chief
Presenter: Dan Meyer, Police Chief
Date: 07/10/2024

Board & Commission: City Council

Subject: Discussion Regarding the School Resource Officer (SRO) Services Agreement with the North Branch Area School District

Background Information:

The City of North Branch has had an agreement to provide School Resource Officer (SRO) services to the North Branch Area School District for many years. The School District funded two full-time School Resource Officers up until January 2011, after the School District's funding was reduced to one part-time SRO (4 hrs per school day). From January 2011 until January 2022, the School Resource Officer spent half of their 8-hour shift performing general patrol duties and/or assisting with investigative duties at the police department, and the other half of their 8-hr shift was based inside the schools performing SRO duties. For the second half of the 2021-2022 school year (January 2022–June 2022), the School District decided to temporarily extend the SRO position to full-time and the School District fully funded the SRO position (8 hrs per school day). The School District funding for the SRO position returned back to part-time (4 hrs per school day) for the 2022-2023 school year.

During the summer of 2022, after consulting with the City Administrator at the time, I decided to base the SRO into the school for their entire 8 hr shift with the understanding that the SRO may need to respond outside the schools to assist with emergencies and other calls for service if needed. This was in place for the 2022-2023 and the 2023-2024 school years.

Due to recent retirements, we are currently down two patrol officer positions. We are anticipating that our most recent hire will be able to fill one of the vacant patrol shifts by mid-October. We are currently in the hiring process for our second open position, and we expect this officer to move into our second vacant patrol shift by March 2025. Along with these current staffing challenges, our call load has increased by 27% over the past two years. With the increase in calls and our current need to fill the gaps within the patrol

schedule, I notified North Branch Area School Superintendent Sara Paul and the School's Director of Finance and Human Resources, Todd Tetzlaff, that we will need to utilize the SRO for general patrol duties outside the current SRO's scheduled work hours (4 hrs per school day) specified in the SRO agreement.

On July 10, 2024, Interim City Administrator Linda Woulfe, Finance Director Sharon Wright, and I met with Supt. Paul and School Finance Director Tetzlaff to discuss the SRO position. Supt. Paul sent the attached draft SRO Agreement for the city to consider. Along with some minor language changes that stem from the new legislation surrounding school resource officers, Supt. Paul is requesting the city to consider funding half of the part-time SRO position for the upcoming 2024-2025 school year; the city would agree to assign the SRO to the School District for 4 hours per school day and the School District would agree to pay for 2 of those hours. This would have a financial impact on the city's budget as the city would lose \$9,270 of revenue in 2024 and an anticipated loss of approximately \$13,500 in revenue in 2025.

Voting Requirements:

N/A - Just looking for City Council Discussion and Direction

**AGREEMENT TO PROVIDE SCHOOL RESOURCE OFFICER (SRO) SERVICES TO THE NORTH BRANCH AREA
SCHOOL DISTRICT**

~~2023~~2024-20242025

This Agreement is made by and between the City of North Branch, Minnesota (hereinafter the "City"), and Independent School District No. 138, North Branch, Minnesota (hereinafter the "School District").

RECITALS:

WHEREAS, the City provides police services with the City of North Branch, Minnesota; and

WHEREAS, the School District provides educational instruction and services to children enrolled therein; and

WHEREAS, the School District generally provides such instruction and services at public schools located within the City of North Branch, Minnesota; and

WHEREAS, City and the School District desire to enter into agreement whereby the City shall assign one or more peace officers to serve as School Resource Officers ("SRO") and provide School Resource Officer services (hereinafter the "SRO Services") to the School District; and

WHEREAS, the purpose of the SRO Services includes enhancing security and safety within the School District facilities and School District property; building positive relationships between law enforcement, students and school staff; maintaining a law enforcement presence at School District events and facilities, and providing prompt responses to, and investigations of, criminal or delinquent offenses committed on or about School District property or School District facilities; and

WHEREAS, the City is prepared to provide the SRO Services to the School District according to the terms and conditions set forth below.

NOW, THEREFORE, in consideration of the mutual undertakings set forth herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. Employment of the School Resource Officer; Uniforms and Equipment. The City agrees to employ and provide a peace officer to work in and about the School District's property and facilities during the school year (hereinafter the "School Resource Officer" or "SRO"). It is acknowledged and agreed-to by the parties that the SRO is an employee of the City, subject to the administration, supervision, and control of the City. It is understood and agreed that in performing the SRO Services, the City, and any person employed by or contracted with the City, shall not be an employee or agent of the School District. The City will furnish training, uniforms, equipment, and schedule of deployment required under Minnesota law or that is needed for the implement of this Agreement. The SRO shall wear a City--approved uniform or other approved attire when providing the SRO Services. The School District will provide the SRO with a secure work space, as well as ancillary support services, such as occasional clerical assistance, use of copiers and telephones.

2. Compensation for the SRO Services. In exchange for providing the SRO Services, the School District shall pay the City as set forth in Exhibit A, attached hereto. The School District shall not assume liability for the direct payment of any salaries, wages, or other compensation to the SRO or any City personnel performing services hereunder for said SRO Services, and the City hereby assumes said responsibility for payment of wages and benefits, including vacation and sick leave; mileage, uniforms; public employees retirement contributions; workers' compensation, automobile, general liability insurance costs; general overhead, including indirect expenses and supplies, radio unit expense, and health expenses.
3. Supervision of the SRO; Assignment and Reassignment. The City, in its sole discretion, shall have the power and authority to hire, assign, reassign, discharge, and discipline the SRO. As an employee of the City, the SRO will be subject to the chain of command of the City's Police Department. The SRO's effectiveness in the program will be evaluated at the end of each school term. In the event the School District is dissatisfied with the SRO who has been assigned to the School District, the School District's Administration will recommend that the officer not be assigned as an SRO during the following year. If any problems or concerns arise with the SRO or with the SRO's performance during the school term, the school district shall immediately notify the Chief of Police. The City reserves the right to remove or reassign any SRO upon written notification to the Superintendent of the School District. If it is reasonably anticipated that the assigned SRO will be unable to perform the duties for periods of less than one month for reasons related to vacation, illness or injury, the City, after consulting the School District, will determine if there is a need to assign another peace officer to fill the temporary vacancy. If the SRO resigns or is otherwise unable or unwilling to perform the duties and the anticipated absence is one month or longer or is permanent, the City shall assign a replacement peace officer to provide the SRO Services if police department staffing allows.
4. Hours of Work; Duties of the SRO. The SRO's regularly scheduled hours of work will be 11:00 AM to 3:00 PM, or a similar schedule to coincide with the hours school is in session. If the SRO responds to a school incident or a school emergency outside of these regularly scheduled hours, the SRO may act in their official SRO capacity while handling the incident. The SRO's duties shall include, but not be limited to, the following:
 - a. Foster a positive school climate through relationship building and open communication. Build relationships, enhance community-policing activities, identify safety concerns within the schools, develop problem solving strategies with school administrators and staff, and collaboratively develop a comprehensive school safety plan with school administrators and staff;
 - b. In coordination with school administrators, provide presentations in the areas of safety, crime prevention, bullying, etc.
 - c. Engage students and staff during School District hours or at designated School District events to establish rapport between the SRO and the student population;

- d. Patrol School District grounds and facilities during School District hours and at other specified times or events in order to reduce or deter incidents of school violence; and maintain a safe and secure environment on school grounds; North Branch Public Schools/City of North Branch SRO
- e. Coordinate with School District administration and staff and provide advice on the School District's Emergency Operations Plans and the implementation of any safety drills, including fire, inclement weather, active shooter, or other lock-down drills;
- f. At the School District's request, periodically review and assess the School District's physical space, policies, and/or procedures to complete a threat assessment, ~~and~~ evaluate potential risks for student and staff safety, and identify vulnerabilities in school facilities and safety protocols;
- g. Present drug awareness and resistance education (DARE or other similar program) to students or provide education on personal safety ~~education and other law enforcement topics~~ to students and/or staff as requested by School District administration;
- h. Respond to complaints and investigate matters of alleged criminal or delinquent activity;
- i. Attend and participate in applicable school meetings and to communicate and coordinate with the School District's principals and other appropriate school administrators concerning the needs of the school and its students;
- j. Promptly notify school administration upon removing a student from the school campus;
- k. Notify a parent as soon as practicable when minor students are issued a criminal citation or arrested;
- l. Provide appropriate, and when warranted, immediate response and interventions regarding students who may be abused, neglected and otherwise maltreated pursuant to Minnesota Statutes § 626.556 or Minnesota Statutes § 260C.001, et seq. This response may include making reports to the local social service agency, taking immediate action to place a student on a hold pursuant to Minnesota Statutes § 260C.175; or enforcing court orders;
- m. ~~Enforcement of criminal law and protection of students and staff and the public against criminal activity;~~ Enforce criminal laws and protect students, staff, and visitors to the school grounds from criminal activity.
- n. Serve as a liaison from law enforcement to school officials. Coordinate, when practical, the investigative approach between the City, other law enforcement authorities (if involved) and the School District. The SRO shall comply with applicable legal standards for searches, seizures, and interviews. The SRO will not be involved with administrative activities of school personnel unless a violation of law (criminal, delinquent, juvenile petty offense, or juvenile traffic offense) is alleged or there is an exigent circumstance requiring intervention for safety or to prevent flight;
- o. Assist School District staff and respond to concerns of visitors at the School District facilities, including the presence of unauthorized adults, allegations of trespass or threatening behaviors, and alleged violations of Orders for Protection, Domestic Abuse No Contact Orders or Harassment Restraining Orders; and North Branch Public Schools/City of North Branch SRO

p. At the request of the School District, participate as a witness in any administrative, quasi-judicial or judicial proceeding in which the School District is party, including, but not limited to, expulsion hearings.

5. Personnel Policies. The SRO shall be subject to all personnel policies and practices of the City, except as such policies or practices may be modified by the terms and conditions of this Agreement.
6. Responsibility for Student Discipline. The parties hereto acknowledge and agree that the School District shall be responsible for disciplining students for violations of School District policies, rules and procedures. The SRO must not use force or the authority of their office solely to enforce school rules or policies or participate in the enforcement of discipline for violations of school rules.
7. Term of Agreement; Termination. This Agreement shall commence on September 1, ~~2023~~ 2024 and end on June 30, ~~2024~~ 2025, unless otherwise renewed or extended by the parties. Any party may terminate this Agreement without cause by notifying the other part no earlier than ninety (90) days prior to the date of termination.
8. Default. In the event either party shall default in any of the covenants, agreements, commitments, or conditions herein contained, and any such default shall continue uncured for a period of thirty (30) days after written notice thereof, the nondefaulting party may, at its option and in addition to all other rights and remedies which it may have at law or in equity against the other party, immediately terminate this Agreement.
9. Notices. All notices to be given under the terms of this Agreement shall be in writing and signed by the person serving the notice and shall be sent registered or certified mail, return receipt requested, postage prepaid, or hand delivered to the addresses of the parties listed below.

City of North Branch

ATTN: Chief of Police

6408 Elm Street

North Branch, MN 55056

and

Independent School District No. 138

ATTN: Superintendent of Schools

38705 Grand Ave.

North Branch, MN 55056

10. Workers' Compensation. The City agrees to be responsible for any claim of injury or sickness to the SRO stemming from the performance of work under this Agreement.
11. Liability. Each party shall be responsible for the consequences of its own acts, errors, or omissions and those of its employees, officers, officials, agents, boards, committees,

commissions, agencies, and representatives and shall be responsible for any losses, claims, and liabilities which are attributable to such acts, errors, or omissions including providing its own defense. In situations including joint liability, each party shall be responsible for the consequences of its own acts, errors, or omissions and those of its employees, officers, officials, agents, boards, commissions, committees, agencies, and representatives. It is not the intent of the parties to waive any common law or statutory protections and immunities or impose liability beyond that imposed by state statutes. The obligations of the parties under this paragraph shall survive the expiration or termination of this Agreement.

12. Insurance. The City will maintain workers' compensation insurance, public employees' liability insurance, and automobile insurances, in amounts deemed appropriate and not less than the coverage limits prescribed under Minn. Stat. Chapter 466. The City and the School District will each maintain general liability insurance with coverage limits not less than those prescribed in Minn. Stat. Chapter 466.
13. Data Practices. The parties will share information as necessary for the administration and performance of this Agreement, consistent with local, state and federal law relating to confidentiality and disclosure of government data, including but not limited to education records created or maintained by educational institutions and law enforcement agencies. For the purposes of access to student records by an SRO, the SRO is considered a "school official" as provided in the Federal Educational Rights and Privacy Act ("FERPA") 20 U.S.C. 1232g. A SRO may be provided access to student information only as needed by the SRO to perform his duties related to educational or school administration activities when the SRO's use of such student information remains under the direct control of the School District. A SRO may also be granted access to education records in the event of an emergency situation threatening the health or safety of a student or other individual. The SRO may only re-disclose such student information consistent with FERPA and the Minnesota Government Data Practices Act.
14. Non-Discrimination. In the performance of work under this Agreement, the City agrees not to discriminate against any School District employee, volunteer, student, or student family member because of race, color, creed, religion, national origin, sex, sexual orientation, age, marital status, or disability.
15. Entire Agreement/Modifications/Applicable Law. This Agreement (including Exhibit A) contains all of the agreements and understandings between the parties and supersedes and replaces any prior agreements, negotiations or proposed agreements, written or oral. Each of the parties hereto acknowledges that no other party nor agent of any other party, has made any promises, representations or warranties whatsoever, express or implied, not contained herein, to induce it to execute this Agreement. This document may not be modified or altered except by a subsequent writing to be signed by all parties hereto. All terms and conditions shall be construed and interpreted in accordance with and be subject to the laws of the State of Minnesota.
16. Severability. If any provision of this Agreement is held to be illegal, invalid or unenforceable under present or future laws, rules or regulations, such provision shall be fully severable and this Agreement shall be construed and enforced as if such illegal, invalid or unenforceable provision had never comprised a part of the Agreement, and the remaining provisions of this Agreement

shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provisions or by its severance from this Agreement.

17. No Assignment or Subcontract. The City shall not assign, delegate or subcontract any right or obligation hereunder without the prior written consent of the School District.
18. No Third Party Beneficiary Rights. The provisions of this Agreement are for the sole benefit of the parties and their successors and permitted assigns, and they will not be construed as conferring any rights to any third party (including any third-party beneficiary rights).
19. Force Majeure. A party is not liable for failure to perform the party's obligations under this Agreement if such failure is as a result of Acts of God (including fire, flood, earthquake, storm, pandemic, epidemic, or other natural disaster), lack of fuel, strikes, labor disputes, national emergency, state-wide emergency, war, invasion, act of foreign enemies, hostilities (regardless of whether war is declared), civil war, rebellion, revolution, insurrection, terrorist activities, or government sanction. Except as mutually agreed-to by the parties in writing, the School District has no liability or payment obligation concerning, or in respect to, SRO Services that the City did not perform during an event of Force Majeure.
20. Binding Agreement. This Agreement will be binding upon, inure to the benefit of, and be enforceable by the parties hereto and their respective heirs, executors, administrators, successors and assigns.
21. No Oral Waiver. No breach of any provision of this Agreement can be waived by any party hereto unless such waiver is made in writing. Waiver of any breach by any undersigned party will not be deemed to be a waiver of any other breach of the same or any other provision hereof.

IN WITNESS WHEREOF, the City, by resolution duly adopted by its Council, has caused this Agreement to be signed by its Mayor, Clerk, and Chief of Police and the seal of the City to be affixed hereto on the ____ day of _____, ~~2023~~2024; and the School District, by resolution of its School Board and signature of its Board Chair and Clerk of said Board on the ____ day of _____, ~~2023-2024~~ [SIGNATURES TO FOLLOW]

CITY OF NORTH BRANCH

By: Mayor of the City of North Branch

By: Clerk By:

Chief of Police

INDEPENDENT SCHOOL DISTRICT NO. 138

By: Board Chair

By: Clerk

EXHIBIT A

TERMS OF COMPENSATION

The daily rate, based on 4.2 hours per school day, for the SRO Services is ~~\$261.12~~ 130.56 ~~\$251.80~~ per school day during the time period from September 1, ~~2023-2024~~ to December 31, ~~2023~~2024, .

The daily rate, based on 4.2 hours per school day, for the SRO Services is ~~\$261.12~~ 134.48 per school day during the time period from January 1, ~~2024-2025~~ to June 30, ~~2024~~2025.

The City shall invoice the School District in December ~~2023-2024~~ for services rendered by the SRO from September 1, ~~2023-2024~~ to December 31, ~~2023~~2024. The City shall invoice the School District in June ~~2024-2025~~ for services rendered by the SRO from January 1, ~~2024-2025~~ to June 30, ~~2024~~2025.

For the 2024 – 2025 school year, the School District agrees to pay for 2 hours of SRO services per school day and the City of North Branch agrees to assign the SRO to the District 4 hours per school day.

If the School District requires additional police services outside of the terms of this contract (such as security at athletic events or other school sponsored events, etc.), the City shall invoice the School District the cost of these services pursuant to the City's current fee schedule.



Prepared By:

Ragini Varma, City Clerk / IT Director

Presenter: Linda Woulfe, Interim City Administrator, Sharon Wright, Finance Director, Shawn Williams, Public Works Director, Ragini Varma, City Clerk / IT Director

Date: 07/11/2024

Board & Commission: City Council

Subject: Approve Springbrook 2024 UB Conversion and Testing

All major data migration between two software can take anywhere from six months to a few years depending on what is being migrated, the complexity and formatting of the raw data. With the passing of the referendum to dissolve the Water and Light Commission and transfer all assets to the City in November 2023, it was also imperative to also start migrating all software and related customer data from the existing software, Power Manager, which is being maintained by the vendor and not being enhanced as it, got sold off which is being used to bill residential and commercial customers for their monthly water, sewer and storm into the City's current ERP System called Springbrook. Currently, the only thing that remains to be migrated over from Power Manager is the Utility, as all of AP, AR, Payroll are being done in Springbrook as of this month unless a few things may still be lingering around and need to be moved over.

The City has been using the UB (Utility Billing) Module for their Annual Rural Stormwater customer billing within Springbrook. This move was made when the Chisago County informed the City to collect these fees before being put as delinquent on property taxes by November 30 of each year and the City started that process in 2021. This year we will be moving all the monthly billing for water/sewer/storm as well.

In the process of streamlining the process of all utility billing there were a few other things that needed to get done first and, make data ready for migration, as all cleaning of data must be done by the customer, including their current vendor, and not the vendor that is migrating the data. We went with AMI (Automated Metering Infrastructure) implementation which is cloud based, and had to clean up data to match the data format to have all water/irrigation meters read automatically. This infrastructure includes three cellular gateway antennas, compatible

water/irrigation meters, a web portal called Neptune 360 to access meter reads, reports of usage, leaks, high/low reads, status of equipment and several other reports, MRX device and an iPad. We are still doing close to about 500-600 manual reads using the MRX/iPad combination and a few estimations as we change our old meters and the Water Tower rehabilitation is complete. The next was to upgrade the current MRX device, which needed to be upgraded to the latest firmware to allow for iPad to be able to read and sync with the Neptune 360 Cloud-based software from where we download a properly formatted file into our billing software, since an obsolete android was being used to do the process and without the firmware upgrade an iPad could not be used. We also needed to make changes to the multipliers, identify all PIDs properly and add all owners' information within the current software as a cleanup process and also to make it ready for AMI Implementation as well as the Neptune 360 Software with Springbrook. The vendor had to correct the longitude and latitude as an estimate since the automatic geo sync is still in the works. We did go live with the AIM being read automatically and, so far, we have been on it for roughly four months, giving us time to troubleshoot further on data flow as well as tweak it. A sample test was also completed to see the formatting issues between meter reads between Neptune and Springbrook and what all needs to be addressed.

For a quick preview of Neptune 360 there is a short description of it and can be found at <https://www.neptunetg.com/products/software/> Neptune has come out with the Customer facing portal, which will not be implemented until we have migrated all customer data into Springbrook and used it for at least six months as there are additional costs for that as well as onetime implementation cost where residents can login to the portal and check their usage and pull reports.

The next implementation in the process was to move to xPressBillPay to integrate with Springbrook and get off CivicPay/Municipal pay, which was being used as the payment system earlier. This has been fully implemented and has been on it for a few months and troubleshoot issues as needed. This process has streamlined the bank reconciliation process for the City.

We still need to clean some more to eliminate all data inconsistencies and its related information within Power Manager, but are at a good spot to engage the Springbrook Implementation team to import the cleaned data in the backend, which will cost an estimate of \$48,000, which has been reduced from \$60,000 after I had spoken with them what needs to be migrated and get the first billing out within Springbrook. They cannot start the project until September/October of this year as they had stated in May/June, and then they should be able to provide us with a go-live timeline based on their team availability as they are extremely backlogged, so that gives us time to clean up more. In the meantime, we continue to bill through Power Manager and process through Enerlyte. Once the agreement is signed and sent over, they will get a team ready, and a timeline set up, and every session will be recorded for reference as normally done.

Financial Impact:

This quote is to simply bring customer info and meters, testing, integration with Neptune for data upload and first billing in this conversion process. The **estimated cost** of \$48,000 is attached and will be divided into three Enterprise Funds as follows:

Storm \$16,000

Water \$16,000

Sewer \$16,000

This is a one-time implementation cost for the conversion of the data. If approved, staff will not exceed \$48,000 without seeking additional Council approval.

Voting Requirements:

Voting Options Simple Majority

Order Form: Q-29296-1
Date: 7/2/2024, 12:47 PM
Expires On: 8/16/2024



Phone: (866) 777-0069
Email: info@sprbrk.com

Ship To:
Ragini Varma
City of North Branch
6408 Elm Street
North Branch, Minnesota 55056-0910
raginiv@ci.north-branch.mn.us

Bill To:
AP North Branch, MN
City of North Branch
6408 Elm Street
North Branch, Minnesota 55056-0910
ap@ci.north-branch.mn.us

Account Manager	E-mail	Phone Number	Payment Terms
Cassidy Peters	cassidy.peters@sprbrk.com	(503) 820-2249	Net 30

Estimated Professional Services					
PRODUCT	DESCRIPTION	RATE	QTY	DISC (%)	NET PRICE
Standard Professional Services	UB Conversion + Testing	USD 240.00	200	0.000	USD 48,000.00
Estimated Professional Services Total:					USD 48,000.00

Order Details

Customer Name: City of North Branch

Customer Contact: Ragini Varma

Governing Agreement(s): This Order Form is governed by the applicable terms found at:
Professional Services: <https://sprbrk.app.box.com/v/sprbrk-svcs-terms>

Order Terms

In the event of an inconsistency between this Order Form, any governing agreement, purchase order, or invoice, the Order Form shall govern as it pertains to this transaction.

This Order Form shall become effective as of the last date of signature (the "Effective Date").

Invoice Timing and Delivery

Invoices are delivered electronically via e-mail to the billing contact on file for the Customer. Customer invoices are issued for the full amount of software and services purchased as follows:

Products Ordered

Estimated Professional Services,
On-Site Professional Services, and
Travel Expenses*:

Fixed Fee Professional Services:
Hardware:

Invoice Timing

Monthly, in arrears for services in the prior month unless specified in Special Terms.

Upon the Effective Date of this Order Form unless specified in Special Terms.
Upon the Effective Date of this Order Form and is non-refundable.

*

Professional Services time and material pricing is based on expected hours using Springbrook's standard implementation approach. While our goal is to provide accurate hour estimates, there may be variations in actual hours and charges. If project costs surpass the estimated hours within this order form by the greater of \$15,000 or 20%, a signed change order is necessary to proceed. Adjustments under this threshold will be executed and invoiced accordingly. On-site professional services are subject to a daily minimum rate regardless of time spent on-site. Travel expenses related to on-site travel will be invoiced as they are incurred.

Special Order Terms

Special Order Terms (if any):

By signing, both parties agree to the terms and conditions set forth in this agreement.

* If the Customer requires a PO number on invoices, the Customer must provide Springbrook with the PO number and a copy of the PO prior to invoice issuance. If a PO number is not provided prior to the invoice issuance date, invoices issued on this Order Form will be valid without a PO reference.

Springbrook Holding Company, LLC

City of North Branch

Signature:_____

Signature:_____

Name (Print):_____

Name (Print):_____

Title:_____

Title:_____

Date:_____

Date:_____

Purchase Order # (if required)_____



Prepared By:
Ragini Varma, City Clerk / IT Director
Presenter: Ragini Varma, City Clerk / IT Director
Date: 07/09/2024

Board & Commission: City Council

Subject: 2024 LMC Conference Update

This year the Annual League of Minnesota Cities Conference was held in Rochester, Minnesota from June 26th, 2024, through June 28, 2024. It is always a great learning and networking opportunity with other Elected Officials, City Administrators, Finance Directors, Clerks/Treasurers, Engineers, and other professionals/vendors that showcase their products geared towards solving challenges faced in government at every level. The membership and attendance at LMC also provides one to complete a higher level of certification process and join the leadership programs that are offered. It is estimated that there will be close to 30-40% of vacancies that will remain unfilled in government at all levels if proper transition and training is not in place. Most routine tasks will be automated to further bridge the gap in vacancies.

This year three mobile tours were offered along with several educational topics. Rochester, as we know, is an exceptionally large city and the two major players are, of course, IBM and Mayo. In the past twenty years, it has grown larger and so are their funding sources, and it continues to grow and expand.

The Mobile Tour - Water Reclamation Plant

The Water Reclamation Plant, also known as Wastewater collection and treatment (Water Reclamation Plant), is a very impressive plant. It was also great to hear that there were two-three public works personnel that innovated a product to support the needs of the daily tasks performed when dealing with utilities, which has helped reduce injuries and loss of work hours. The plant mechanically, biologically, and chemically treats an average of 11-13 million gallons per day of wastewater and is designed for 24 million gallons per day, 10 million gallons of biosolids applied annually (value of \$650,000/yr.), Valued at \$640,000,000, Collection system valued at \$430,000,000 and operated 24/7 by 30 employees. It was very interesting to see that they are using an innovative technology to simultaneously do nitrification and denitrification, which takes less energy and uses

biological phosphorus removal rather than chemicals. Aaron Luckstein, Deputy Public Works Director of Environmental Services did the presentation and tour of the plant and Craig Johnson, Senior Intergovernmental Relations Representative, provided the commentary during the mobile bus tour to and from the Civic Convention Center to the Plant.

Topics of Interest - Shaking the Money Tree

Jason Aarsvold, Senior Municipal Advisor, Ehler and Dan Tienter, Municipal Advisor, Ehlers presented the different funding sources that cities could benefit from to get a project from start to finish and most of the ones presented I was already familiar with. I was looking at in-depth details about grants which were not there, which attendees were a bit disappointed with, but overall it was a good presentation.

Topic of Interest - The Green Frontier: Understanding Cannabis Regulation

Max Zappia, Chief Regulatory Officer, Office of Cannabis Management; Sophie Leininger, Government Relations Director, Office of Cannabis Management went over the status of the licensing and program. There was a lack of sources of data that was presented, which made some attendees question their conclusions. The state is still working on the details and the process but both Max and Sophie stated that they will take emails for further specifics. The Cannabis office is open and so is their website. It was a jam-packed session as more and more cities are looking towards this avenue as a revenue generation and as an alternative funding option to fund their projects.

Topics of Interest - Tales From the (En)Crypt and Gone in 60 Seconds: Real-life Cybersecurity Stories

Cities are facing increasing cyber threats which threaten protected data, public funds, and infrastructure. While this can feel like a scary movie, the reality is that cities of all sizes and abilities can take steps to protect themselves from a cyber incident. In this session, we heard from two cities - the City of Mayer and the City of Thief River Falls about recent cyber incidents, including how the city recovered and what they learned. Both cities had a consulting firm managing their technology, and it was interesting to hear about the actual attack that happened, which was ransomware in one city that took out all of their eighteen servers within a matter of a few minutes. The other city was where it was a very real-looking phishing email attack which made the invoice look very real, and the finance personnel paid and later found out and were on the brink of defaulting on their bond payment. It was a good presentation and most of the vulnerabilities are real and for some that were not technical, it left them with a better understanding of the broad scope of consequences and actions should a cyber incident occur. Both cities did pay the ransomware money to get back access in the end. One thing that was surprising was that the League in one such particular incident covered only \$50,000 of the \$250,000 damage caused.

Topic of Interest - Global Minnesota: Bridging Communities and the World

Phil Hansen, President, Global Minnesota presented how cities can leverage international partnerships for trade, cultural exchange and transfer of knowledge. For over 70 years, the nonprofit Global Minnesota has been at the forefront of connecting Minnesotans to the world, and the world to Minnesota. Many cities have both formal and informal international connections, through residents, businesses, and sister city programs. This session provided an overview of how Global Minnesota is advancing international understanding and engagement in communities across the state through an array of initiatives involving professional exchanges with international visitors, educational outreach, and world affairs programs and can help your community unlock the benefits of international engagement.

Overall, it was a great conference as usual. Governor Walz was present at the Conference and spoke highly of the League of Minnesota Cities and its commitment to the cities. Most of the presentations attended are attached and can be found on the League of Minnesota Cities as well.

Voting Requirements:

INFO



Water Reclamation Plant LMC Tour



Public Works – Environmental Services

- Water Resources Program
- Flood control program
- **Wastewater collection and treatment (Water Reclamation Plant)**



WRP Facility Summary

- Rochester Water Reclamation Plant (WRP)
 - Mechanically, biologically and chemically treats an average of 11-13 million gallons per day of wastewater
 - Designed for 24 million gallons per day
 - 10 million gallons of biosolids applied annually (value of \$650,000/yr)
 - Valued at \$640,000,000
 - Collection system valued at \$430,000,000
 - Operated 24/7 by 30 employees



Social and environmental safeguards

- Odor control, noise, aesthetics, and water quality are priorities.
- Impacts costs and increases energy demand but provides the safeguards.



State Licensed Lab

- Lab certified
 - CBOD, COD
 - TSS
 - Ammonia, Nitrate, Nitrite, Nitrogen
 - Phosphorus
 - Fecal Coliform
 - Flow, Temp, pH, dissolved oxygen
- Contract lab:
 - Heavy Metals,
 - Tetrachloroethylene
 - Copper
 - Salty parameters: bicarbonates, chloride, sulfate, calcium, magnesium, sodium
 - Potassium
 - Soil samples
 - PFAS



Costs and benefits

- Contract lab costs = \$34,000
- Material Costs = \$31,000
- Permit Fee = \$2,500
- Lab Operating Costs = Unknown, included in building costs
- Lab Personnel = \$186,000

Benefits:

- Industrial and hauled waste analysis
 - Billing and helps with accepting discharges
- Optimization studies
 - Realtime data
- Struvite and vivianite
 - Identification of material, problem solving
- Biological kinetic studies
 - Biology and chemistry assessments



Energy Management

- Methane gas collection saves \$650,000 - \$800,000 annually
 - Two 1 megawatt engine generators
 - 600 homes
- Three heating and cooling loops saves over \$200,000 by recovering heat from equipment and treatment processes
 - Use wastewater for thermal transfer
- Wastewater heat pump project for Primary Clarifier No.3 saves over \$50,000 annually



4001 West River Parkway NW, STE 100, Rochester, MN 55901-7090

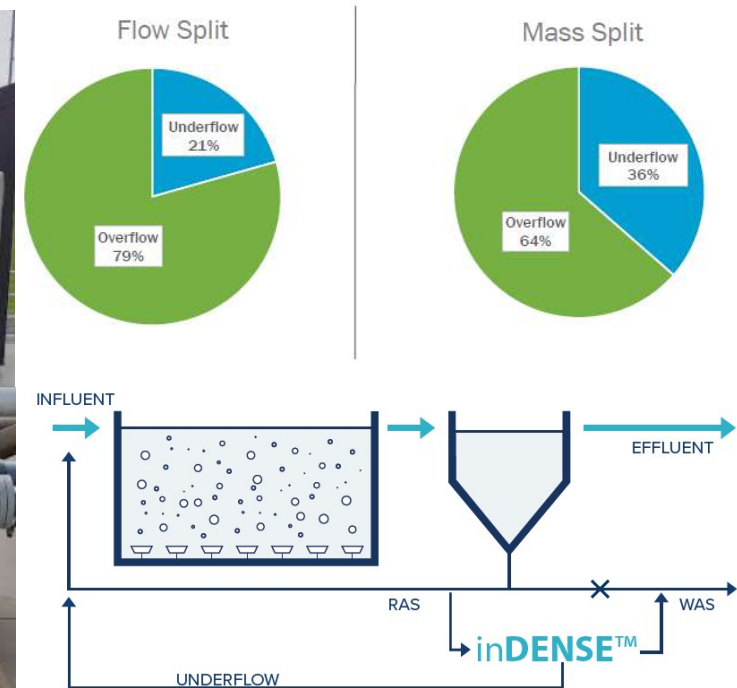
Other ongoing optimization and efficiencies

- Cothickening of primary and WAS to reduce heating demands of digesters
- Minor modifications to process to reduce chemical use
 - > \$500,000 annual reduction
- Adjust aeration airflows for flow and loading conditions – save ~ \$100,000/yr.
- Siphons installed for Raw Pumps to reduce energy and increase capacity
- Reuse 350 gallon per minute of treated effluent - equal to 135 homes daily water usage
- Energy rebate programs and peaking factors
 - Train staff on energy management – goal is to minimize peaks – consistent energy demand = low bill
- Water quality trading in permit



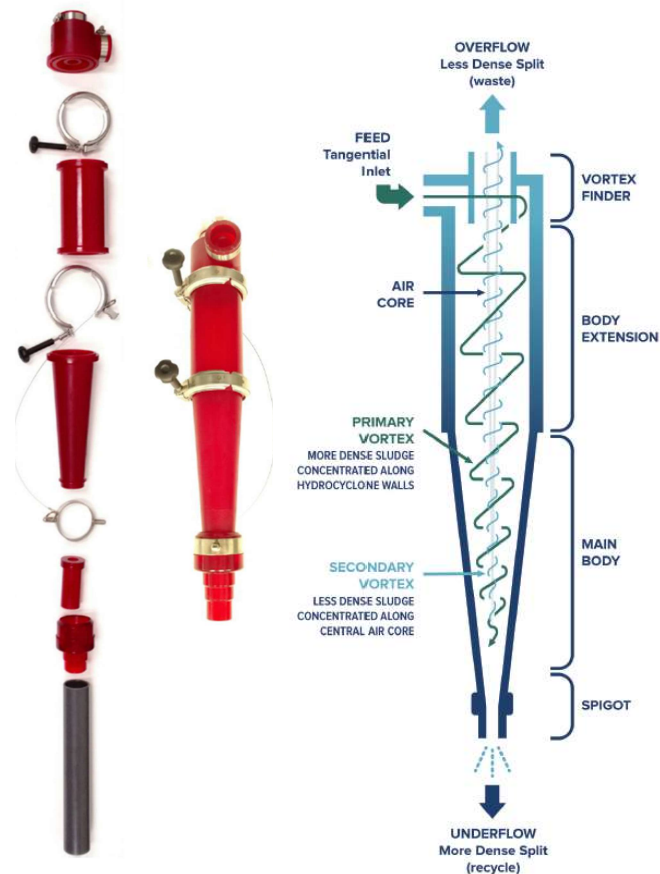
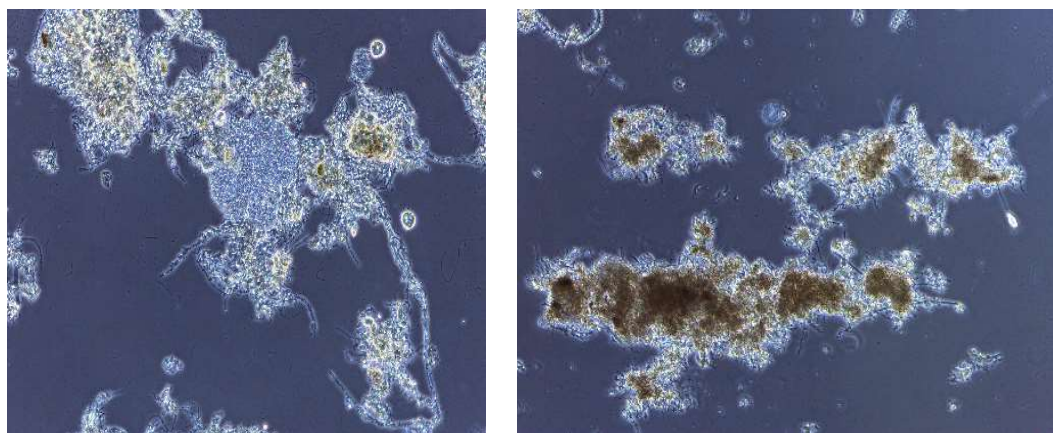
Innovative Technologies

- Low DO Indense Pilot
- Primary Driver is was low DO – energy reduction
- Simultaneous Nitrification/Denitrification
- Impacts on Settability – gain capacity
- Bonus – biological phosphorous removal



Hydrocyclone for Selective Wasting

- World Water Works – Indense
- Filament Control for low DO condition
- Potential improvements for settlability

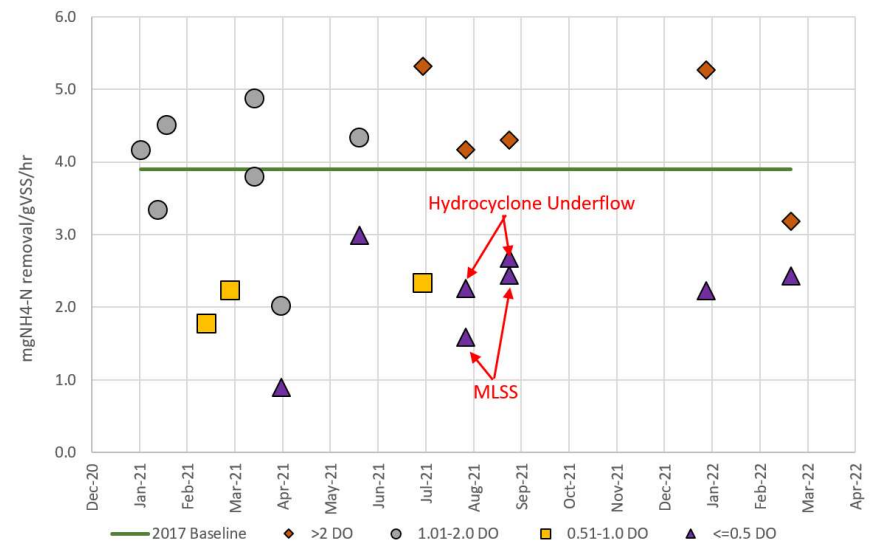
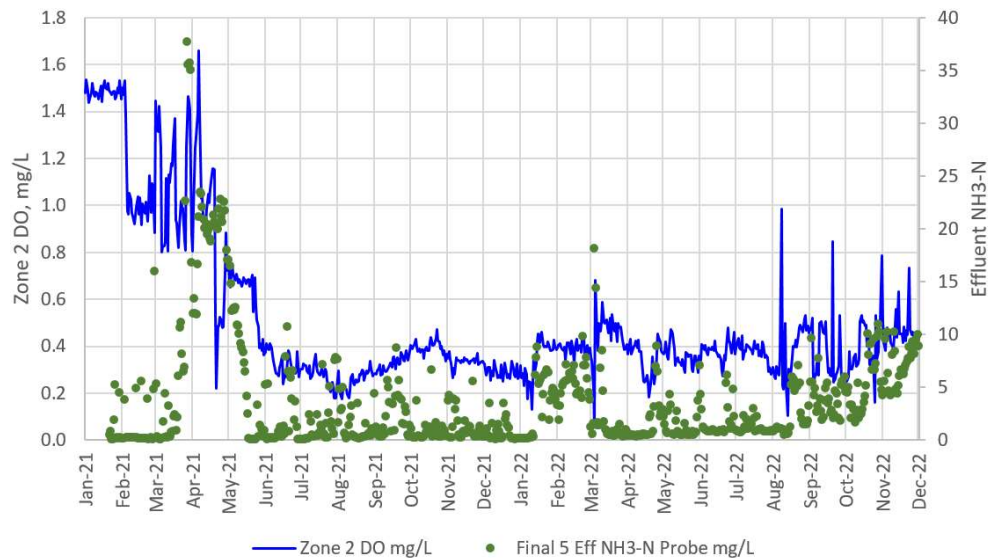


4001 West River Parkway NW, STE 100, Rochester, MN 55901-7090

www.rochestermn.gov

Low DO Testing

- Biological Shift Occurs
- Nitrification achieved at 0.2-0.5 mg/L DO
- Nitrification rates reduced – but can be regained by raising DO
- 35-50% Reduction in Airflow achieved

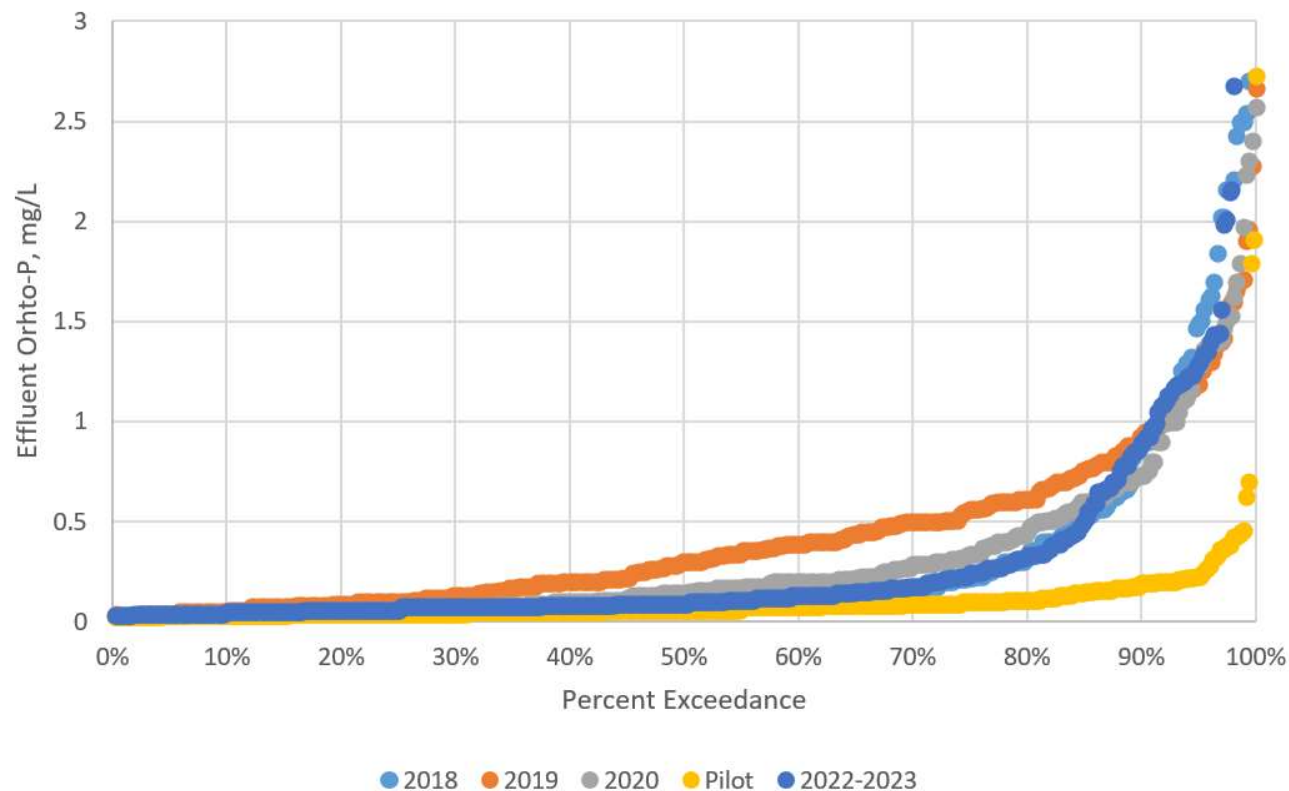


4001 West River Parkway NW, STE 100, Rochester, MN 55901-7090

www.rochestermn.gov

Biological Phosphorous Removal

- Significantly improve Bio-P





**Thank You
Questions?**

**Download materials
featured in this session:
LMC.ORG/ED**





LEAGUE OF MINNESOTA CITIES
2024 ANNUAL CONFERENCE

JUNE
26-28

MAYO CIVIC CENTER
ROCHESTER, MN

BUILDING a BETTER CITY

CITIES GET IT DONE.

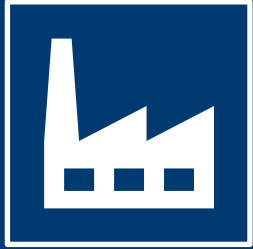




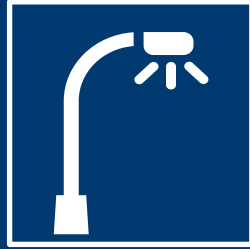
Shaking the Money Tree

Exploring Alternative Funding Sources

Our Discussion Today...



Gas & Electric
Utility
Franchise
Fees



Storm Water &
Street Lighting
Utilities



Statutory
Districts



Fee Schedule
Maintenance &
Other
Revenues

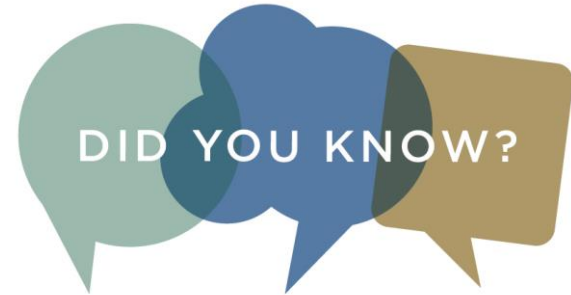


What are Public Utility Franchises?

- Under Minnesota Statutes, Section 216B.36, cities may require public utilities to obtain a franchise to operate on public property
 - ✓ Generally applicable to electric & gas utility providers
 - ✓ Public property includes parks, streets & other rights-of-way
 - ✓ Cities may require other terms & conditions, including obligations to pay municipal or franchise fees
 - ✓ may be used “to raise revenue or defray increased municipal costs accruing as a result of utility operations, or both”
- The franchises are typically negotiated as contracts, then adopted by municipality via ordinance

What Else?

- Given statutory authorization, municipalities may use franchise fee for any public purpose, most commonly:
 - ✓ Streets & sidewalks
 - ✓ Parks & sustainability
 - ✓ Building & public facilities
- Public utilities pass franchise fees though to ratepayers, usually labeled “City Fee” in billing



More than 350 cities in
Minnesota collect
Franchise Fees!

Franchise Fees: The Pros & Cons



Advantages

- Flexible funding source
- Revenue stream diversification
- Capture tax-exempt Properties

- More regressive than property taxes
- No state relief program
- Less transparent process



Disadvantages

Okay... Okay... Now Show Us The Fees!

Electric Utility, Franchise Fee Estimates			
Customer Class	Monthly Fee	Average Monthly Accounts	Estimated Annual Revenue
Residential	\$ 3.00	3,000	\$ 108,000
Small C&I – Non-Demand	8.00	200	19,200
Small C&I – Demand	30.00	100	36,000
Large C&I	120.00	60	86,400
Subtotal, Electric Utility		3,360	\$ 249,600

Gas Utility, Franchise Fee Estimates			
Customer Class	Monthly Fee	Average Monthly Accounts	Estimated Annual Revenue
Residential	\$ 3.00	2,700	\$ 97,200
Commercial A	8.00	300	28,800
Commercial B	30.00	10	3,600
Commercial C	120.00	10	14,400
SVDF A & B	30.00	10	3,600
LVDF	120.00	-	-
Subtotal, Gas Utility		3,030	\$ 147,600

Total		6,390	\$ 397,200
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Storm Water Utility Fund

Authorized under Minnesota Statutes, Chapter 444

- Requires adoption of Watershed Plan or Water Management Plan

Allows municipalities to:

- Shift costs from property tax levy to enterprise activity
- Respond to municipal storm water requirements

Designed so properties with higher storm water needs pay higher fee

- Costs must be just and equitable, usually based on storm water run-off
- Capture tax-exempt properties

Street Lighting Utility Fund

Authorized by Minnesota Statutes, Chapter 429

- Must consider a “special benefit” test

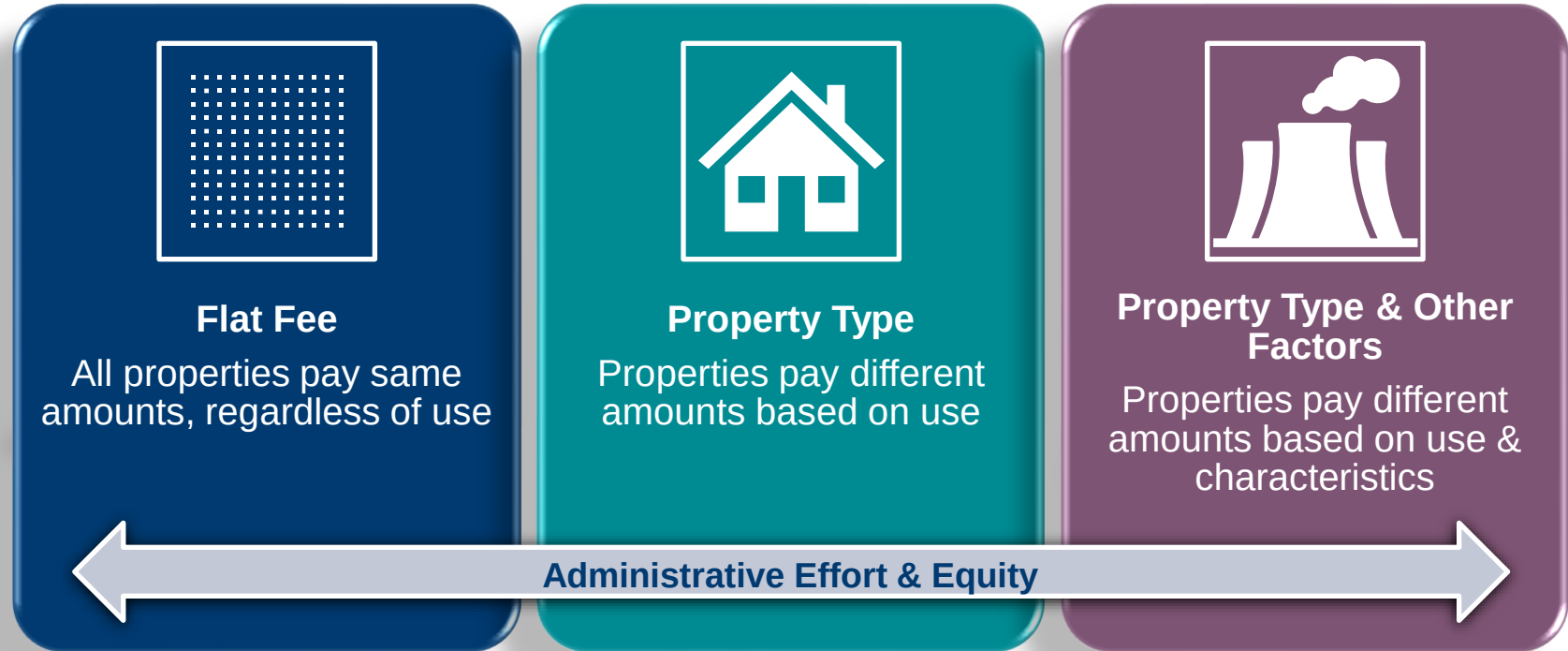
Allows municipalities to:

- Shift costs from property tax levy to enterprise activity
- Respond to demand for additional lighting

Designed so properties with higher lighting needs pay higher fee

- Costs must be assessed to benefiting properties
- Capture tax-exempt properties

Franchise & Utility Fees, continued...



Economic Development Authorities

Legal Authority

- Mn Statute 469.090-469.1081

Adoption & Collection Method

- Specific to public facility funding - may issue EDA lease revenue bonds without a referendum

Allowable Uses

- May use to finance city facilities such as police and fire facilities, park building, etc.

Other Considerations

- More costly financing option
- Other, better options may exist

Housing Improvement Areas

Legal Authority

- MN Statutes 428A.01 to 428A.20
- Based on Special Service District statute

Adoption & Collection Method

- More than 50% of property owners must petition City
- Established by ordinance after public hearing (fee imposed on units)
- Includes objection & veto process

Allowable Uses

- Finance common area improvements (roofs, siding, drives, etc.)
- Unit owner fees repay city loan or bond debt service

Other Considerations

- Cities can issue taxable bonds to finance improvements
- Fee levied like special assessment to provide strong security
- Can use existing fund balance to finance HIA – fees repay fund

Special Services Districts

Legal Authority

- MN Statutes 428A.01 to 428A.10

Adoption & Collection Method

- Established by ordinance
- Service charge imposed on commercial & multi-family residential

Allowable Uses

- Pay for services in area at a level above "typical"
- Maintenance, lighting, decoration, etc.

Other Considerations

- 2023 change allows multi-family housing to pay service charge
- Can include other property types, but they don't pay fee

Fee Schedule Maintenance

- Local governments should adjust fees annually to account for:
 - ✓ Inflation
 - ✓ Service delivery costs
 - ✓ Competitor pricing
 - ✓ Structure & fairness
- Local governments should adjust fees annually by standard amount
 - ✓ Any change other than standard requires justification

Fee Schedule Maintenance

Year	Property Tax Levy		Fee Revenue		Cost	
	Amount	Annual Change	Amount	Annual Change	Total	Annual Change
1	50.00	-	50.00	-	100.00	-
2	53.00	6%	50.00	0%	103.00	3%
3	56.09	6%	50.00	0%	106.09	3%
4	59.27	5%	50.00	0%	109.27	3%
5	62.55	5%	50.00	0%	112.55	3%
Total Change	12.55	25%	-	-	12.55	13%

Cost Share	
Property Tax Levy	Fee Revenues
50%	50%
51%	49%
53%	47%
54%	46%
56%	44%

Infrastructure Funding

Special Assessments (MN Statute 429)

- Charges imposed by a local government against benefiting real estate to fund eligible improvements

Tax Increment Financing (TIF)

- Captures additional property taxes or “tax increment” from new development to pay for qualified costs

Tax Abatements

- Redirects or “abate” property taxes to for economic development or certain public improvements

What About Grants?

Federal

- Congressionally Directed Spending
- HUD
- USDA
- US DOT
- US EDA

State

- DEED
- DNR
- IRRRB
- Legislature
- Metropolitan Council
- Mn/DOT
- PFA

Other

- County Governments
- Individual Donations
- Private Foundations
- Watershed Districts

Grants: A Few Best Practices...



Plan months in advance of a grant applications



Invest in grant plans, proposals & applications



Refine grant accounting & internal controls



Review any subrecipient & contracting rules



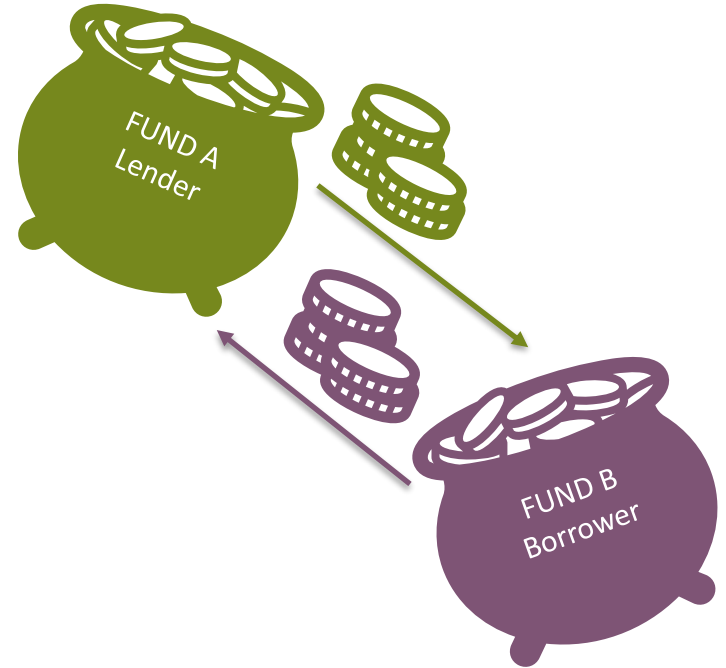
Understand any auditing & reporting requirements



Understand any other grant covenants & terms

Internal Loans & Transfers

- Interfund or Internal Loans
 - ✓ One fund lends to another at a reasonable interest rate
 - ✓ Allow organization to “pay themselves interest” rather than to bond holders
- May be able to “revolve” funds



Conduit Bond Fees

Local governments often asked to issue conduit bonds on behalf of private development projects

Bonds 100% supported by private development

- no recourse to city
- no risk to credit rating

You can charge a fee

- Often up to 1% of bond amount, but should be reasonable
- Fee can be used for any governmental purpose

Developer Escrow for Subsidy Requests

Fees charged to developers requesting public assistance

- Covers third party & staff costs related to review, analysis of request

Can include smaller application fee to cover initial review

- \$1,500 to \$5,000

Larger escrow deposit if project proceeds

- \$10,000 or more + additional, as needed, based on costs
- TIF projects can cost over \$30,000; cities need funding source

Final Thoughts...

- Turns out there's no free lunch
 - ✓ Many options for local governments
 - ✓ Diverse funding sources always helpful
 - ✓ Don't leave money on the table
- Be prepared to think creatively
 - ✓ Consider fairness
 - ✓ Think about who benefits from service





Your Presenters



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A Guide for Local Governments on Adult-Use Cannabis



Table of Contents

Introduction	3
About OCM	4
Cannabis License Types	5
Adult-Use Cannabis Law	7
Cannabis Licensing Process.....	8
General Authorities	10
Zoning and Land Use	12
Local Approval Process	15
Inspections and Compliance Checks	18
Municipal Cannabis Stores	19
Creating Your Local Ordinance	20
Additional Resources	21

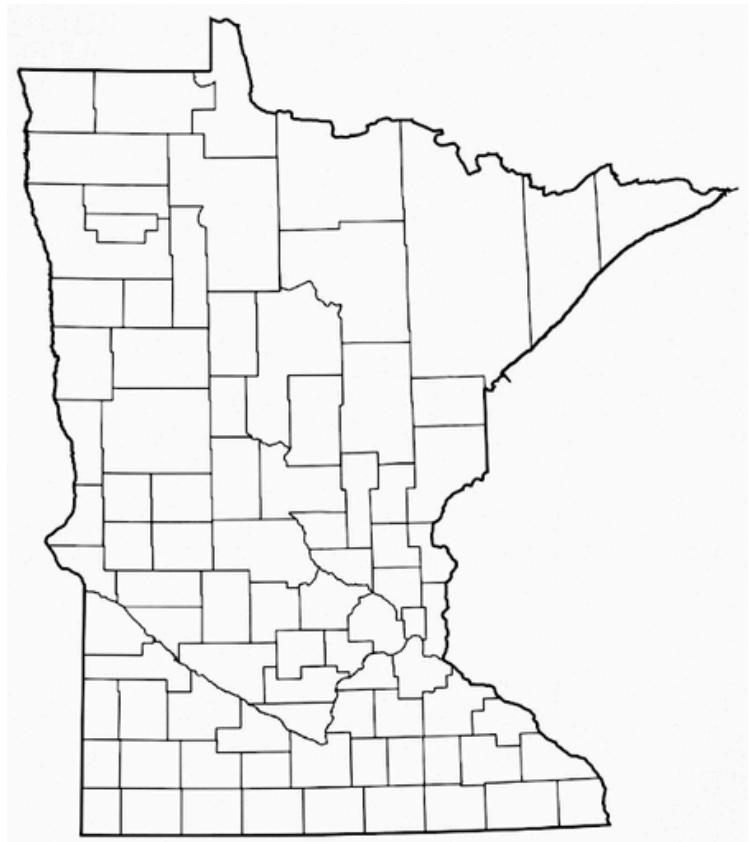
Introduction

This guide serves as a general overview of **Minnesota’s new adult-use cannabis law**, and how **local governments** can expect to be involved. The guide also provides important information about Minnesota’s new Office of Cannabis Management (OCM), and the office’s structure, roles, and responsibilities. While medical cannabis continues to play an important role in the state’s cannabis environment, this guide is primarily focused on the adult-use cannabis law and marketplace.

The following pages outline the variety of cannabis business licenses that will be issued, provide a broad summary of important aspects of the adult-use cannabis law, and cover a wide range of expectations and authorities that relate to local governments. This guide also provides best practices and important requirements for developing a local cannabis ordinance.

Chapter 342 of Minnesota law was established by the State Legislature in 2023 and was updated in 2024. Mentions of “adult-use cannabis law” or “the law” throughout this guide refer to Chapter 342 and the changes made to it.

As of this guide’s date of publication, state regulations governing the adult-use cannabis market have not yet been published — **this document will be updated** when such regulations become effective.



This guide is not a substitute for legal advice, nor does it seek to provide legal advice. Local governments and municipal officials seeking legal advice should consult an attorney.

About OCM

Minnesota's **Office of Cannabis Management** is the state regulatory office created to oversee the implementation and regulation of the adult-use cannabis market, the medical cannabis market, and the consumer hemp industry. Housed within OCM are the **Division of Medical Cannabis** (effective July 1, 2024), which operates the medical cannabis program, and the **Division of Social Equity**, which promotes development, stability, and safety in communities that have experienced a disproportionate, negative impact from cannabis prohibition and usage.



OCM, through Chapter 342, is tasked with establishing rules and policy and exercising its regulatory authority over the Minnesota cannabis industry. In its duties, OCM is mandated to:

- Promote public health and welfare.
- Protect public safety.
- Eliminate the illicit market for cannabis flower and cannabis products.
- Meet the market demand for cannabis flower and cannabis products.
- Promote a craft industry for cannabis flower and cannabis products.
- Prioritize growth and recovery in communities that have experienced a disproportionate, negative impact from cannabis prohibition.

OCM governs the application and licensing process for cannabis and hemp businesses, specific requirements for each type of license and their respective business activities, and conducts enforcement and inspection activities across the Minnesota cannabis and hemp industries.

License Types

Minnesota law allows for **13** different types of business licenses, each fulfilling a unique role in the cannabis and hemp supply chain. In addition to license types below, OCM will also issue endorsements to license holders to engage in specific activities, including producing, manufacturing, and sale of medical cannabis for patients.

Microbusiness

Microbusinesses may cultivate cannabis and manufacture cannabis products and hemp products, and package such products for sale to customers or another licensed cannabis business. Microbusiness may also operate a single retail location.

Mezzobusiness

Mezzobusinesses may cultivate cannabis and manufacture cannabis products and hemp products, and package such products for sale to customers or another licensed cannabis business. Mezzobusiness may also operate up to three retail locations.

Cultivator

Cultivators may cultivate cannabis and package such cannabis for sale to another licensed cannabis business.

Manufacturer

Manufacturers may manufacture cannabis products and hemp products, and package such products for sale to a licensed cannabis retailer.

Retailer

Retailers may sell immature cannabis plants and seedlings, cannabis, cannabis products, hemp products, and other products authorized by law to customers and patients.

Wholesaler

Wholesalers may purchase and/or sell immature cannabis plants and seedlings, cannabis, cannabis products, and hemp products from another licensed cannabis business.

Wholesalers may also import hemp-derived consumer products and lower-potency hemp edibles.

License Types (continued)

Transporter

Transporters may transport immature cannabis plants and seedlings, cannabis, cannabis products, and hemp products to licensed cannabis businesses.

Testing Facility

Testing facilities may obtain and test immature cannabis plants and seedlings, cannabis, cannabis products, and hemp products from licensed cannabis businesses.

Event Organizer

Event organizers may organize a temporary cannabis event lasting no more than four days.

Delivery Service

Delivery services may purchase cannabis, cannabis products, and hemp products from retailers or cannabis business with retail endorsements for transport and delivery to customers.

Medical Cannabis Combination Business

Medical cannabis combination businesses may cultivate cannabis and manufacture cannabis and hemp products, and package such products for sale to customers, patients, or another licensed cannabis business. Medical cannabis combination businesses may operate up to one retail location in each congressional district.

Lower-Potency Hemp Edible Manufacturer

Lower-potency hemp edible manufacturers may manufacture and package lower-potency hemp edibles for consumer sale, and sell hemp concentrate and lower-potency hemp edibles to other cannabis and hemp businesses.

Lower-Potency Hemp Edible Retailer

Lower-potency hemp edible retailers may sell lower-potency hemp edibles to customers.

Each license is subject to further restrictions on allowable activities. Maximum cultivation area and manufacturing allowances vary by license type. Allowable product purchase, transfer, and sale between licensees are subject to restrictions in the law.

The Adult-Use Cannabis Law

Minnesota's new adult-use cannabis law permits the personal use, possession, and transportation of cannabis by those 21 years of age and older, and allows licensed businesses to conduct cultivation, manufacturing, transport, delivery, and sale of cannabis and cannabis products.

For Individuals

- **Possession limits:**
 - Flower – 2 oz. in public, 2 lbs. in private residence
 - Concentrate – 8 g
 - Edibles (including lower-potency hemp) – 800 mg THC
- **Consumption** only allowed on private property or at licensed businesses with on-site consumption endorsements. Consumption not allowed in public.
- **Gifting** cannabis to another individual over 21 years old is allowed, subject to possession limits.
- **Home cultivation** is limited to four mature and four immature plants (eight total) in a single residence. Plants must be in an enclosed and locked space.
- **Home extraction** using volatile substances (e.g., butane, ethanol) is not allowed.
- **Unlicensed sales** are not allowed.



For Businesses

- **Advertising:**
 - May not include or appeal to those under 21 years old.
 - Must include proper warning statements.
 - May not include misleading claims or false statements.
 - Billboards are not allowed.
- The flow of all products through the supply chain must be tracked by the state-authorized **tracking system**.
- All products sold to consumers and patients must be **tested for contaminants**.
- **Home delivery** is allowed by licensed businesses.



The Cannabis Licensing Process

An applicant will take the following steps to proceed from application to active licensure. As described, processes vary depending on social equity status and/or whether the type of license being sought is capped or uncapped in the general licensing process.

License Preapproval: Early Mover Process for Social Equity Applicants

The license preapproval process is a one-time application process available for verified social equity applicants. State law requires OCM to open the application window on July 24, 2024, and close the window on August 12, 2024. The preapproval process is available for the following license types, and all are capped in this process: microbusiness, mezzobusiness, cultivator, retailer, wholesaler, transporter, testing facility, and delivery service.

Preapproval steps:

1. Applicant's social equity applicant (SEA) status verified.
2. Complete application and submit application fees.
3. Application vetted for minimum requirements by OCM.
4. Application (if qualified) entered into lottery drawing.
5. If selected in lottery, OCM completes background check of selected applicant and issues license preapproval.
6. Applicant with license preapproval* submits business location and amends application accordingly.
7. OCM forwards completed application to local government.
8. Local government completes certification of zoning compliance.
9. OCM conducts site inspection.
10. When regulations are adopted, license becomes active, operations may commence.

*For social equity applicants with license preapproval for microbusiness, mezzobusiness, or a cultivator license, they may begin growing cannabis plants prior to the adoption of rules if OCM receives approval from local governments in a form and manner determined by the office. This is only applicable to cultivation and does not authorize retail sales or other endorsed activities of the licenses prior to the adoption of rules.

The Cannabis Licensing Process (cont.)

The general licensing process will align with the adoption of rules and OCM will share more information about the timing of general licensing process. The general licensing process includes social equity applicants and non-social equity applicants.

General Licensing: Cultivator, Manufacturer, Retailer, Mezzobusiness

1. Complete application and submit application fees.
2. Application vetted for minimum requirements by OCM.
3. Application (if qualified) entered into lottery drawing.
4. If selected in lottery, OCM completes background check of selected applicant and issues preliminary approval.
5. Applicant with preliminary approval submits business location and amends application accordingly.
6. OCM forwards completed application to local government.
7. Local government completes certification of zoning compliance.
8. OCM conducts site inspection.
9. License becomes active, operations may commence.*

General Licensing: Microbusiness, Wholesaler, Transporter, Testing Facility, Event Organizer

1. Complete application and submit application fees.
2. Application vetted for minimum requirements by OCM.
3. For qualified applicants, OCM completes background check of vetted applicant and issues preliminary approval.
4. Selected applicant submits business location and amends application accordingly.
5. OCM forwards completed application to local government.
6. Local government completes certification of zoning compliance.
7. OCM conducts site inspection.
8. License becomes active, operations may commence.*

*For businesses seeking a retail endorsement (microbusiness, mezzobusiness, and retailer), a valid local retail registration is required prior to the business commencing any retail sales. See Page 16 for information on the local retail registration process.

General Authorities

Local governments in Minnesota have various means of oversight over the cannabis market, as provided by the adult-use cannabis law. Local governments may not issue outright bans on cannabis business, or limit operations in a manner beyond what is provided by state law.

Cannabis Retail Restrictions (342.13)

Local governments may limit the number of retailers and microbusiness/mezzobusinesses with retail endorsements allowed within their locality, as long as there is **at least one retail location per 12,500 residents**. Local units of government are not obligated to seek out a business to register as cannabis business if they have not been approached by any potential applicants, but cannot prohibit the establishment of a business if this population requirement is not met. Local units of government may also issue more than the minimum number of registrations. Per statutory direction, a municipal cannabis store (Page 19) cannot be included in the minimum number of registrations required. For population counts, the state demographer estimates will likely be utilized.

Tribal Governments (342.13)

OCM is prohibited from and will not issue state licenses to businesses in Indian Country without consent from a tribal nation. Tribal nations hold the authority to license tribal cannabis businesses on tribal lands – this process is separate than OCM’s licensing process and authority. Subject to compacting, Tribal nations may operate cannabis businesses off tribal lands. There will be more information available once the compacting processes are complete.

Taxes (295.81; 295.82)

Retail sales of taxable cannabis products are subject to the state and local sales and use tax and a 10% gross receipts tax. Cannabis gross receipts tax proceeds are allocated as follows: 20% to the local government cannabis aid account and 80% to the state general fund. Local taxes imposed solely on sale of cannabis products are prohibited.

Cannabis retailers will be subject to the same real property tax classification as all other retail businesses. Real property used for raising, cultivating, processing, or storing cannabis plants, cannabis flower, or cannabis products for sale will be classified as commercial and industrial property.

General Authorities (cont.)

Retail Timing Restrictions (342.13)

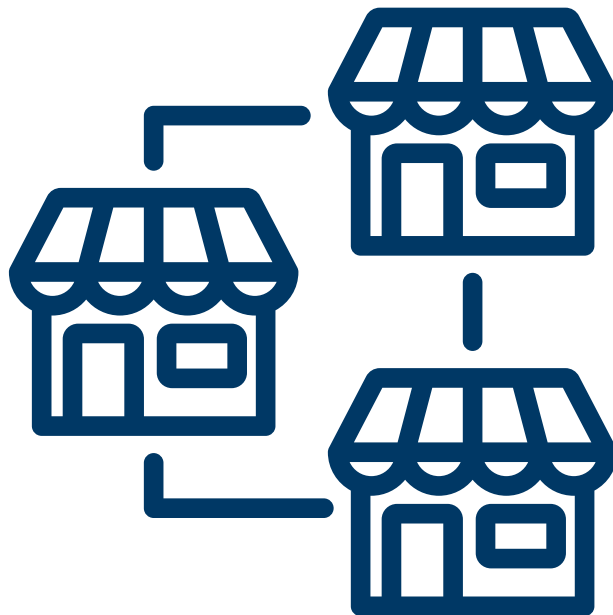
Local governments may prohibit retail sales of cannabis between the hours of 8 a.m. and 10 a.m. Monday-Saturday, and 9 p.m. and 2 a.m. the following day.

Operating Multiple Locations with One License

Certain cannabis licenses allow for multiple retail locations to be operated under a single license, with the following limitations:

- **Retailers:** up to five retail locations.
- **Mezzobusinesses:** up to three retail locations.
- **Microbusinesses:** up to one retail location.
- **Medical cannabis combination businesses:** one retail location per congressional district. Additionally, medical cannabis combination businesses may cultivate at more than one location within other limitations on cultivation.

For all other license types, one license permits the operation of one location. Each retail location requires local certification and/or registration.



Zoning and Land Use

Buffer Guidelines (342.13)

State law does not restrict how a local government conducts its zoning designations for cannabis businesses, except that they may prohibit the operation of a cannabis business within 1,000 feet of a school, or 500 feet of a day care, residential treatment facility, or an attraction within a public park that is regularly used by minors, including playgrounds and athletic fields.

Zoning Guidelines

While each locality conducts its zoning differently, a few themes have emerged across the country. For example, cannabis manufacturing facilities are often placed in industrial zones, while cannabis retailers are typically found in commercial/retail zones. Cannabis retail facilities align with general retail establishments and are prohibited from allowing consumption or use onsite, and are also required to have plans to prevent the visibility of cannabis and hemp-derived products to individuals outside the retail location. Industrial hemp is an agricultural product, and should be zoned as such.

Cannabis businesses should be zoned under existing zoning ordinances in accordance with the license type or endorsed activities held by the cannabis business. Note that certain types of licenses may be able to perform multiple activities which may have different zoning analogues. In the same way municipalities may zone a microbrewery that predominately sells directly to onsite consumers differently than a microbrewery that sells packaged beer to retailers and restaurants, so too might a municipality wish to zone two microbusinesses based on the actual activities that each business is undertaking. Table 1, included on Pages 13 and 14, explains the types of activities that cannabis businesses might undertake, as well as, some recommended existing zoning categories.

Zoning and Land Use (cont.)

Table 1: Cannabis and Hemp Business Activities

Endorsed Activity	License Type Eligible to Do Endorsed Activity	Description of Activity	Comparable Districts	Municipal Considerations
Cultivation	Cultivator Mezzobusiness Microbusiness Medical Cannabis Combination	"Cultivation" means any activity involving the planting, growing, harvesting, drying, curing, grading, or trimming of cannabis plants, cannabis flower, hemp plants, or hemp plant parts.	Indoor: Industrial, Commercial, Production Outdoor: Agricultural	Odor Potential need for transportation from facility Waste, water, and energy usage Security
Cannabis Manufacturing, Processing, Extraction	Manufacturer Mezzobusiness Microbusiness Medical Cannabis Combination	This group of endorsed activities turn raw, dried cannabis and cannabis parts into other types of cannabis products, e.g. edibles or topicals.	Industrial, Commercial, Production	Odor Potential need for transportation from facility Waste, water, and energy usage Security
Hemp Manufacturing	Lower-Potency Hemp Edible (LPHE) Manufacturing	These business convert hemp into LPHE edible products.	Industrial, Commercial, Production	Odor Waste, water, and energy
Wholesale	Wholesale Cultivator Manufacturer Mezzobusiness Microbusiness Medical Cannabis Combination	This activity and license type allows a business to purchase from a business growing or manufacturing cannabis or cannabis products and sell to a cannabis business engaged in retail.	Industrial, Commercial, Production	Need for transportation from facility Security

Zoning and Land Use (cont.)

Table 1: Cannabis and Hemp Business Activities (continued)

Endorsed Activity	License Type Eligible to Do Endorsed Activity	Description of Activity	Comparable Districts	Municipal Considerations
Cannabis Retail	Retail Mezzobusiness Microbusiness Medical Cannabis Combination	This endorsed activity and license types allow a business to sell cannabis and cannabis products directly to consumers.	Retail, Neighborhood Shopping Districts, Light Industrial, Existing districts where off-sale liquor or tobacco sales are allowed.	Micros may offer onsite consumption, similar to breweries. Micros and Mezzos may include multiple activities: cultivation, manufacture, and/or retail.
Transportation	Cannabis Transporter	This license type allows a company to transport products from one license type to another.		Fleet based business that will own multiple vehicles, but not necessarily hold a substantial amount of cannabis or cannabis products.
Delivery	Cannabis Delivery	This license type allows for transportation to the end consumer.		Fleet based business that will own multiple vehicles, but not necessarily hold a substantial amount of cannabis or cannabis products.
Events	Event Organizer	This license entitles license holder to organizer a temporary event lasting no more than four days.	Anywhere that the city permits events to occur, subject to other restrictions related to cannabis use.	On site consumption. Retail sales by a licensed or endorsed retail business possible.

Local Approval Process

Local governments play a critical role in the licensing process, serving as a near-final approval check on cannabis businesses nearing the awarding of a state license for operations. Once an applicant has been vetted by OCM and is selected for proceeding in the verification process, they are then required to receive the local government's certification of zoning compliance and/or local retail registration before operations may commence.



Local Certification of Zoning Compliance (342.13; 342.14)

Following OCM's vetting process, local governments must **certify** that the applicant with preliminary approval has achieved **compliance with local zoning ordinances** prior to the licensee receiving final approval from OCM to commence operations.

During the application and licensing process for cannabis businesses, OCM will notify a local government when an applicant intends to operate within their jurisdiction and request a certification as to whether a proposed cannabis business complies with local zoning ordinances, and if applicable, whether the proposed business complies with state fire code and building code.

According to Minnesota's cannabis law, a local unit of government has 30 days to respond to this request for certification of compliance. If a local government does not respond to OCM's request for certification of compliance within the 30 days, the cannabis law allows OCM to issue a license. OCM may not issue the final approval for a license if the local government has indicated they are not in compliance.

OCM will work with local governments to access the licensing software system to complete this zoning certification process.

Local Approval Process (cont.)

Local Retail Registration Process (342.22)

Once the licensing process begins, local government registration applies to cannabis retailers or other cannabis/hemp businesses seeking a retail endorsement. Local governments must issue a retail registration after verifying that:

- The business has a valid license or license preapproval issued by OCM.
- The business has paid a registration fee or renewal fee to the local government;
 - Initial registration fees collected by a local government may be \$500 or half the amount of the applicable initial license fee, whichever is less, and renewal registration fees may be \$1,000 or half the amount of the applicable renewal license fee, whichever is less.
- The business is found to be in compliance with Chapter 342 and local ordinances.
- If applicable, the business is current on all property taxes and assessments for the proposed retail location.

Local registrations may also be issued by counties if the respective local government transfers such authorities to the county.

Determining a Process for Limiting Retail Registrations

If a local government wishes to place a limitation on the number of retailers and microbusiness/mezzobusinesses with retail endorsements allowed within their locality (as long as there is at least one retail location per 12,500 residents, see Page 10), state law does not define the process for a local government's selection if there are more applicants than registrations available. A few options for this process include the use of a lottery, a first-come/first-serve model, a rolling basis, and others. Local governments should work with an attorney to determine their specific process for selection if they wish to limit the number of licensed cannabis retailers per 342.13. Local governments are not required to limit the number of licensed cannabis retailers.

Local Approval Process (cont.)

Local governments are permitted specific authorities for registration refusal and registration suspension, in addition to—and not in conflict with—OCM authorities.

Registration and Renewal Refusals

Local governments may refuse the registration and/or certification of a license renewal if the license is associated with an individual or business who no longer holds a valid license, has failed to pay the local registration or renewal fee, or has been found in noncompliance in connection with a preliminary or renewal compliance check.



Local Registration Suspension (342.22)

Local governments may suspend the local retail registration of a cannabis business or hemp business if the business is determined to not be operating in compliance with a local ordinance authorized by 342.13 or if the operation of the business poses an immediate threat to the health and safety of the public. The local government must immediately notify OCM of the suspension if it occurs. OCM will review the suspension and may reinstate the registration or take enforcement action.

Expedited Complaint Process (342.13)

Per state law, OCM will establish an expedited complaint process during the rulemaking process to receive, review, read, and respond to complaints made by a local unit of government about a cannabis business. Upon promulgation of rules, OCM will publish the complaint process.

At a minimum, the expedited complaint process shall require the office to provide an initial response to the complaint within seven days and perform any necessary inspections within 30 days. Within this process, if a local government notifies OCM that a cannabis business poses an immediate threat to the health or safety of the public, the office must respond within one business day.

Inspections & Compliance Checks

Local governments are permitted specific business inspection and compliance check authorities, in addition to—and not in conflict with—OCM authorities.

Inspections and Compliance Checks (342.22)

Local governments must conduct **compliance checks** for cannabis and hemp businesses holding retail registration **at least once per calendar year**. These compliance checks must verify compliance with age verification procedures and compliance with any applicable local ordinance established pursuant to 342.13. OCM maintains inspection authorities for all cannabis licenses to verify compliance with operation requirements, product limits, and other applicable requirements of Chapter 342.



Municipal Cannabis Stores

As authorized in Chapter 342.32, local governments are permitted to apply for a cannabis retail license to establish and operate a municipal cannabis store.

State law requires OCM issue a license to a city or county seeking to operate a single municipal cannabis store if the city or county:

- Submits required application information to OCM,
- Meets minimum requirements for licensure, and
- Pays applicable application and license fee.

A municipal cannabis store will not be included in the total count of retail licenses issued by the state under Chapter 342.

A municipal cannabis store cannot be counted as retail registration for purposes of determining whether a municipality's cap on retail registrations imposed by ordinance.



Creating Your Local Ordinance

As authorized in 342.13, a local government may adopt a local ordinance regarding cannabis businesses. Establishing local governments' ordinances on cannabis businesses in a timely manner is critical for the ability for local cities or towns to establish local control as described in the law, and is necessary for the success of the statewide industry and the ability of local governments to protect public health and safety. The cannabis market's potential to create jobs, generate revenue, and contribute to economic development at the local and state level is supported through local ordinance work. The issuance of local certifications and registrations to prospective cannabis businesses is also dependent on local ordinances.

- Local governments may not prohibit the possession, transportation, or use of cannabis, or the establishment or operation of a cannabis business licensed under state law.
- Local governments may adopt reasonable restrictions on the time, place, and manner of cannabis business operations (see Page 11).
- Local governments may adopt interim ordinances to protect public safety and welfare, as any studies and/or further considerations on local cannabis activities are being conducted, until January 1, 2025. A public hearing must be held prior to adoption of an interim ordinance.
- If your local government wishes to operate a municipal cannabis store, the establishment and operation of such a facility must be considered in a local ordinance.



Model Ordinance

For additional guidance regarding the creation of a cannabis related ordinance, please reference the addendum in this packet.

Additional Resources

OCM Toolkit for Local Partners

Please visit OCM webpage (mn.gov/ocm/local-governments/) for additional information, including a toolkit of resources developed specifically for local government partners. The webpage will be updated as additional information becomes available and as state regulations are adopted.

These resources are also included in the addendum of this packet.

Toolkit resources include:

- Appendix A: Model Ordinance
- Appendix B: Hemp Flower and Hemp-Derived Cannabinoid Product Checklist
- Appendix C: Enforcement Notice from the Office of Cannabis Management
- Appendix D: Notice to Unlawful Cannabis Sellers

Local Organizations

There are several organizations who also have developed resources to support local governments regarding the cannabis industry. Please feel free to contact the following for additional resources:

- League of Minnesota Cities
- Association of Minnesota Counties
- Minnesota Public Health Law Center

Appendix A: Model Ordinance

Cannabis Model Ordinance

The following model ordinance is meant to be used as a resource for cities, counties, and townships within Minnesota. The italicized text in red is meant to provide commentary and notes to jurisdictions considering using this ordinance and should be removed from any ordinance formally adopted by said jurisdiction. Certain items are not required to be included in the adopted ordinance: 'OR' and (optional) are placed throughout for areas where a jurisdiction may want to consider one or more choices on language.

Section 1	Administration
Section 2	Registration of Cannabis Business
Section 3	Requirements for a Cannabis Business (Time, Place, Manner)
Section 4	Temporary Cannabis Events
Section 5	Lower Potency Hemp Edibles
Section 6	Local Government as a Retailer
Section 7	Use of Cannabis in Public

AN ORDINANCE OF THE (CITY/COUNTY OF) TO REGULATE CANNABIS BUSINESSES

The (city council/town board/county board) of (city/town/county) hereby ordains:

Section 1. Administration

1.1 Findings and Purpose

(insert local authority) makes the following legislative findings:

The purpose of this ordinance is to implement the provisions of Minnesota Statutes, chapter 342, which authorizes (insert local authority) to protect the public health, safety, welfare of (insert local here) residents by regulating cannabis businesses within the legal boundaries of (insert local here).

(insert local authority) finds and concludes that the proposed provisions are appropriate and lawful land use regulations for (insert local here), that the proposed amendments will promote the community's interest in reasonable stability in zoning for now and in the future, and that the proposed provisions are in the public interest and for the public good.

1.2 Authority & Jurisdiction

A county can adopt an ordinance that applies to unincorporated areas and cities that have delegated authority to impose local zoning controls.

(insert local authority) has the authority to adopt this ordinance pursuant to:

- Minn. Stat. 342.13(c), regarding the authority of a local unit of government to adopt reasonable restrictions of the time, place, and manner of the operation of

a cannabis business provided that such restrictions do not prohibit the establishment or operation of cannabis businesses.

- b) Minn. Stat. 342.22, regarding the local registration and enforcement requirements of state-licensed cannabis retail businesses and lower-potency hemp edible retail businesses.
- c) Minn. Stat. 152.0263, Subd. 5, regarding the use of cannabis in public places.
- d) Minn. Stat. 462.357, regarding the authority of a local authority to adopt zoning ordinances.

Ordinance shall be applicable to the legal boundaries of (insert local here).

(Optional) (insert city here) has delegated cannabis retail registration authority to (insert county here). However, (insert city here) may adopt ordinances under Sections (2.6, 3 and 4) if (insert county here) has not adopted conflicting provisions.

1.3 Severability

If any section, clause, provision, or portion of this ordinance is adjudged unconstitutional or invalid by a court of competent jurisdiction, the remainder of this ordinance shall not be affected thereby.

1.4 Enforcement

The elected body of a jurisdiction can choose to designate an official to administer and enforce this ordinance.

The (insert name of local government or designated official) is responsible for the administration and enforcement of this ordinance. Any violation of the provisions of this ordinance or failure to comply with any of its requirements constitutes a misdemeanor and is punishable as defined by law. Violations of this ordinance can occur regardless of whether or not a permit is required for a regulated activity listed in this ordinance.

1.5 Definitions

1. Unless otherwise noted in this section, words and phrases contained in Minn. Stat. 342.01 and the rules promulgated pursuant to any of these acts, shall have the same meanings in this ordinance.
2. Cannabis Cultivation: A cannabis business licensed to grow cannabis plants within the approved amount of space from seed or immature plant to mature plant. harvest cannabis flower from mature plant, package and label immature plants and seedlings and cannabis flower for sale to other cannabis businesses, transport cannabis flower to a cannabis manufacturer located on the same premises, and perform other actions approved by the office.
3. Cannabis Retail Businesses: A retail location and the retail location(s) of a mezzobusinesses with a retail operations endorsement, microbusinesses with a retail operations endorsement, medical combination businesses operating a retail location, (and/excluding) lower-potency hemp edible retailers.

4. Cannabis Retailer: Any person, partnership, firm, corporation, or association, foreign or domestic, selling cannabis product to a consumer and not for the purpose of resale in any form.
5. Daycare: A location licensed with the Minnesota Department of Human Services to provide the care of a child in a residence outside the child's own home for gain or otherwise, on a regular basis, for any part of a 24-hour day.
6. Lower-potency Hemp Edible: As defined under Minn. Stat. 342.01 subd. 50.
7. Office of Cannabis Management: Minnesota Office of Cannabis Management, referred to as "OCM" in this ordinance.
8. Place of Public Accommodation: A business, accommodation, refreshment, entertainment, recreation, or transportation facility of any kind, whether licensed or not, whose goods, services, facilities, privileges, advantages or accommodations are extended, offered, sold, or otherwise made available to the public.
9. Preliminary License Approval: OCM pre-approval for a cannabis business license for applicants who qualify under Minn. Stat. 342.17.
10. Public Place: A public park or trail, public street or sidewalk; any enclosed, indoor area used by the general public, including, but not limited to, restaurants; bars; any other food or liquor establishment; hospitals; nursing homes; auditoriums; arenas; gyms; meeting rooms; common areas of rental apartment buildings, and other places of public accommodation.
11. Residential Treatment Facility: As defined under Minn. Stat. 245.462 subd. 23.
12. Retail Registration: An approved registration issued by the (insert local here) to a state-licensed cannabis retail business.
13. School: A public school as defined under Minn. Stat. 120A.05 or a nonpublic school that must meet the reporting requirements under Minn. Stat. 120A.24.
14. State License: An approved license issued by the State of Minnesota's Office of Cannabis Management to a cannabis retail business.

Section 2. Registration of Cannabis Businesses

A city or town can delegate authority for registration to the County. A city or town can still adopt specific requirement regarding zoning, buffers, and use in public places, provided said requirements are not in conflict with an ordinance adopted under the delegated authority granted to the County.

2.1 Consent to registering of Cannabis Businesses

No individual or entity may operate a state-licensed cannabis retail business within (insert local here) without first registering with (insert local here).

Any state-licensed cannabis retail business that sells to a customer or patient without valid retail registration shall incur a civil penalty of (up to \$2,000) for each violation.

Notwithstanding the foregoing provisions, the state shall not issue a license to any cannabis business to operate in Indian country, as defined in United States Code, title 18, section 1151, of a Minnesota Tribal government without the consent of the Tribal government.

2.2 Compliance Checks Prior to Retail Registration

A jurisdiction can choose to conduct a preliminary compliance check prior to issuance of retail registration.

Prior to issuance of a cannabis retail business registration, (insert local here) (shall/shall not) conduct a preliminary compliance check to ensure compliance with local ordinances.

Pursuant to Minn. Stat. 342, within 30 days of receiving a copy of a state license application from OCM, (insert local here) shall certify on a form provided by OCM whether a proposed cannabis retail business complies with local zoning ordinances and, if applicable, whether the proposed business complies with the state fire code and building code.

2.3 Registration & Application Procedure

2.3.1 Fees.

(insert local here) shall not charge an application fee.

A registration fee, as established in (insert local here)'s fee schedule, shall be charged to applicants depending on the type of retail business license applied for.

An initial retail registration fee shall not exceed \$500 or half the amount of an initial state license fee under Minn. Stat. 342.11, whichever is less. The initial registration fee shall include the initial retail registration fee and the first annual renewal fee.

Any renewal retail registration fee imposed by (insert local here) shall be charged at the time of the second renewal and each subsequent renewal thereafter.

A renewal retail registration fee shall not exceed \$1,000 or half the amount of a renewal state license fee under Minn. Stat. 342.11, whichever is less.

A medical combination business operating an adult-use retail location may only be charged a single registration fee, not to exceed the lesser of a single retail registration fee, defined under this section, of the adult-use retail business.

2.3.2 Application Submittal.

The (insert local here) shall issue a retail registration to a state-licensed cannabis retail business that adheres to the requirements of Minn. Stat. 342.22.

(A) An applicant for a retail registration shall fill out an application form, as provided by the (insert local here). Said form shall include, but is not limited to:

- i. Full name of the property owner and applicant;
- ii. Address, email address, and telephone number of the applicant;
- iii. The address and parcel ID for the property which the retail registration is sought;
- iv. Certification that the applicant complies with the requirements of local ordinances established pursuant to Minn. Stat. 342.13.
- v. (Insert additional standards here)

(B) The applicant shall include with the form:

- i. the application fee as required in [Section 2.3.1];
 - ii. a copy of a valid state license or written notice of OCM license preapproval;
 - iii. (Insert additional standards here)
- (C) Once an application is considered complete, the (insert local government designee) shall inform the applicant as such, process the application fees, and forward the application to the (insert staff/department, or elected body that will approve or deny the request) for approval or denial.
- (D) The application fee shall be non-refundable once processed.

2.3.3 Application Approval

- (A) (Optional) A state-licensed cannabis retail business application shall not be approved if the cannabis retail business would exceed the maximum number of registered cannabis retail businesses permitted under Section 2.6.
- (B) A state-licensed cannabis retail business application shall not be approved or renewed if the applicant is unable to meet the requirements of this ordinance.
- (C) A state-licensed cannabis retail business application that meets the requirements of this ordinance shall be approved.

2.3.4 Annual Compliance Checks.

The (insert local here) shall complete at minimum one compliance check per calendar year of every cannabis business to assess if the business meets age verification requirements, as required under [Minn. Stat. 342.22 Subd. 4(b) and Minn. Stat. 342.24] and this/these [chapter/section/ordinances].

The (insert local here) shall conduct at minimum one unannounced age verification compliance check at least once per calendar year.

Age verification compliance checks shall involve persons at least 17 years of age but under the age of 21 who, with the prior written consent of a parent or guardian if the person is under the age of 18, attempt to purchase adult-use cannabis flower, adult-use cannabis products, lower-potency hemp edibles, or hemp-derived consumer products under the direct supervision of a law enforcement officer or an employee of the local unit of government.

Any failures under this section must be reported to the Office of Cannabis Management.

2.3.5 Location Change

A jurisdiction may decide to treat location changes as a new registration, or alternatively treat a location change as allowable subject to compliance with the rest of the registration process.

A state-licensed cannabis retail business shall be required to submit a new application for registration under Section 2.3.2 if it seeks to move to a new location still within the legal boundaries of (insert local here).

or

If a state-licensed cannabis retail business seeks to move to a new location still within the legal boundaries of (insert local here), it shall notify (insert local here) of the proposed location change, and submit necessary information to meet all the criteria in this paragraph.

2.4 Renewal of Registration

The (insert local here) shall renew an annual registration of a state-licensed cannabis retail business at the same time OCM renews the cannabis retail business' license.

A state-licensed cannabis retail business shall apply to renew registration on a form established by (insert local here).

A cannabis retail registration issued under this ordinance shall not be transferred.

2.4.1 Renewal Fees.

The (insert local here) may charge a renewal fee for the registration starting at the second renewal, as established in (insert local here)'s fee schedule.

2.4.2 Renewal Application.

The application for renewal of a retail registration shall include, but is not limited to:

- Items required under Section 2.3.2 of this Ordinance.
- Insert additional items here

2.5 Suspension of Registration

2.5.1 When Suspension is Warranted.

The (insert local here) may suspend a cannabis retail business's registration if it violates the ordinance of (insert local here) or poses an immediate threat to the health or safety of the public. The (insert local here) shall immediately notify the cannabis retail business in writing the grounds for the suspension.

2.5.2 Notification to OCM.

The (insert local here) shall immediately notify the OCM in writing the grounds for the suspension. OCM will provide (insert local here) and cannabis business retailer a response to the complaint within seven calendar days and perform any necessary inspections within 30 calendar days.

2.5.3 Length of Suspension.

A jurisdiction can wait for a determination from the OCM before reinstating a registration.

The suspension of a cannabis retail business registration may be for up to 30 calendar days, unless OCM suspends the license for a longer period. The business may not make sales to customers if their registration is suspended.

The (insert local here) may reinstate a registration if it determines that the violations have been resolved.

The (insert local here) shall reinstate a registration if OCM determines that the violation(s) have been resolved.

2.5.4 Civil Penalties.

Subject to Minn. Stat. 342.22, subd. 5(e) the (insert local here) may impose a civil penalty, as specified in the (insert local here)'s Fee Schedule, for registration violations, not to exceed \$2,000.

2.6 Limiting of Registrations

A jurisdiction may choose to set a limit on the number of retail registrations within its boundaries. The jurisdiction may not however, limit the number of registrations to fewer than one per 12,500 residents.

(Optional) The (insert local here) shall limit the number of cannabis retail businesses to no fewer than one registration for every 12,500 residents within (insert local legal boundaries here).

(Optional) If (insert county here) has one active cannabis retail businesses registration for every 12,500 residents, the (insert local here) shall not be required to register additional state-licensed cannabis retail businesses.

(Optional) The (insert local here) shall limit the number of cannabis retail businesses to (insert number <= minimum required).

Section 3. Requirements for Cannabis Businesses

State Statutes note that jurisdictions may “adopt reasonable restrictions on the time, place, and manner of the operation of a cannabis business.” A jurisdiction considering other siting requirements (such as a buffer between cannabis businesses, or a buffer from churches) should consider whether there is a basis to adopt such restrictions.

3.1 Minimum Buffer Requirements

A jurisdiction can adopt buffer requirements that prohibit the operation of a cannabis business within a certain distance of schools, daycares, residential treatment facilities, or from an attraction within a public park that is regularly used by minors, including a playground or athletic field. Buffer requirements are optional. A jurisdiction cannot adopt larger buffer requirements than the requirements here in Section 3.1. A jurisdiction should use a measuring system consistent with the rest of its ordinances, e.g. from lot line or center point of lot.

(Optional) The (insert local here) shall prohibit the operation of a cannabis business within [0-1,000] feet of a school.

(Optional) The (insert local here) shall prohibit the operation of a cannabis business within [0-500] feet of a day care.

(Optional) The (insert local here) shall prohibit the operation of a cannabis business within [0-500] feet of a residential treatment facility.

(Optional) The (insert local here) shall prohibit the operation of a cannabis business within [0-500] feet of an attraction within a public park that is regularly used by minors, including a playground or athletic field.

(Optional) The (insert local here) shall prohibit the operation of a cannabis retail business within [X] feet of another cannabis retail business.

Pursuant to Minn. Stat. 462.367 subd. 14, nothing in Section 3.1 shall prohibit an active cannabis business or a cannabis business seeking registration from continuing operation at the same site if a (school/daycare/residential treatment facility/attraction within a public park that is regularly used by minors) moves within the minimum buffer zone.

3.2 Zoning and Land Use

For jurisdictions with zoning, said jurisdiction can limit what zone(s) Cannabis businesses can operate in. As with other uses in a Zoning Ordinance, a jurisdiction can also determine if such use requires a Conditional or Interim Use permit. A jurisdiction cannot outright prohibit a cannabis business. A jurisdiction should amend their Zoning Ordinance and list what zone(s) Cannabis businesses are permitted in, and whether they are permitted, conditional, or interim uses. While each locality conducts its zoning differently, a few themes have emerged across the country. For example, cannabis manufacturing facilities are often placed in industrial zones, while cannabis retailers are typically found in commercial/retail zones. Cannabis retail facilities align with general retail establishments and are prohibited from allowing consumption or use onsite and are also required to have plans to prevent the visibility of cannabis and hemp-derived products to individuals outside the retail location. Cannabis businesses should be zoned under existing zoning ordinances in accordance with the license type or endorsed activities held by the cannabis business.

3.2.1. Cultivation.

Cannabis businesses licensed or endorsed for cultivation are permitted as a (type of use) in the following zoning districts:

- (Insert zoning districts use is permitted in here)
- (Insert zoning districts use is permitted in here)

3.2.1. Cannabis Manufacturer.

Cannabis businesses licensed or endorsed for cannabis manufacturer are permitted as a (type of use) in the following zoning districts:

- (Insert zoning districts use is permitted in here)
- (Insert zoning districts use is permitted in here)

3.2.1. Hemp Manufacturer.

Businesses licensed or endorsed for low-potency hemp edible manufacturers permitted as a (type of use) in the following zoning districts:

- (Insert zoning districts use is permitted in here)
- (Insert zoning districts use is permitted in here)

3.2.1. Wholesale.

Cannabis businesses licensed or endorsed for wholesale are permitted as a (type of use) in the following zoning districts:

- (Insert zoning districts use is permitted in here)
- (Insert zoning districts use is permitted in here)

3.2.1. Cannabis Retail.

Cannabis businesses licensed or endorsed for cannabis retail are permitted as a (type of use) in the following zoning districts:

- (Insert zoning districts use is permitted in here)
- (Insert zoning districts use is permitted in here)

3.2.1. Cannabis Transportation.

Cannabis businesses licensed or endorsed for transportation are permitted as a (type of use) in the following zoning districts:

- (Insert zoning districts use is permitted in here)
- (Insert zoning districts use is permitted in here)

3.2.1. Cannabis Delivery.

Cannabis businesses licensed or endorsed for delivery are permitted as a (type of use) in the following zoning districts:

- (Insert zoning districts use is permitted in here)
- (Insert zoning districts use is permitted in here)

3.3 Hours of Operation

A jurisdiction may adopt an ordinance limiting hours of operation to the hours between 10 a.m. and 9 p.m., seven days a week. State statute prohibits the sale of cannabis between 2 a.m. and 8 a.m., Monday through Saturday, and between 2 a.m. and 10 a.m. on Sundays.

(Optional) Cannabis businesses are limited to retail sale of cannabis, cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived consumer products between the hours of (insert time here) and (insert time here).

3.4 (Optional) Advertising

Cannabis businesses are permitted to erect up to two fixed signs on the exterior of the building or property of the business, unless otherwise limited by (insert local here)'s sign ordinances.

Section 4. Temporary Cannabis Events

Any individual or business seeking to obtain a cannabis event license must provide OCM information about the time, location, layout, number of business participants, and hours of operation. A cannabis event organizer must receive local approval, including obtaining any necessary permits or licenses issued by a local unit of government before holding a cannabis event.

4.1 License or Permit Required for Temporary Cannabis Events

4.1.1 License Required.

A cannabis event organizer license entitles the license holder to organize a temporary cannabis event lasting no more than four days. A jurisdiction should determine what type of approval is consistent with their existing ordinances for events.

A license or permit is required to be issued and approved by (insert local here) prior to holding a Temporary Cannabis Event.

4.1.2 Registration & Application Procedure

A registration fee, as established in (insert local here)'s fee schedule, shall be charged to applicants for Temporary Cannabis Events.

4.1.3 Application Submittal & Review.

The (insert local here) shall require an application for Temporary Cannabis Events.

- (A) An applicant for a retail registration shall fill out an application form, as provided by the (insert local here). Said form shall include, but is not limited to:
 - i. Full name of the property owner and applicant;
 - ii. Address, email address, and telephone number of the applicant;
 - iii. (Insert additional standards here)
- (B) The applicant shall include with the form:
 - i. the application fee as required in (Section 4.1.2);
 - ii. a copy of the OCM cannabis event license application, submitted pursuant to 342.39 subd. 2.

The application shall be submitted to the (insert local authority), or other designee for review. If the designee determines that a submitted application is incomplete, they shall return the application to the applicant with the notice of deficiencies.

- (C) Once an application is considered complete, the designee shall inform the applicant as such, process the application fees, and forward the application to the (insert staff/department, or elected body that will approve or deny the request) for approval or denial.
- (D) The application fee shall be non-refundable once processed.
- (E) The application for a license for a Temporary Cannabis Event shall meet the following standards:

A jurisdiction may establish standards for Temporary cannabis events which the event organizer must meet, including restricting or prohibiting any on-site consumption. If there are public health, safety, or welfare concerns associated with a proposed cannabis event, a jurisdiction would presumably be authorized to deny approval of that event.

- Insert standards here

(G) A request for a Temporary Cannabis Event that meets the requirements of this Section shall be approved.

(H) A request for a Temporary Cannabis Event that does not meet the requirements of this Section shall be denied. The (insert city/town/county) shall notify the applicant of the standards not met and basis for denial.

(Optional) Temporary cannabis events shall only be held at (insert local place).

(Optional) Temporary cannabis events shall only be held between the hours of (insert start time) and (insert stop time).

Section 5. (Optional) Lower-Potency Hemp Edibles

A jurisdiction can establish different standards or requirements regarding Low-Potency Edibles. A jurisdiction can consider including the following section and subsections in their cannabis ordinance.

5.1 Sale of Low-Potency Hemp Edibles

The sale of Low-Potency Edibles is permitted, subject to the conditions within this Section.

5.2 Zoning Districts

If sales are permitted, a jurisdiction can limit what zone(s) the sales of Low-Potency Edibles can take place in. A jurisdiction can also determine if such activity requires a Conditional or Interim Use permit.

Low-Potency Edibles businesses are permitted as a (type of use) in the following zoning districts:

- (Insert zoning districts use is permitted in here)
- (Insert zoning districts use is permitted in here)

5.3 (Optional) Additional Standards

5.3.1 Sales within Municipal Liquor Store.

A jurisdiction that already operates a Municipal Liquor Store may sell Low-Potency Edibles within the same store.

The sale of Low-Potency Edibles is permitted in a Municipal Liquor Store.

5.3.2 Age Requirements.

A jurisdiction is able to restrict the sale of Low-Potency Edibles to locations such as bars.

The sale of Low-Potency Edibles is permitted only in places that admit persons 21 years of age or older.

5.3.3 Beverages.

The sale of Low-Potency Hemp Beverages is permitted in places that meet requirements of this Section.

5.3.4 Storage of Product.

A jurisdiction is able to set requirements on storage and sales of Low-Potency Edibles.

Low-Potency Edibles shall be sold behind a counter, and stored in a locked case.

Section 6. (Optional) Local Government as a Cannabis Retailer

(insert local here) may establish, own, and operate one municipal cannabis retail business subject to the restrictions in this chapter.

The municipal cannabis retail store shall not be included in any limitation of the number of registered cannabis retail businesses under Section 2.6.

(insert local here) shall be subject to all same rental license requirements and procedures applicable to all other applicants.

Section 7 Use in Public Places

No person shall use cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived consumer products in a public place or a place of public accommodation unless the premises is an establishment or an event licensed to permit on-site consumption of adult-use.

Appendix B: Hemp Flower and Hemp-Derived Cannabinoid Product Checklist

Hemp Flower and Hemp-Derived Cannabinoid Product Checklist

Minnesota Statute 18K.02, Definitions
Minnesota Statute 152.01, Subdivision 9
Minnesota Statute 151.72, Sale of Certain Cannabinoid Products

Minnesota Statute 152.0264, Cannabis Sale Crimes
Minnesota Statute 342.09, Personal Adult Use of Cannabis

Question	Yes	No	Comments	Additional Information
Business License and Registration Compliance				
Is the business registered with the Minnesota Department of Health?				All businesses selling hemp-derived cannabinoid products must be registered. See Hemp-Derived Cannabinoid Products (www.health.state.mn.us/people/cannabis/edibles/index.html)
If the business offers on-site consumption, do they have a liquor license?				Local authorities issue on-site consumption licenses. These are required for all businesses permitting on-site consumption of THC.
Product Compliance – All Products				
Does the business ensure that all sales are made to persons 21 years old or older?				Only persons 21 years of age or older may purchase hemp-derived cannabinoid products, with the exception of topicals. These products may be sold to anyone.
Does the business have all edible cannabinoid products, except beverages, behind the counter or in a locked cabinet?				Businesses must ensure all edible cannabinoid products are secure and inaccessible to customers.

Question	Yes	No	Comments	Additional Information
Only delta-8 and delta-9 are allowed for human consumption. Does the business sell edibles or beverages with any other intoxicating cannabinoids?				MDH has identified products containing many different intoxicating cannabinoids, such as HHC, THC-O, THC-P, PHC, delta-10, delta-11, delta-8p, delta-9p, etc. The product must contain only delta-8 and/or delta-9.
Does the business sell any edible products that are similar to a product marketed to or consumed by children?				Edible products that appear similar to candy or snacks marketed toward or consumed by children are not allowed.
Does the label on the edible or beverage state “Keep out of reach of children”?				All products must include the warning label “Keep out of reach of children.”
Is the manufacturer’s name, address, website, and contact phone number included on the label or provided through a QR code?				If not, the product is not in compliance.
Does the QR code on the product bring the user to a Certificate of Analysis on the website, which includes the name of the independent testing laboratory, cannabinoid profile, and product batch number?				All products must be tested by batch in an independent, accredited laboratory. The results must include the cannabinoid profile.
Does the label on the product indicate the cannabinoids by serving and in total?				The label must indicate the potency by individual serving as well as in total.

Question	Yes	No	Comments	Additional Information
Does the label on the product make any claim the product offers any kind of health benefit?				Health claims are not permitted on hemp or cannabis products unless approved by the FDA. At this time, there is not an approved statement.
Does the label on the product state that the product does not claim to diagnose, treat, cure or prevent any disease?				The manufacturer cannot claim the product will provide any health benefit unless the product has been formally approved by the FDA.
Does the business sell CBD (or other forms of cannabidiol) in the form of a softgel, tablet, or tincture?				Non-intoxicating cannabinoids may only be sold in the form of an edible, beverage, or topical. Therefore, softgels and tablets cannot be sold. Tinctures must be labeled as either an edible or beverage and comply with the edible or beverage requirements.
Product Compliance – Edibles				
Does the edible product contain more than 5 mg delta-8 and/or delta-9 per serving?				Edibles may not exceed 5 mg delta-8 and/or delta-9 per serving.
Does the edible product package/container contain more than 50 mg total THC (delta-8 and/or delta-9)?				Edibles may not exceed 50 mg total delta-8 or delta-9 per package. The edible cannot contain any other form of THC or intoxicating cannabinoid.
Are all the edible product's servings clearly marked, wrapped, or scored <u>on</u> the product?				Edible product servings must be clearly distinguished on the product. Bulk products that require the consumer to measure are not allowed.

Question	Yes	No	Comments	Additional Information
Does the business sell any edible products in the shape of bears, worms, fruits, rings, ribbons?				Edibles in shapes that appeal to children are not allowed.
Is the edible product in a child-proof, tamper-evident, opaque container?				All edibles must be in a container that is child-resistant and tamper evident. If the container is clear, the business must place the edible into an opaque bag at the point of sale. Clear bags are not allowed.
Product Compliance - Beverages				
Does the beverage product contain more than 5 mg delta-8 or delta-9 per serving?				Beverages may not exceed 5 mg delta-8 and/or delta-9 per serving.
Does the beverage product contain more than 2 servings?				Beverages cannot exceed two servings, regardless of the THC potency.
Is the beverage product in an opaque container?				If the beverage is in a clear container, the business must place the beverage in an opaque bag at the point of sale.
Product Compliance – Smokables (non-flower)				
Does the business sell vapes, pre-rolls, dabs, or other smokable products which contain more than 0.3% THC?				A product's certificate of analysis will show the concentration of THC the product contains. The certificate typically is found through the QR code on the product package. In MDH's experience, most vapes contain 50% - 90%+ THC. Pre-rolls may consist of raw hemp flower. These products are not regulated by 151.72. However, if a pre-roll is labeled as "infused" or "coated" have additional cannabinoids applied to the material, of which the product typically exceeds the 0.3% THC limit.

Question	Yes	No	Comments	Additional Information
Does the business sell vapes, pre-rolls, dabs, or other smokeable products that contain other intoxicating cannabinoids, such as HHC?				MN Statutes do not allow any cannabinoid, other than delta-8 or delta-9, to be sold if the cannabinoid is intended to alter the structure or function of the body. HHC is a cannabinoid known to have potency greater than THC.
Does the business sell vapes, pre-rolls, dabs, or other smokable products which contain CBD?				Non-intoxicating cannabinoids cannot be smoked, vaped, or inhaled.
Product Compliance – Flower				
Does the business sell raw hemp flower?				Raw hemp flower must contain 0.3% or less of delta-9 on a dry weight basis. Products exceeding 0.3% delta-9 dry weight are marijuana, and are illegal for sale. THC-A is the non psychoactive precursor to delta-9. Once heated THC-A converts to delta-9. In that process some amount of THC-A is lost. To determine whether, once heated, the hemp flower will exceed the allowable 0.3% of delta-9, one can use a decarboxylation formula which takes into account the conversion of THC-A into delta-9. That formula is as follows: $\text{Total THC} = (0.877 \times \text{THC-A}) + \text{d-9 THC}$ Raw flower must include a certificate of analysis to show testing below 0.3% delta-9. A lack of a certificate of analysis would constitute an illegal sale.

Question	Yes	No	Comments	Additional Information
				A certificate of analysis showing that under the decarboxylation formula that delta-9 would exceed the 0.3% threshold would also indicate the flower is cannabis and not hemp and therefore being sold illegally.
Product Compliance – On-Site Consumption				
If the business offers on-site consumption, do they serve the edible or beverage in its original packaging?				The business may not pour out or remove an edible from its original packaging.
If the business offers on-site consumption, do they mix a cannabis-infused beverage with alcohol?				The business may not mix cannabis-infused products with alcohol.
If the business offers on-site consumption, do they permit customers to remove from the premises products which have been removed from their original packaging?				Products which have been removed from their original packaging cannot be removed from the premises by the customer.

NOTE: If a person suspects that a hemp-derived cannabinoid product is being sold in violation of Minnesota law, they can use the complaint form at [Submitting Hemp-Derived Cannabinoid Product Complaints \(www.health.state.mn.us/people/cannabis/edibles/complaints.html\)](http://www.health.state.mn.us/people/cannabis/edibles/complaints.html).

Appendix C: Enforcement Notice from the Office of Cannabis Management

Enforcement Notice from the Office of Cannabis Management

Dear Registered Hemp Derived Cannabinoid Business:

The Office of Cannabis Management (OCM), established in 2023, is charged with developing and implementing the operational and regulatory systems to oversee the cannabis industry in Minnesota as provided in Minnesota Statutes Chapter 342.

When Minnesota legalized the sale of adult-use of cannabis flower, cannabis products, and lower-potency hemp edibles/ hemp-derived consumer products, the Minnesota Legislature included statutory provisions, [Minnesota Statutes, chapter 152.0264](#), making the sale of cannabis illegal until a business is licensed by OCM. The Office of Cannabis Management has not yet issued licenses for the cultivation, manufacture, wholesale, transportation or retail sale of cannabis, therefore any retail sales of cannabis products, including cannabis flower, are illegal.

The Office of Cannabis Management has received complaints of retailers selling cannabis flower under the label of hemp flower. Under an agreement between The Minnesota Department of Health (MDH) and OCM, inspectors from MDH will begin to examine any flower products being sold during their regular inspections to determine whether they are indeed hemp flower or cannabis flower.

In distinguishing between hemp and cannabis flower, OCM, consistent with federal rules and regulations related to hemp under 7 CFR 990.1, will consider the total concentration of THC post- decarboxylation, which is the process by which THC-A is converted into Delta-9 to produce an intoxicating effect. The examination of raw flower products will include reviewing the certificate of analysis for compliance in several areas, including:

Compliance with the requirement that raw flower listed for sale includes a Certificate of Analysis (COA). Products for sale without a COA will constitute an illegal sale.

A COA that affirms concentrations of 0.3% or less of Delta-9 on a dry weight basis. Products exceeding 0.3% Delta-9 dry weight are considered marijuana and are therefore illegal to sell.

A COA that confirms that the total levels of Delta-9 and THC-A after the decarboxylation process do not exceed 0.3%. A COA that indicates the raw flower will exceed 0.3 percent Delta-9 post-decarboxylation, or a subsequent test conducted by an independent laboratory utilized by OCM that confirms Delta-9 in excess of 0.3 percent will be considered illegal.

[Minnesota Statutes, Chapter 342](#) governs Minnesota’s cannabis market, and empowers OCM to ensure regulatory compliance. [Minnesota Statutes, chapter 342.09, subdivision 4](#) prohibits the retail sale of cannabis flower and cannabis products “without a license issued under this chapter that authorizes the sale.”

To date, the Office of Cannabis Management has not issued any cannabis licenses, applications for licenses are expected to be available in the first half of 2025. As such, selling cannabis is a clear violation of law. Be aware that under [Minnesota Statutes, 342.09, subdivision 6](#), OCM may assess fines in excess of a \$1 million for violations of this law. Likewise, under [Minnesota Statutes, chapter 342.19](#), OCM is empowered to embargo any product that it has “probable cause to believe . . . is being distributed in violation of this chapter or rules adopted under this chapter[.]” Furthermore, violations of law may be considered in future licensing decisions made by OCM.

As inspectors enter the field, we encourage you to review the products you are currently selling to ensure they fall within the thresholds outlined above. If you have any questions related to the products you are selling, please send an email to cannabis.info@state.mn.us.

Thank you for your attention to this matter.

A handwritten signature in black ink, appearing to read "Charlene Briner", with a long horizontal flourish extending to the right.

Charlene Briner
Interim Director
Office of Cannabis Management

Appendix D: Notice to Unlawful Cannabis Sellers

Notice to Unlawful Cannabis Sellers

This notice is to inform you that your current course of action may run afoul of Minnesota law, and continuing this course of action may result in civil actions and potential criminal prosecution. To avoid such outcomes, you should immediately cease and desist any plans to engage in the unlicensed sale of cannabis and cannabis products.

[Minnesota Statutes, Chapter 342 \(www.revisor.mn.gov/statutes/cite/342\)](http://www.revisor.mn.gov/statutes/cite/342) governs Minnesota's cannabis market, and empowers OCM to ensure regulatory compliance. [Minnesota Statutes, chapter 342.09, subdivision 4 \(www.revisor.mn.gov/statutes/cite/342.09#stat.342.09.4\)](http://www.revisor.mn.gov/statutes/cite/342.09#stat.342.09.4) prohibits the retail sale of cannabis flower and cannabis products "without a license issued under this chapter that authorizes the sale." To date the Office of Cannabis Management has not issued any retail, or other, cannabis licenses. As such, your plan to sell cannabis in a retail setting at this date would be in flagrant violation of the law. Be aware that under [Minnesota Statutes, 342.09, subdivision 6 \(www.revisor.mn.gov/statutes/cite/342.09#stat.342.09.6\)](http://www.revisor.mn.gov/statutes/cite/342.09#stat.342.09.6), OCM may assess fines in excess of a \$1,000,000 for violations of this law.

Likewise, under [Minnesota Statutes, chapter 342.19 \(www.revisor.mn.gov/statutes/cite/342.19\)](http://www.revisor.mn.gov/statutes/cite/342.19), OCM is empowered to embargo any product that it has "probable cause to believe . . . is being distributed in violation of this chapter or rules adopted under this chapter[.]" It is believed that products attempted to be sold at your retail location might be distributed in violation of the law, and would therefore be subject to embargo by OCM. Under [Minnesota Statutes, chapter 342.19, subd. 2 \(www.revisor.mn.gov/statutes/cite/342.19#stat.342.19.2\)](http://www.revisor.mn.gov/statutes/cite/342.19#stat.342.19.2), once embargoed OCM "shall release the cannabis plant, cannabis flower, cannabis product, artificially derived cannabinoid, lower-potency hemp edible, or hemp-derived consumer product when this chapter and rules adopted under this chapter have been complied with or the item is found not to be in violation of this chapter or rules adopted under this chapter."

While Minnesota has legalized the sale of adult-use of cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived consumer products, the legislature did add new statutory provisions, [Minnesota Statutes, chapter 152.0264 \(www.revisor.mn.gov/statutes/cite/152.0264\)](http://www.revisor.mn.gov/statutes/cite/152.0264), making illegal the unlawful sale of cannabis. As there are not yet any licenses issued by OCM for the cultivation, manufacture, wholesale, transportation, or retail of cannabis, any sales of cannabis products in excess of the limits in 152.0264 is illegal.

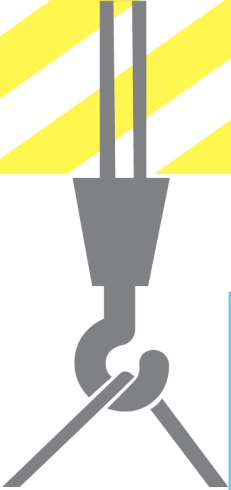
If you are only planning to sell cannabinoid products that are derived from hemp, you should ensure that the sale of those products is consistent with [Minnesota Statutes, chapter 151.72 \(www.revisor.mn.gov/statutes/cite/151.72\)](http://www.revisor.mn.gov/statutes/cite/151.72), including but not limited to the requirement that your business be registered with the Commissioner of Health, and that all products are in compliance with the relevant statutes.

Finally, in addition to the state laws outlined above, please be aware that any retail location must be in compliance with local government ordinances and zoning requirements.

OCM takes seriously its charge to enforce Minnesota Statutes, Chapter 342, and its responsibility to ensure a safe and legal cannabis market. In order to avoid the above-described actions, all attempts to open a cannabis retail dispensary in Minnesota without the appropriate license should be ceased.

**Download materials
featured in this session:
[LMC.ORG/ED](https://lmc.org/ed)**





LEAGUE OF MINNESOTA CITIES
2024 ANNUAL CONFERENCE

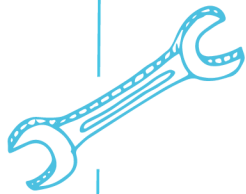
JUNE
26-28

MAYO CIVIC CENTER
ROCHESTER, MN



BUILDING a BETTER CITY

CITIES GET IT DONE.





Implementing Chapter 342: Updates and Role of Local Governments

Max Zappia, Chief Regulatory Officer
Sophie Leininger, Government Relations Director

Chapter 342

- Signed into law in 2023, establishing the Office of Cannabis Management and legalizing adult-use cannabis in Minnesota.
- Updated via several statutory changes in 2024, including several agency recommendations to support implementation.

OCM is charged with:

- Developing and implementing the operational and regulatory systems to oversee the adult-use cannabis industry, the medical cannabis program, and the consumer hemp industry.
- Launching an effective, safe, equitable, and sustained cannabis industry.

- New OCM webpage, with a specific landing page for local governments:
 - mn.gov/ocm/local-governments
- Local Government Toolkit – Available on website now
- Model Ordinance and Local Government Guidebook – Available on website now
- Webinar for local partners – Coming soon!
- Staff contacts:
 - Sophie.Leininger@state.mn.us

Summary of 2024 Legislative Session

Changes to Chapter 342:

- Strengthens social equity provisions
- Supports market launch with license preapproval process
- Improves application and licensing process
- Accelerates transition of hemp-derived enforcement
- Accelerates transition of Office of Medical Cannabis
- Enhances protections for medical cannabis patients and registry participants
- Protects consumer safety
- Offers technical revisions

Improving the Application and Licensing Process



Clarifies and expedites the licensing process

Clarifies the order of operations for the application process to ease applicant comprehension, better informs local partners, and prevents bottlenecks and delays.



Reduce financial burden for applicants

Eliminates the requirement for premises to be secured at the point of initial application to prevent financial risk and hardship.

Support Market Launch with License Preapproval



Creates a process for OCM to issue preapproval on licenses for social equity applicants

- Application process opens July 24, 2024.
- Does not allow any retail operations to begin until adoption of rules.
- Does allow limited number of licensees to begin growing prior to adoption of rules, pending local approval.

Accelerate Transition of Office of Medical Cannabis



Transitions hemp-derived enforcement authority and medical program to OCM on July 1, 2024

- Allows for earlier integration of inspection staff, operations, and enforcement.
- Current hemp-derived retailers are required to register with MDH, these registrations will be transferred to OCM on July 1, 2024, and any new registrants will be required to sign up with OCM.
- OCM has developed a local toolkit to support partners during this continued interim before licensing structure and the enforcement of hemp-derived regulations.

Role of Local Governments

- Local ordinances
 - Zoning, time, place, manner, etc.
- Local approval process
 - Certification of compliance with zoning ordinances
 - Retail registration (determine process)
- Compliance checks
 - Age verification and compliance with local ordinances
- Municipal cannabis stores

- Rulemaking process continues, anticipating rules being complete in early 2025
 - Plan for forecasting rules ahead of adoption
 - Licensing and regulatory structure dependent on rules
 - Complaint process for local partners will be established in rules
- Preapproval process began June 2024, anticipating months-long process
- Office build-out continues

Preapproval Steps

1. Applicant's social equity applicant (SEA) status verified.
2. Complete application and submit application fees.
3. Application vetted for minimum requirements by OCM.
4. Application (if qualified) entered into lottery drawing.
5. If selected in lottery, OCM completes background check of selected applicant and issues license preapproval.
6. *Applicant with license preapproval submits business location and amends application accordingly.*
7. *OCM forwards completed application to local government.*
8. *Local government completes certification of zoning compliance.*
9. *OCM conducts site inspection.*
10. *(Dependent on rules) License becomes active, operations may commence. For businesses engaging in retail, retail sales are dependent on a local retail registration as well as a license.*

Cultivation prior to rules:

For applicants with license preapproval for microbusinesses, mezzobusinesses, and/or cultivator license types, cultivation may begin after Step 5, if local approval is granted. Cultivation prior to rules being adopted is allowed with specific local approval.

General Licensing Steps

General Licensing: Cultivator, Manufacturer, Retailer, Mezzobusiness

1. Complete application and submit application fees.
2. Application vetted for minimum requirements by OCM.
3. Application (if qualified) entered into lottery drawing.
4. If selected in lottery, OCM completes background check of selected applicant and issues preliminary approval.
5. Applicant with preliminary approval submits business location and amends application accordingly. OCM forwards completed application to local government.
6. Local government completes certification of zoning compliance.
7. OCM conducts site inspection.
8. License becomes active, operations may commence.

General Licensing Steps

General Licensing: Microbusiness, Wholesaler, Transporter, Testing Facility, Event Organizer

1. Complete application and submit application fees.
2. Application vetted for minimum requirements by OCM.
3. For qualified applicants, OCM completes background check of vetted applicant and issues preliminary approval.
4. Selected applicant submits business location and amends application accordingly.
5. OCM forwards completed application to local government.
6. Local government completes certification of zoning compliance.
7. OCM conducts site inspection.
8. License becomes active, operations may commence.*

- *Full model ordinance resources included on OCM website.*
- Local governments may not prohibit the possession, transportation, or use of cannabis, or the establishment or operation of a cannabis business licensed under state law.
- Local governments may adopt reasonable restrictions on the time, place, and manner of cannabis business operations.
 - State law does not restrict how a local government conducts its zoning designations for cannabis businesses, except that they may prohibit the operation of a cannabis business within 1,000 feet of a school, or 500 feet of a day care, residential treatment facility, or an attraction within a public park that is regularly used by minors, including playgrounds and athletic fields.
- Local governments may prohibit retail sales of cannabis between the hours of 8 a.m. and 10 a.m. Monday-Saturday, and 9 p.m. and 2 a.m. the following day.

Municipal Cannabis Stores

- As authorized in Chapter 342.32, local governments are permitted to apply for a cannabis retail license to establish and operate a municipal cannabis store.
- A municipal cannabis store will not be included in the total count of retail licenses issued by the state under Chapter 342 and an application from a local government will be reviewed separate than the capped retail license type.
- A municipal cannabis store cannot be counted as retail registration for purposes of determining whether a municipality's cap on retail registrations imposed by ordinance.

Local Retail Registrations

- Local governments may limit the number of retailers and microbusiness/mezzobusinesses with retail endorsements allowed within their locality, as long as there is at least one retail location per 12,500 residents.
- Local units of government are not obligated to seek out a business to register as cannabis business if they have not been approached by any potential applicants.
- Local units of government may also issue more than the minimum number of registrations.
- Per statutory direction, a municipal cannabis store (see Page 19 of Local Government Guide) cannot be included in the minimum number of registrations required. For population counts, the state demographer estimates will likely be utilized.
- Local governments should work with an attorney to determine their specific process for selection if they wish to limit the number of licensed cannabis retailers per 342.13.

Local Compliance Checks

- Local governments are required to conduct compliance checks for licensees with a retail registration to assess:
 - Compliance with age verification requirements at least annually
 - Compliance with any applicable local ordinances at an unspecified frequency
- 2024 legislation removed operational and OCM specific requirements from local compliance check requirements
- Compliance Check Requirement specifically for licensed businesses, which would not include registered hemp retailers

Current and Future Enforcement

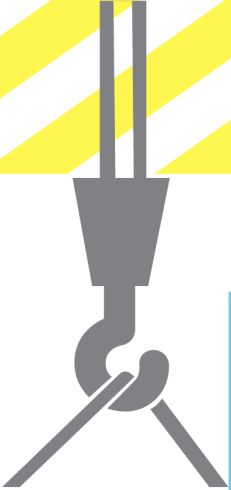
Today:

- No Licensees – Enforcement focusing on 1) registered and unregistered hemp derived products and 2) unlicensed sale of cannabis products
- Common Findings: 1) unlicensed flower sale 2) noncompliant HDLP 3) unregistered sales

Future:

- Licenses issued, including pre licensure review and ongoing monitoring
- Responsiveness to complaints, with a priority to local government complaints

Thank You!



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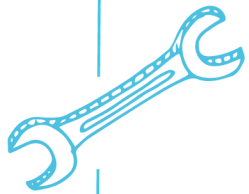
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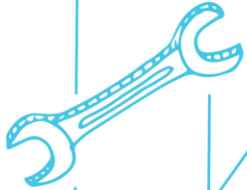
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CITIES GET IT DONE.





Tales from the (En)crypt and Gone in 60 Seconds: Real-life Cybersecurity Stories



City of Mayer 2023 Cybersecurity & Fraud Incident



What We'll Cover

- The incident and how it unfolded
- City response and impact on the community
- Lessons learned and next steps



Mayer Fraud Incident

Background Leading Up:

- First day on October 4, 2022
- Several issues to attend to; most notably a proposed 30% tax hike
- Cybersecurity not at the top of the list
- Two person office in a city of 2,500 population with full services
- City Clerk email account was compromised



Mayer Fraud Incident

The Incident:

- First fraudulent email received a month after I began
- Bond payment due at the end of the November
- Timing of the fraudulent email and payment worked in favor of scammers
- Real Ehlers confirmed check received before ACH went out



Mayer Fraud Incident

The Incident:

- Second fraudulent email attempt in December 2022
- Targeted another bond payment in same fashion
- Bond payment due in February 2023
- Referenced previous fraud attempt as social engineering
- ACH payment was made to fraudulent account



Mayer Fraud Incident

City Response and Community Impact:

- City Administrator response to fraud
- Immediate IT changes to close out bad actors
- Initiate law enforcement response to investigate
- Worked with the League on public communication
- Issued press release and public statement



Mayer Fraud Incident

City Response and Community Impact:

- Citizen response less angry than expected
- Provided updates to the situation at City Council meetings to keep public informed
- Independent third party investigation into the incident
- No impact to city services



Mayer Fraud Incident

Lessons Learned and Next Steps:

- Severe lack of policies in place
- IT infrastructure was good but lacked a few key areas
- Initiated Security Maturity Assessment with League
- Roadmap towards improving cybersecurity awareness



The City of Thief River Falls Ransomware Attack December 6, 2020

First Signs



- Sunday at 6:52 a.m. Backup failure error messages in my email
- At noon a Vendor notified me that he couldn't access our new system remotely.
- Inability to VPN into the system and obtain access.
- 12:30 p.m. arrived on site
- Firewall had a red light.
- My computer was in safe mode

Find z9l2qh9-readme.txt and follow instructions

z9l2qh9-readme.txt - Notepad

File Edit Format View Help

|----- welcome. Again. -----

[+] whats Happen? [+]

Your files are encrypted, and currently unavailable. You can check it: all files on you computer has expansion z9l2
By the way, everything is possible to recover (restore), but you need to follow our instructions. Otherwise, you ca

[+] what guarantees? [+]

Its just a business. We absolutely do not care about you and your deals, except getting benefits. If we do not do o
To check the ability of returning files, You should go to our website. There you can decrypt one file for free. Tha
If you will not cooperate with our service - for us, its does not matter. But you will lose your time and data, cau

[+] How to get access on website? [+]

You have two ways:

1) [Recommended] using a TOR browser!

a) Download and install TOR browser from this site: <https://torproject.org/>

b) Open our website: <http://aplebzu47wgazapdqks6vrcv6zcnjppkxbxr6wketf56nf6aq2nmyoyd.onion/2B33A5D53C9E098B>

2) If TOR blocked in your country, try to use VPN! But you can use our secondary website. For this:

a) Open your any browser (Chrome, Firefox, Opera, IE, Edge)

b) Open our secondary website: <http://decryptor.top/2B33A5D53C9E098B>

warning: secondary website can be blocked, thats why first variant much better and more available.

when you open our website, put the following data in the input form:

Key:

pPQNRuhusaJyPPK062rRcy2M/RuIGGh0035eEPxdQ2EOUxpFo3yq3utqkfep2kn
BUiNG8AVCI dNDBjr3A65Z0SoJYtuQ1uHCPeDeLc6+jqU/nbNV+Aje1l3CGVascz0
QQ0QCzzVwbZNGTdg/b32b2MFUzV2+hvdRmavTC/PpP1ipRNL7RCLh4vi/Gf6RQG3
1Jfw2OMWN4Um9sAUvtimvNBgqjtRCN5Me06vm2fc/mBEGR2hZx0dGwaALDGzo6OZ
+jBxTnThY5Ao5Hu46JL4be9YmVYNE7V+33Fx082JXfgpwn4/wVMOJMeRWHfkism4
qPjGHZdjnfABazDCviPaPPXscyIbj6IRQNSBq20B6gCa1TQ3xvZfdazPjb9bp+j

Isolate, Identify, and Remediate

Response

- Isolate the devices and city networks
- Identify the impacted machines
- Remediate as appropriate with available options

From hackers with love



Jesee Hoody <netxdoor122112@gmail.com>



Sun 12/6/2020 5:39 PM

[If there are problems with how this message is displayed, click here to view it in a web browser.](#)

SECURITY NOTICE:

This email originated from an external sender. Exercise caution before clicking on any links or attachments and consider whether you know the sender. For more information please contact Joanne Olson @ EXT 1150.

If you were at work, I think you noticed that your computers and servers were hacked. We copied most of the data and also encrypted it. It is in your interest to contact us for a solution to this unpleasant situation. Go to your computer and find a text file, it says how to do it.

(no subject)



Jesee Hoody <netxdoor122112@gmail.com>



[If there are problems with how this message is displayed, click here to view it in a web browser.](#)

SECURITY NOTICE:

This email originated from an external sender. Exercise caution before clicking on any links or attachments and consider whether you know the sender. For more information please contact Joanne Olson @ EXT 1150.

I see you have read my message. Your silence will cost you dearly. I do not advise to ignore us.

(no subject)



Jesee Hoody <netxdoor122112@gmail.com>

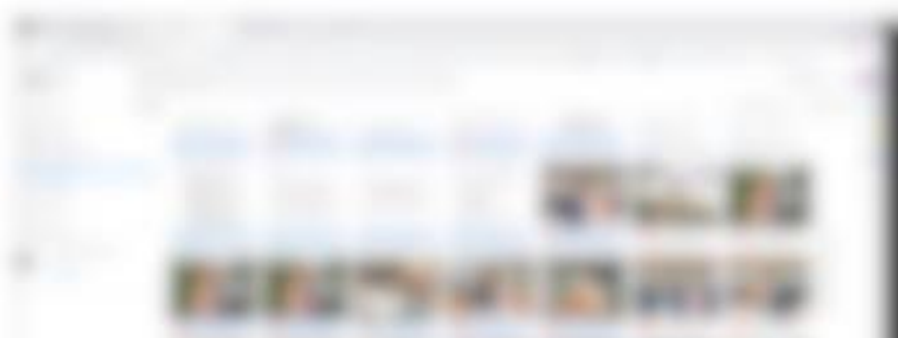
[If there are problems with how this message is displayed, click here to view it in a web browser.](#)

SECURITY NOTICE:

This email originated from an external sender. Exercise caution before clicking on any links or attachments and consider whether you know the sender. For more information please contact Joanne Olson @ EXT 1150.

While you think we're going to start sorting your files, let's start with the personal ones.

p.s. nice photo



Impact

- All 13 of our servers
- 18 workstations
- 4 network-attached storage devices
 - Backup repositories (erased or scrambled)
- 3 of our locations were impacted since they were connected to each other
- Financial Software greatly impacted



The Good:

1. No data had left our network
2. Computers that weren't impacted:
 - a. Were turned off
 - b. Or were running Malwarebytes and Webroot.
3. Our one redundant server hadn't been touched
 - a. We got a loaner server to back up our data the next day.



The Good



December 9, 2020 Press Release

A solid green horizontal bar.

Notice of a Cyber Incident

The City of Thief River Falls experiences and successfully repels multiple cyber-attacks on its Information Technology infrastructure every day. Early Sunday Morning the City experienced an extremely sophisticated cyber-attack. The City immediately took a variety of aggressive measures to protect and secure all systems. The City in consultation with cybersecurity professionals started an extensive investigation of the attack and is working closely with all appropriate authorities.

We regret any inconvenience or concern that this attack may have caused.

It is important to note that this is an active investigation, and we will provide updates as new information becomes available.

Sodinokibi Ransomware Notice

Your network has been infected!



Your documents, photos, databases and other important files encrypted



To decrypt your files you need to buy our special software -General-Decryptor



Follow the instructions below. But remember that you do not have much time

General-Decryptor price
the price is for all PCs of your infected network

You have **4 days, 23:57:31**

* If you do not pay on time the price will be doubled

* Time ends on Dec 14, 20:41:11

Current price

3809,23 XMR

≈ 500,000 USD

After time ends

7618,46 XMR

≈ 1,000,000 USD

Monero address: 857qBX6WysW53VzApqjW69dLZ3K5gy7MxMR will be recalculated in 5 hours with an actual rate.

INSTRUCTIONS

CHAT SUPPORT

ABOUT US

Sodinokibi

You probably already know about us. Many publications call us Sodinok. If you've read them, you know that our Ransomware is different in technology and reliability.

We've developed the best data encryption and decryption system available today.

Our competitors allow themselves to lose and destroy their victims' data during the encryption/decryption process, making it impossible to recover the data.

We don't allow ourselves to do that.

So you should be glad you were infected by our guys, not our competitors. This means that when you pay for the decryption, you can be sure that all your data will be decrypted.

Guarantees?

You can read the publications about us. For example, this one:

<https://www.coveware.com/blog/2019/7/15/ransomware-amounts-rise-3x-in-q2-as-ryl-amp-sodinokibi-spread>

This edition explores Ransomware and makes comparisons. This article describes the 100% probability of data recovery via Sodinokibi software.

You can search for other publications about us on the Internet and once again make sure of our warranties.

Or go to the payment instructions page now to get our decryption software if you don't want to waste time.

Time is money.

* Current price 3809,23 XMR will be doubled

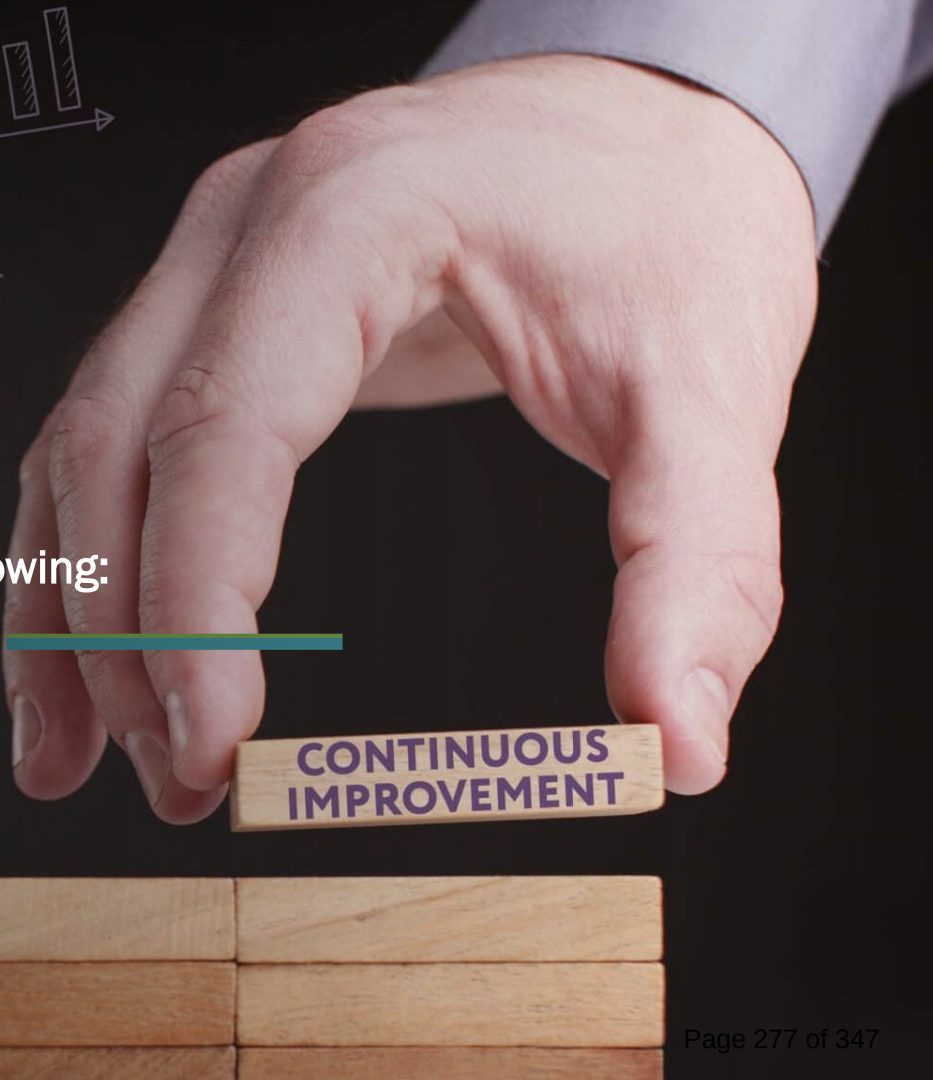
4 days, 23:57:31

Decisions:

- Do we pay?
- How do we process payroll?
- How do Employees continue working without their computers
- How do we stay up to date with Cyber-threats
 - DHS (US Dept of Homeland Security)
 - CIS (Center for Internet Security)
 - MS-ISAC)

Over the next year we implemented the following:

- Cybersecurity Policy
- Multi-Factor Authentication (MFA)
- Segmenting the network
- Getting next gen Endpoint Protection
- Stronger passwords (passphrases)
- Remote Vendor Access procedures
- Tape Backups
- Cyber Training and Testing (Knowbe4)
- Removing default passwords and utilizing unique credentials



CONTINUOUS
IMPROVEMENT

Our Costs

Cost = \$84,000.00

(Included:

Data restoration Ontrack (\$26,000)

Financial software (\$29,000)

Morris Electronics (\$25,000)

Misc Hard Drives, etc.. (\$4,000)

Insurance paid \$59,000.00

Deductible=\$25,000.00





Thank you

Cyber Security is a never ending journey



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Global Minnesota

Global Engagement, Local Impact

Global Minnesota forges international connections to bring the benefits of our global world to the people of Minnesota.

Global Minnesota is the state's leading nonprofit, nonpartisan organization dedicated to international connection and engagement. Our programs provide community leaders, business professionals, elected officials, and the general public the opportunity to **engage with respected leaders and subject experts in the fields of foreign policy, diplomacy, trade, culture, and more.**

Local Benefits of Global Engagement

Minnesota is a world-leader in a broad range of fields including agriculture, healthcare, and medical device manufacturing which contribute greatly to Minnesota's prosperity. Nearly 20% of jobs in Minnesota are supported by global trade, resulting in \$27 billion in exports to foreign markets in 2022.

Leading the Global Future

Our distinct program areas provide rich and varied opportunities to connect with others from around the globe, serve as citizen diplomats, and gain a deeper understanding of the world.

- **Events** — accessing the world through policy experts, international leaders, ambassadors, diplomats, and other influential dignitaries
- **Professional Exchanges** — connecting international professionals with counterparts in Minnesota to exchange best practices
- **Corporate Engagement** — providing international access, information, and brand exposure to Minnesota companies
- **Discussion Groups** — grassroots groups discussing global policy topics
- **K-12 Education** — inspiring the next generation of global thinkers

Minnesota's Global Connections

• • • • •

20%
Jobs Supported by
Global Trade

• • • • •

350+
Professional Exchanges
in 2023

• • • • •

15,000
International Students
in Minnesota

• • • • •

\$27 Billion
Exported to Foreign
Markets

• • • • •



Global Minnesota is a registered 501(c)(3) organization and has the highest possible ranking from Charity Navigator.

LEARN MORE globalminnesota.org or call 612.625.1662



Support Global Connections

Global Minnesota receives some operational and program funding from federal programs and a robust coalition of Minnesota residents and companies.

International Visitor Leadership Program

We host more than 350 exchange visitors from over 100 countries in Minnesota annually through the International Visitor Leadership Program, sponsored by the U.S. Department of State Bureau of Educational and Cultural Affairs. Program participants, who are emerging global leaders, travel to the United States for exchange programs designed to build understanding between professionals from abroad and local communities. **This program generated \$2 million in economic activity in Minnesota in 2023.**

“Global Minnesota is more than just a nonprofit. We are a community who cares deeply about the world and our place in it.”

A Grassroots Coalition

We represent a large community of internationally-minded individuals and organizations. The majority of Global Minnesota’s revenue comes directly from Minnesotans and Minnesota companies who understand that our state, our businesses, our educational institutions, and our people benefit from the opportunities international engagement and connection create.

- **1,600** — Individual Members
- **55** — Corporate & Nonprofit Members
- **15,000** — Event & Program Participants in FY 2022-23



Let’s discuss how Global Minnesota benefits your constituents.

Contact: Phil Hansen, President

phansen@globalminnesota.org | 612.625.8646



GLOBALTIES > U.S.



CONGRESSIONAL OFFICE FOR
INTERNATIONAL
LEADERSHIP

**Download materials
featured in this session:
[LMC.ORG/ED](https://lmc.org/ed)**



LEAGUE OF MINNESOTA CITIES
2024 ANNUAL CONFERENCE

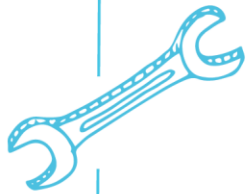
JUNE
26-28

MAYO CIVIC CENTER
ROCHESTER, MN



BUILDING a BETTER CITY

CITIES GET IT DONE.





Global **Minnesota**

Connect. Inform. Engage.

Global Engagement, Local Impact

Introduction and Agenda

- Introduction
- Internationally connected Minnesota
- Key outcomes
- The importance of international engagement & connections
- Global Minnesota: Mission, history, programs, resources and services
- How we connect Minnesota to the world
- Thoughts on tools and resources for municipalities
- Upcoming events
- Questions



Global **Minnesota**

Key Outcomes

Understand the programs and services of Global Minnesota and how Global Minnesota can help communities, leaders, and companies:

- Engage with diplomats and international leaders
- Be informed about best practices & resources
- Build relationships that support MN success in the world market place
- Share with and learn from professionals across the world
- Connect with international experts on critical economic, social and cultural issues
- Engage the next generation of global leaders
- Become more globally & culturally competent



Global **Minnesota**

Who Has....

- Who has hosted international visitors?
- Who has represented MN or the U.S. internationally? (trade delegation or foreign service)
- Who has worked for, owned or supported a business involved in international trade?
- Who looks forward to international travel in next 5 years?
- Who has heard of Global Minnesota?



Regional Council of Mayors



Global **Minnesota**

Minnesota: Internationally Connected

Minnesota is internationally connected and engaged. We are known for our:

- Humanitarian efforts
- International businesses
- Academic collaborations
- Community engagement
- Trade and investment
- Innovation agriculture, med-tech..
- Environmental Stewardship
- Welcoming of immigrants and refugees
- Sister City connections
- Many others..



Medical Delegation, Bloomington



Global **Minnesota**

Value of Global Engagement

- Greater economic growth and development
- Cultural exchange and global perspective
- Innovation, best practices and knowledge sharing
- Educational opportunities
- Enhanced reputation and influence
- Learn about sustainable practices



Global **Minnesota**

MINNPOST

“Yet another subtle and overlooked asset (of Minnesota) is a more sophisticated global awareness and a willingness to learn from and trade with other nations..... Organizations such as Global Minnesota and dozens of other civic and business associations nurture this spirit”.



Global **Minnesota**



Global **Minnesota**

Connect. Inform. Engage.

Global Minnesota Overview

Global Minnesota History: 1951-Today

- Welcome international students
- Foster citizen diplomacy
- Connect Minnesota to the world
- Help Minnesota be culturally and commercially richer

- *Formerly: Minnesota International Center*



International students and scholars are able to learn about life in Greater Minnesota through MIC's statewide programs. The group pictured above made a weekend journey to the Brainerd area, where they stayed with host families and found out firsthand why so many Twin Cities like to go "up north."

They came as strangers may they leave as friends...



Global **Minnesota**

Global Minnesota Today

Global Minnesota is a nonprofit, nonpartisan, member-based organization

1,600 members, 55 corporate members, 39 board members & 16 staff

Over 450 activities covering 137 countries inspired more than 15,000 people to connect with and learn about our changing world

Mission: To advance international understanding and engagement.

Vision: To connect, inform, and engage Minnesotans on international economic, political, social, and cultural issues.



Global **Minnesota**

Programs and Services

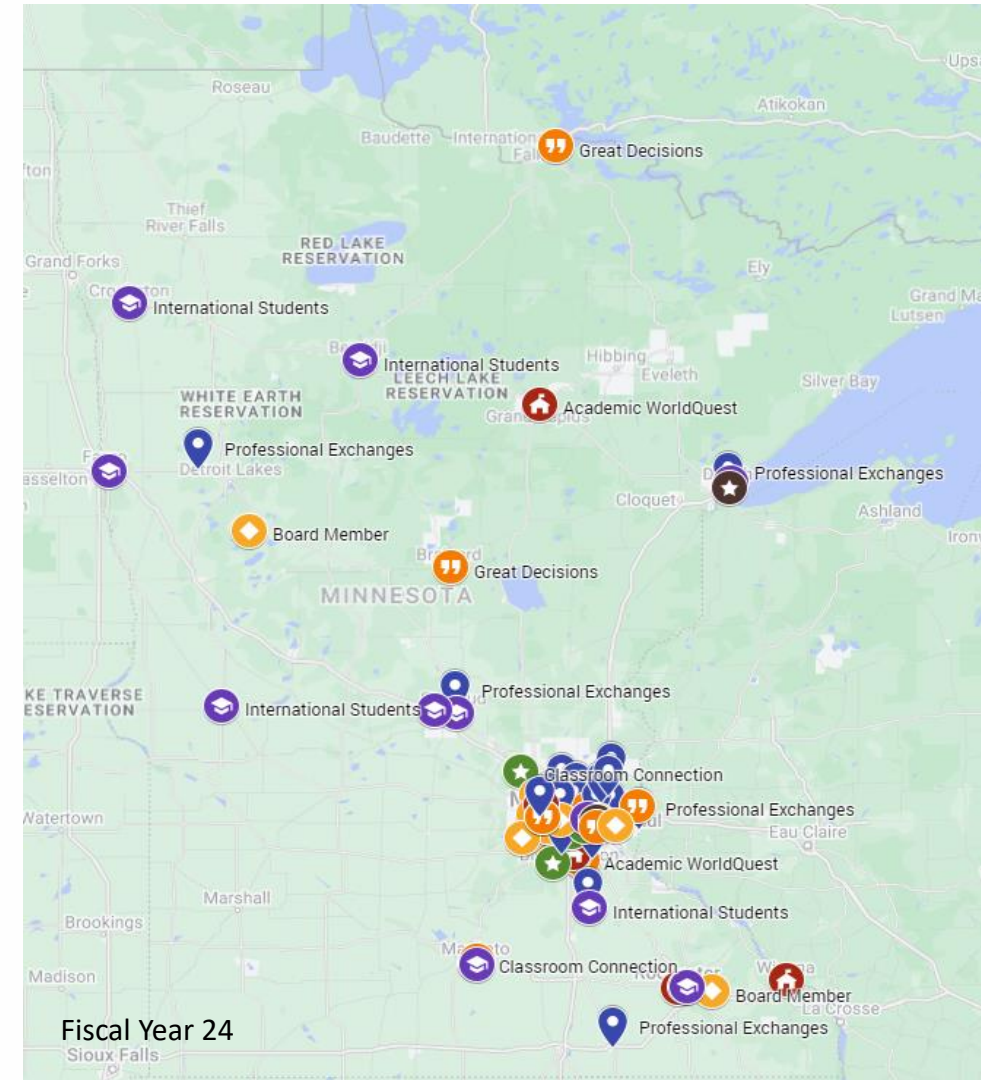
World Affairs Events

International Business Programs

Professional Exchange Programs

Great Decisions Discussions Groups

Youth & International Student Programs



Global **Minnesota**



Global **Minnesota**

Connect. Inform. Engage.

World Affairs and International Business Programs

World Affairs Programs

- Expert speakers & diplomats on foreign policy, economics, society & culture
- Women's leadership initiatives
- Young international leaders initiatives
- International food, trivia and dinner hosting events
- 75+ events annually



Global **Minnesota**

Ambassadors & Consuls General



Ambassador of Finland



Former Ambassador to Ukraine



Ambassador of Uzbekistan



Ambassador of Zambia



Consul General China



Ambassador of Kosovo



Ambassador of Romania



Ambassador of Mexico



World Affairs Program with Young Global Entrepreneurs



Trivia Question

What city did the first U.S. female ambassador come from? Hint: It was 1949 and she was the Ambassador to Denmark.

1. Minneapolis
2. Duluth
3. Red Wing
4. Stillwater
5. None of the above



Helen Eugenie Moore Anderson



Global **Minnesota**

International Business Programs



Ambassador of Zambia Visit to Land O' Lakes



UNITEDHEALTH GROUP®



Global **Minnesota**

International Business Programs

- International Business Roundtables
- Sustainable Development Goals Roundtables
- Annual Global Business Outlook
- Engagement with visiting dignitaries and diplomats



SDG Roundtable: Resiliency in a Water Challenged World



Global **Minnesota**

International Business Programs

Access to Ambassadors, Diplomats and Consuls General

- Private business briefings and networking
- Opportunities to host events



Global **Minnesota**

Global Business Outlook

December 5, 2024 at the
3M Innovation Center

- Which global business trends to watch
- How to respond to those trends
- Premier speakers and panelists
- Quality networking



Global **Minnesota**

Trivia Question

Roughly, how many jobs in Minnesota are supported by international trade?

- 1. 100,000
- 2. 300,000
- 3. 600,000
- 4. 800,000



Global **Minnesota**



Global **Minnesota**

Connect. Inform. Engage.

Professional Exchange Programs

Professional Exchanges

International Visitor Leadership Program: annually host 350+ exchange visitors from over 130 countries. Sponsored by the U.S. Department of State Bureau of Educational and Cultural Affairs.

- Sustainability and agriculture: Baltics
- Building sustainable cities: Indo-Pacific
- Energy policy and future outlook: Latin America
- Science and technology entrepreneurship: Middle East and North Africa
- Renewable energy: Egypt
- Women leaders promoting peace & security: Europe
- Promoting youth civic engagement: Georgia
- MN's social enterprise ecosystem: Latin America



Global **Minnesota**

Professional Exchanges

For companies and communities these visits offer opportunities for:

- Relationship building
- Creating strong international ties
- Network expansion for businesses and institutions
- Potential partnerships
- Knowledge and best practice exchange
- Gaining insights from delegates' experiences
- Sharing MN expertise on a global stage
- Exploring collaboration in areas like business, education, and cultural activities



Global **Minnesota**

Ukrainian Prosthetics Professionals



Duluth: Kazakh Transportation Leaders

In April, Global Minnesota brought an impressive delegation of emerging leaders in transportation from Kazakhstan to Duluth. They learned and exchanged best practices with the Duluth Port Authority.

Global Minnesota facilitated other important stops including the Minnesota Department of Transportation, Minnesota Commercial Railway, and the Federal Reserve Bank.

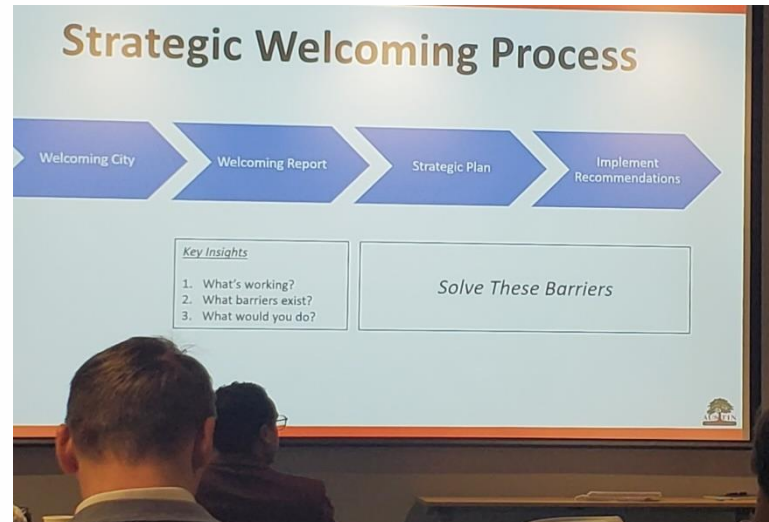
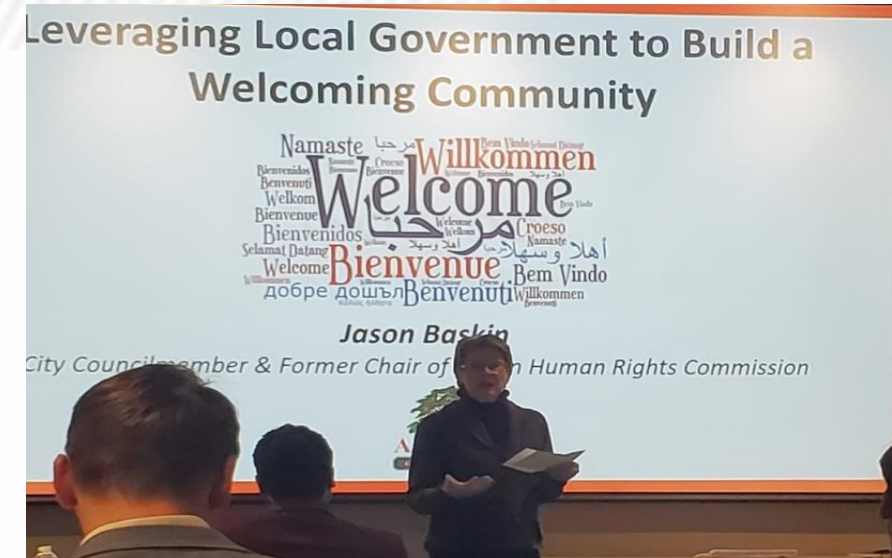


Global **Minnesota**

Austin: European Political Leaders

In February, Global Minnesota hosted 16 European leaders from 14 countries which are experiencing high levels of immigration and low birth rate levels.

The group traveled to Austin to meet with community leaders and engaged in a series of meetings with Rep. DeMuth & Rep. Finke of the Minnesota State House and Senator Duckworth of the Minnesota State Senate. The ideas exchanged showed how common ground can be found to create communities that are welcoming and prosperous.



Sustainable Cities

In June, Global Minnesota hosted emerging leaders from 22 countries to explore best practices in environmentally sound urban planning and consider methods for building sustainable cities.

They met with local professionals from the Sustainability Division of the City of St. Paul, the Hennepin Energy Recovery Center, the University of Minnesota Center for Transportation Studies, Minnesota Department of Commerce, the City of Bloomington, and the Minnesota Pollution Control Agency.



Global **Minnesota**

Sharing Best Practices

- Sustainability and environmental practices
- Successful green initiatives from around the world
- Urban planning and development
- Innovative infrastructure and city planning models
- Public health strategies
- Innovations in agriculture
- Implementing effective health practices and policies



Global **Minnesota**

Home Hospitality



Global **Minnesota**



Global **Minnesota**

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Great Decisions Discussion Groups

Great Decisions Discussion Groups



New! Edina Great Decisions: U.S.-China Trade Rivalry

China's economic rise and its current policies of increasing the role of the state in the economy have led some U.S. policymakers to seek to deny China access to U.S. technology and investment. Is this a wise strategy, and how effective can it be?

Hear an in-depth discussion on one of the new 2024 Great Decisions topics at the Edina Public Library this Monday. The presentation will be followed by a Q&A session for you to join the discussion.

Presented by [Edina Community Education](#) and the Friends of the Edina Library.

Monday, January 8 | 4:00 pm CST; In-Person | Free



2024 Topics

- Science Across Borders
- U.S.-China Trade Rivalry
- Mideast Realignment
- NATO's Future
- Understanding Indonesia
- High Seas Treaty
- Pandemic Preparedness
- Climate Technology and Competition



Global **Minnesota**



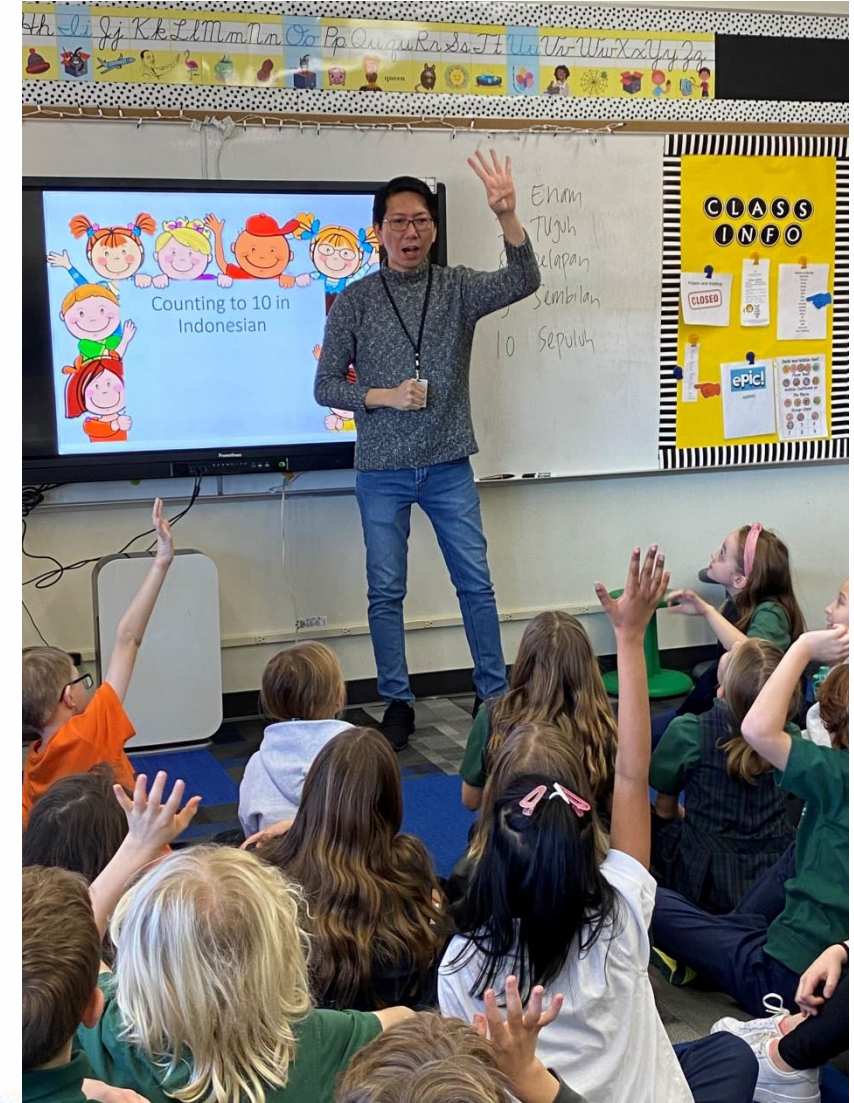
Global **Minnesota**

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Youth and International Student Programs

K-12 Education Programs

Classroom Connection
Academic WorldQuest



Global **Minnesota**

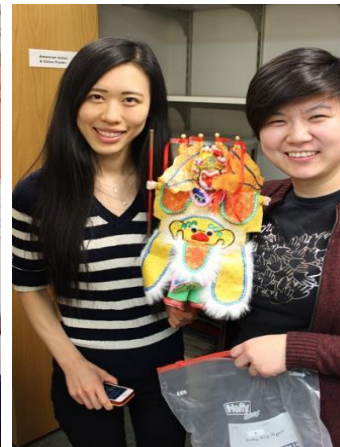
Classroom Connection



Post-it SUPERSTICKY EASEL PAD 78.5 cm x 30 cm 30 25 IN/PO x 30 IN/PO 83.5 cm x 76.2 cm 5.2 SQ FT/PP (0.48 m²) 3M

What I learned about South Korea.

- They eat a lot of kimchi and soup and rice.
- I know what games they play - Gonggi and Ddakji.
- I learned about Hanbok.
- The east is high and the west is low.
- There are a lot of mountains.
- The capital of South Korea is Seoul.
- The kids go to an academy after school where they study extra.
- The kids are allowed to drink chocolate milk at school in the morning.
- There are different kinds of houses. In the city a lot of people live in high-rise apartments.
- The president lives in the Blue House.
- Rich people lived in bigger houses, normal people lived in small houses.



Global **Minnesota**

Academic WorldQuest – MOA



Academic WorldQuest 2024 Top 6 Standings
Mounds View
Edina
Grand Rapids
Mayo
Nova Classical Academy
Saint Paul Central



International Student Engagement



Cultural insights and
Professional development
Experiences for international
students

Students from 26 universities
and colleges



Global **Minnesota**

Trivia Question

Roughly, how many international students study in MN each year?

1. 1,000
2. 10,000
3. 15,000
4. 25,000



Global **Minnesota**



Global **Minnesota**

Connect. Inform. Engage.

Outcomes From Our Work

Growing International Understanding and Engagement



Global **Minnesota**

Build Relationships & Enhance Minnesota's Global Reputation/Visibility



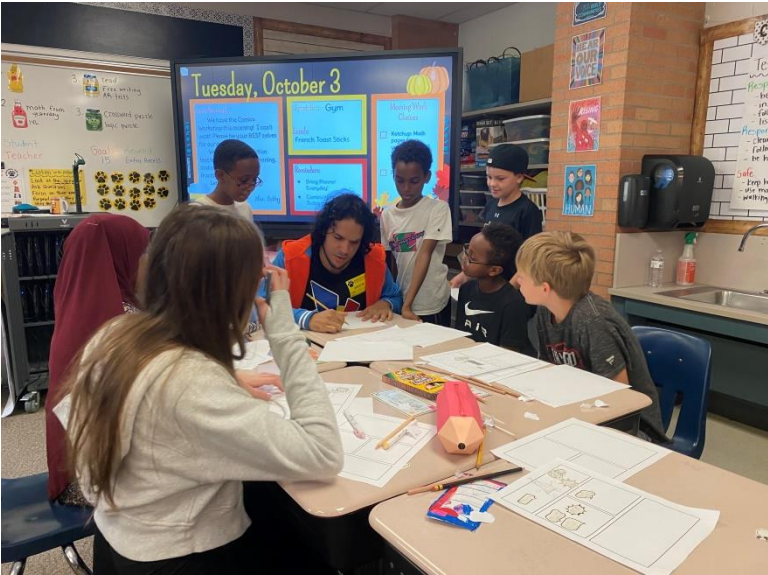
Global **Minnesota**

Promote Global Cultural Exchange



Global **Minnesota**

Inspire and Prepare the Next Generation of International Leaders



Global **Minnesota**

Advance Global Sustainability Best Practices



Build Global Competence



Global **Minnesota**

Enhance Global Economic Opportunity





ZAMBIA-U.S. AGRI BUSINESS FORUM, MINNESOTA
Building Strategic Partnerships for Economic Growth & Opportunities in Agriculture



SPEAKER

Phil Hansen
President,
Global Minnesota

Promoting Investment for Zambia in Diaspora



APRIL 30TH, 2024
8 AM - 4 PM



McNamara Alumni Center
200 SE Oak Street, Minneapolis, MN 55455
Located at the University of Minnesota

REGISTER: forms.gle/evaHTvS4wKEzhcTb9

This Event is Hosted By BMMSWIFT & The Minnesota Department of Agriculture in partnership with:

Ministry of Agriculture,
Zambia





Global **Minnesota**

Encourage Informed Discussion on International Issues



Global **Minnesota**

Foster Peace and Security



Global **Minnesota**



Global **Minnesota**

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Resources

Resources: Minnesota Consular Corps

Minnesota Consular Corps



The Minnesota Consular Corps is comprised of all career and honorary consular officials appointed by their respective governments to serve in Minnesota, and who are duly recognized by the United States Department of State. The MNCC unites representatives from countries around the world, currently with over 30 countries represented and led by an Executive Committee. The Minnesota Consular Corps is an independent organization and is grateful to Global Minnesota for hosting this information on its website.

About the Minnesota Consular Corps

Mission

The mission of the MNCC is to enhance visibility of the international community in Minnesota by promoting the countries represented, by supporting the members' initiatives with respect to their diplomatic outreach, and by fostering foreign trade and cultural initiatives. MNCC serves to support its members in their responsibilities to serve the citizens of their respective countries who reside in or travel through Minnesota.

Diplomatic Corps in MN

- Canada
- Mexico
- Ecuador
- El Salvador



Global **Minnesota**

Resources: International Visitor Delegation Planning

Initial Planning

- Delegation Members
- Goals and Objectives
- Invitations and Outreach
- Meeting Cadence and Format
- Local Staff and Point People
- Partners and Co-Sponsors

Organizing Visit Logistics

- Travel Logistics
- Itinerary Development
- Venue Identification
- Local Participant Invitations
- Host Identification
- Gift Planning
- Additional Cultural Activities

Visit Execution (“Day Of” Logistics)

- Visit Manager/Point Person
- Schedule Changes

Visit Follow Up

- Thank You Notes
- Reporting
- Event Recordings and Photos



Global **Minnesota**

Want to Learn More?....

- Who would like a planning guide for receiving international delegations?
- Who is interested in more training about how to receive delegations?
- Are there specific countries or topics you would like to know more about?
- Send us your recommendations for global connections and international experts.



Global **Minnesota**

Q&A and Closing Remarks



Global **Minnesota**

Upcoming Events

Global Social: 2024 Mandela Washington Fellows

Wed, Jul 10 | 5:30 pm | In-Person | \$10 Members; \$20 Non-Members

Meet the next generation of leaders from the 2024 cohort of Mandela Washington Fellows over appetizers and beverages. This year's cohort is made up of 25 young leaders from 19 countries across Africa. They are working on projects related to climate sustainability, disability rights, healthcare, and teaching.

Get To Know Global Minnesota

Mon, Jul 15 | 5:30 pm | In-Person | Free

Come discover what Global Minnesota has to offer! Visit the Global Minnesota office to learn about our programming, explore ways to participate, and learn what membership is all about.

Podcast Episode: Academic WorldQuest with Mounds View High School

Now streaming on all podcast apps!

Hear from the winning team of this years statewide Academic WorldQuest international knowledge competition.

Global Business Outlook

Thu, Dec 5 | 5:30 pm | In-Person | 3M Innovation Center

Are you and your business ready for 2025? With so many uncertainties and disruptions in the post-pandemic global economy, which trends are pivotal for your success? Which emerging trends , opportunities , and risks demand your attention? **Global Business Outlook** will address these and other questions.



Global **Minnesota**



LEAGUE OF MINNESOTA CITIES
2024 ANNUAL CONFERENCE

JUNE
26-28

MAYO CIVIC CENTER
ROCHESTER, MN



BUILDING
a BETTER
CITY

CITIES GET IT DONE.





Prepared By:
Ragini Varma, City Clerk / IT Director
Presenter: Ragini Varma, City Clerk / IT Director
Date: 07/09/2024

Board & Commission: City Council

Subject: The Council Regular Meeting Date changed - August 13th, 2024 to August 15, 2024

Due to the Primary Elections falling on August 13, 2024, no public meeting can be held during that day. Council to approve the change of meeting date to Thursday, August 15, 2024. This item is in progress - Ragini

Voting Requirements:

Voting Options Simple Majority



Prepared By:
Colette Baumgardner, WSB Graduate Community Planner
Presenter: Nathan Sondrol, GIS Specialist/Parks Director
Date: 07/10/2024

Board & Commission: City Council

Subject: Planning Commission Update

The Planning Commission held three public hearings at their July 9th Meeting.

1. Keller Acres Preliminary Plat

The Planning Commission recommended approval of this item, and it is anticipated to be presented to the City Council at their July 30th meeting. This plat is to transfer 10 acres from a 39.92 acre property (PID: 11.00696.00) to a landlocked 45.04-acre parcel (PID: 11.00693.00). This transfer of property creates street frontage for the receiving parcel. The applicant was present at the meeting and spoke, and no members of the public spoke at the public hearing.

2. Members Cooperative Credit Union Preliminary Plat

The Planning Commission recommended approval of this item, and it is anticipated to be presented to the City Council at their July 30th meeting. This plat is being reviewed in conjunction with a site plan application and a final plat application. The Applicant has purchased the former Minnco bank location, 38807 9th Avenue (PID: 16.00398.00) and the two (2) adjacent vacant lots to the south, 6160 Maple Street (PID: 1600399.00) and 6174 Maple Street (PID: 16.00400.00). The Plat proposes to combine and re-divide the three (3) lots into two (2) lots. The new lots meet City Code standards. As part of the site improvements, the Credit Union plans to add an entrance off of Maple Street. During the Parks Commission review, the Commissioners recommended that the sidewalk be extended along 9th Ave to Maple Street with the proposed site improvements or at the time of future development of the southern lot. The Planning Commission updated this recommendation to be for the sidewalk to be installed with the current proposed site improvements and added this as a condition of approval. The applicant was present at the meeting and spoke, and no members of the public spoke at the public hearing.

3. Meadows Ridge – Comprehensive Plan Amendment, Rezoning, and Preliminary Plat

The Planning Commission recommended approval of the comprehensive plan amendment, rezoning, and preliminary plat. This application is for 342 unattached residential units north of 400th on the west and east sides of Flink Ave. This application currently also has an Environmental Assessment Worksheet (EAW) under review. No final action can be taken by the City Council until the EAW is complete and accepted by the City. The EAW is expected to be available for public comment in the coming week, and it will be posted for 30 days. Additional processing time will likely be required after the comment period. The Planning Commission had much discussion on this item, and multiple members of the public spoke at the public hearing. The primary concerns discussed by the Commissioners and the public included increased traffic in the area, safety of the roadways, reduced lot sizes, and public infrastructure needed to serve the development. The City Engineer is in the process of reviewing this application and will provide recommendations regarding the traffic and infrastructure needs in conjunction with Public Works prior to the City Council review.

The Planning Commission also discussed amending the design standards to allow for business expansion in the “old” North Branch Industrial Park located south of 400th St between Forest Blvd and Grand Ave. The Planning Commission will hold a special meeting on July 22nd to catch up on some outstanding applications requiring review.

Voting Requirements:

None



Prepared By:
Presenter:
Date: 07/11/2024

Board & Commission: City Council

Subject: Parks, Trails and Open Space Commission Meeting Update

The Parks, Trails and Open Space Commission met on July 1, 2024.

PTOS Commission Vacancy

The Commission discussed the vacant commission position with Wendy Chelberg and recommended approval of her application to the commission.

Keller Acres

The commission reviewed the Keller Acres development and recommended the acceptance of cash for park dedication funds.

Members Credit Union Plat

The commission reviewed the Members Credit Union plat and recommended the acceptance of cash for park dedication funds and the extension of the sidewalk along 9th Ave to Maple Street with the proposed site improvements or at the time of future development of the southern lot.

PTOS Strategic Plan

The commission discussed the Wildridge Park survey and recommended to start the survey in July and have it run through the end of August 2024.

Voting Requirements:

Voting Options Simple Majority



Prepared By:
Travis Miles, Councilmember
Presenter: Travis Miles, Councilmember
Date: 07/12/2024

Board & Commission: City Council

Subject: 2024 LMC Conference Update - Councilmember Miles

Last month I was able to attend the League of Minnesota Cities Annual Conference. During the conference I took part in a walking tour and saw how Rochester brought the community together to design a space downtown that met the needs of everyone. This space has room for food trucks during the busy work days and farmer's markets during the slower times. They were able to incorporate misters for hot days and heaters for cold winter days. They even added heating under the sidewalk to keep the snow and ice clear.

The sessions I attended focused on conflict resolution, housing needs, and attracting companies to the community. A main point from the Conflict Resolution was the EVOLVE Acronym. Explore – Understand the issue. Validate – what was learned from exploration and obtain consent to move forward. Outcomes – Co-create a process to implement recommendations. Learn – Ensure all participants have information they need. Voice – Engage in respectful, open discussion. Emerge – Jointly develop solutions.

The housing session talked about how MN went from a \$115 million to a \$1.3 billion budget for housing in 2023. 50% will be used to preserve single family homes and multifamily rentals. 25% in Housing Stability (foreclosure/eviction prevention) and 20% in Homeownership Assistance (downpayments education and counseling) and 20% Other. How does this help North Branch? We may qualify for the Greater Minnesota Public Infrastructure Grant for water, sewers, utilities and streets.

The other session I attended was “From Chasing Smokestacks to Chasing People” . This is the age-old question of the chicken or the egg. What comes first, business or homes? This was presented by the Center for Rural Policy and Development. A key takeaway is nowadays companies are looking for cities that have increasing housing. The question is why? Labor force growth has been decreasing for two decades. The state is losing youth to other opportunities. In 2023 Unemployment in Chisago County was about 3.5% There are currently more people leaving the workforce then entering the workforce. In 2021

there were 0.4 job seekers for every vacancy. What can we learn from this? In order to attract businesses, we need to look at housing, engaging high schoolers in occupations in the area, and focus on quality of life. Between 2000 and 2010 Chisago County saw over 10% of expected growth in 30 -49-year-olds. To attract business, we need housing to support it. As we look at zoning questions, we need different housing types for different stages of life and the type of housing that is attainable for different wage earners.

Voting Requirements:

INFO



Prepared By:
Kelly Neider, Councilmember
Presenter: Kelly Neider, Councilmember
Date: 07/12/2024

Board & Commission: City Council

Subject: 2024 LMC Conference Update - Councilmember Neider

2024 was my 4th Annual LMC Conference in 8 years. Every year I attend, I am blessed by the caliber and quality of the speakers and their knowledge and the other elected officials I run into and have the opportunity to network with. My favorite part is always the expo. Not only do you get a ton of cool "swag" but as I walk around and chat with all the different companies, attorneys, contractors and more, I am reminded of how grateful I am for those representing and investing in our cities. It reminds me we are not alone in this. Serving as an elected official is definitely not the most glamorous job, nor is it a well-paying job. However, I honestly believe it is a very important job. Another thing I am reminded of each year is the importance of elected officials standing together, encouraging one another and empowering one another to a level of greatness so we can turn around and represent our city at the highest level. We don't and shouldn't all agree on everything, but we can always do better. We should all do our best to represent our city in a way that others will want to live, work and shop here. The LCM Conference, time after time, delivers this truth and time after time reminds me why I have continued to serve as an elected official. Thank you, North Branch, for trusting me to represent you over the past eight years.

Voting Requirements:

INFO