



**CITY OF CLOQUET  
City Council Agenda  
Tuesday, March 20, 2018  
7:00 p.m.  
City Hall Council Chambers**

CITY COUNCIL WORK SESSION

5:30 Parks Commission Interviews (3)  
6:15 Joint Meeting with Parks Commission  
6:45 Credit Union Building Update

1. **Roll Call.**
2. **Pledge of Allegiance.**
3. **Approval of Agenda.**
  - a. Approval of March 20, 2018 Council Agenda
4. **Approval of Council Minutes.**
  - a. Regular Council Minutes from the March 6, 2018 meeting
5. **Consent Agenda.**

*Items in the Consent Agenda are considered routine and will be approved with one motion without discussion/debate. The Mayor will ask if any Council members wish to remove an item. If no items are to be removed, the Mayor will then ask for a motion to approve the Consent Agenda.*

  - a. Resolution No. 18-16, Authorizing the Payment of Bills
  - b. Part Time Administrative Police Department Secretary Appointment
  - c. Resolution No. 18-17, A Resolution in Support of Corridors of Commerce Funding for the I-35 CSAH 3 (14<sup>th</sup> Street) Interchange
  - d. Resolution No. 18-18, Applying to the Minnesota Public Facilities Authority for a Loan from the Drinking Water Revolving Fund
  - e. SEH, Inc. Engineering Services - Pine Tree Plaza Utility Replacement
6. **Public Hearings.**
  - a. Now is the time and place for the public hearing on the proposed Arch Street Area improvements.
    - Resolution No. 18-14, A Resolution Ordering Improvement and Preparation of Plans and Specifications for the Reconstruction of Proposed 2018 Improvement of Arch Street from Avenue C to Park Avenue and Park Avenue from Arch Street to Market Street and Avenue D from Broadway Street to Market Street and Avenue E from Arch Street to Market Street.
    - Resolution No. 18-15, A Resolution Relating to Parking Restrictions on Arch Street from Avenue D to Park Avenue from Arch Street to Market Street.



**CITY OF CLOQUET  
City Council Agenda  
Tuesday, March 20, 2018  
7:00 p.m.  
City Hall Council Chambers**

**7. Presentations.**

None.

**8. Council Business.**

- a. Parks Commission Appointments
- b. Resolution No. 18-13, Approving the Site Plan in the RC – Regional Commercial District for Aldi's
- c. Purchase Agreement Between the City of Cloquet and Toy Barn Storage, LLC (Business Park)

**9. Public Comments.**

*Please give your name, address, and your concern or comments. Visitors may share their concerns with the City Council on any issue, which is not already on the agenda. Each person will have 3 minutes to speak. The Mayor reserves the right to limit an individual's presentation if it becomes redundant, repetitive, irrelevant, or overly argumentative. All comments will be taken under advisement by the Council. No action will be taken at this time.*

**10. Council Comments, Announcements, and Updates.**

**11. Adjournment.**



**ADMINISTRATIVE OFFICES**

1307 Cloquet Avenue • Cloquet MN 55720  
Phone: 218-879-3347 • Fax: 218-879-6555  
email: areeves@cloquetmn.gov  
www.cloquetmn.gov

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**REQUEST FOR COUNCIL ACTION**

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To: Honorable Mayor and City Council  
From: Aaron S. Reeves, City Administrator *AR*  
Date: March 20, 2018

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**ITEM DESCRIPTION:** Parks Commission Interviews & Appointments

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**Proposed Action**

Interview three candidates for the two open Parks Commission seats at the Work Session. Appoint two applicants to the Parks Commission at the regular meeting.

**Background/Overview**

As discussed at the last Council meeting, the Council will interview and appoint applicants to various advisory groups. Each applicant will have a 15 minute interview, staff will track time to make sure each interview stays on schedule.

**Supporting Documentation Attached**

- Parks Commission Interview Questions





## ADMINISTRATIVE OFFICES

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### REQUEST FOR COUNCIL ACTION

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To: Honorable Mayor and City Council  
From: Aaron S. Reeves, City Administrator *AR*  
Date: March 20, 2018

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**ITEM DESCRIPTION:** Members Cooperative Credit Union Building Purchase

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#### Proposed Action

Review and discuss proposed purchase of the Members Cooperative Credit Union building. Ok staff to move forward with preparing a purchase agreement for Council review and approval.

#### Background/Overview

The City has been working with the Members Cooperative Credit Union on the possible purchase of their building for a joint City Hall/Police Station. Initially staff toured the facility to determine if it would be feasible for use as a Police Station. After our initial review it was determined that the building was big enough for both the City Hall and Police Station with additional room for future growth. The City contracted with Boldt Construction to prepare a preliminary renovation plan and cost estimate. The renovation plans include interior building updates as well as a new Police garage. The majority of the renovation costs are for the new garage and the finishing of the basement area for Police Department use. The estimated renovation costs are \$1,877,000. This includes all construction and soft costs as well as a 5% contingency. The sale price of the building, all furnishings, and a parking lot across the street is \$1.8 million. The Credit Union had a limited appraisal completed that places the building value at \$2 million. For a total cost of \$3,677,000 the City can have a combined City Hall/Police Station with a new garage, excellent customer parking, on site secure storage, room for future growth inside and outside the building, and in a downtown location. The 2014 Facility Study estimated that the remodel of the existing Police/Fire Facility would cost \$6.4 million and the needed renovations to City Hall at \$775,000. With inflation it is safe to say these items would cost \$7.5 million or more today. If the City moves forward with this building purchase we would save taxpayers almost \$4 million that can be used towards the needed Public Works Facility update that is estimated at \$10 million plus. This action would potentially leave the current Police/Fire Facility vacant if the Fire District receives legislative approval raising their levy limits to allow them to construct a new facility. If that happens the City would look to sell that facility. I have already been contacted by a potential buyer if it becomes available. This action would also make the current City Hall available. There are a number of potential options for the building including renting to another governmental body, use as a Senior Center, or, if the Fire District does not get legislative approval it could possibly be used as their Administrative Offices. Attached is the financial impact of the \$3,677,000 cost. I recommend the use of cash we have on hand in our General Fund Reserves and Building Facility Fund and bond for the difference. This is a very unique opportunity for the City to address two facility needs at a very reasonable cost and recommend that the Council give the OK for staff to move forward with preparing a purchase agreement for final review and approval at a future meeting.

**Supporting Documentation Attached**

- Building Information Sheet from MCCU
- Draft Renovation Plans
- Estimated Renovation Costs
- Financing Options and Impacts (if ready, otherwise will be emailed out prior to the meeting)

**Property Address – 101 14th Street, Cloquet**

The property is located in the City Center business district one block south of Cloquet Avenue which is a main east and west bi-direction thoroughfare. The subject's immediate neighborhood is mostly residential in nature along Avenue F. Most commercial properties in the neighborhood can be found along Cloquet Avenue. Scattered commercial can be found along 14th Street.

The energy efficient star rated building is comprised of a 2-story branch credit union with gross building area above grade of approximately 17,219 square feet. Gross building area including below grade (full basement) equates to approximately 29,822 square feet.

The building offers 20,803 square feet of above and below grade finished space. The credit union was constructed in 1995 on a site that measures 240' x 232' or 55,680 square feet zoned City Center district. The subject property also offers one support site. It is non-contiguous and used for employee parking, which is 108' x 120' or 12,960 square feet.

The main building is made of good quality materials and condition is average to good.

Real Estate Taxes paid in 2016 were \$58,454

HVAC – Two hot water boilers and rooftop units

Electrical: 208Y/120 3phase-4wire (800 amps)

IT Infrastructure:

- Mediacom Fiber pulled in to the building.
- Century Link copper pulled in to the building.
- CAT5 data cabling throughout the building.
- Fire resistant room located within the building.
- Separate HVAC system located in network room.
- Open Basement ceiling allowing for ease of re-cabling/electronic relocation.



THE STRENGTH OF ME.



# MEMBERS

COOPERATIVE CREDIT UNION



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**Carlton County, MN**

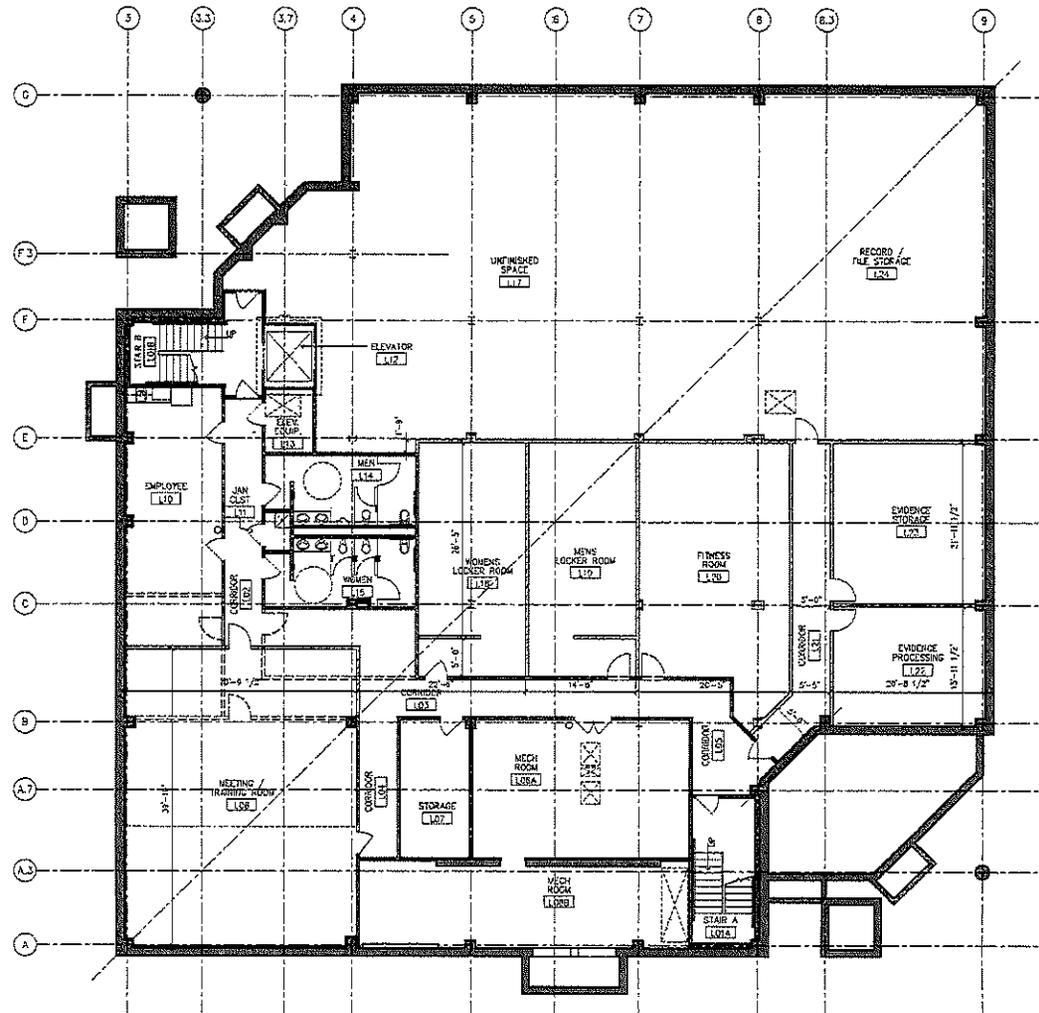
Date: 1/9/2017



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101 14th Street, Cloquet, MN 55720



**BOLDT**<sup>®</sup>  
 1001 Pine Street  
 Chicago, IL 60610  
 312.497.1231

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No.	Description	Date

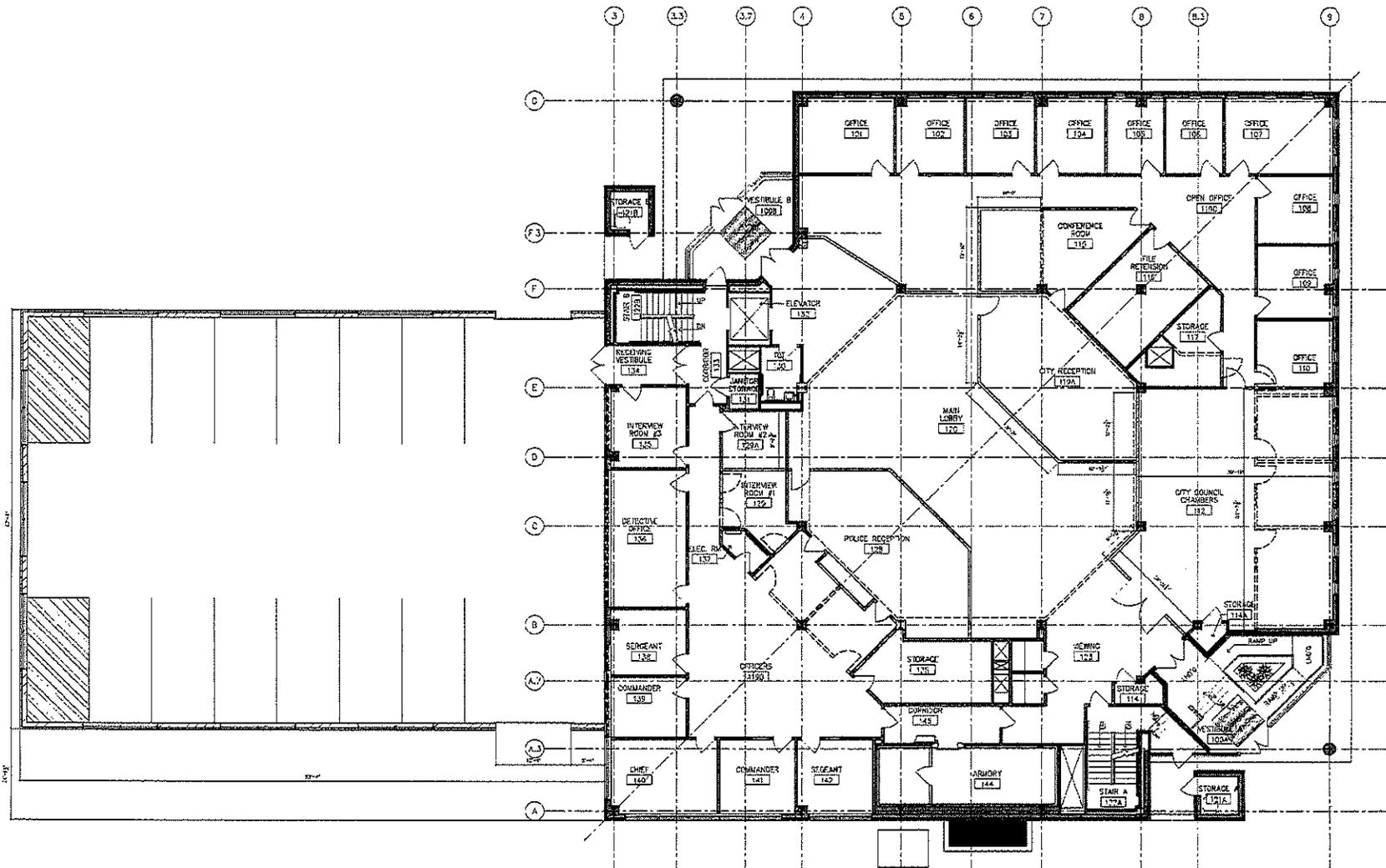
City of Cloquet  
 101 14th Street, Cloquet, MN  
 Preliminary Building Study  
 Lower Floor Plan

Project Number 49809  
 Drawn By JMK  
 Checked By JMK

**NOT FOR CONSTRUCTION**

DRAWINGS AND SPECIFICATIONS PREPARED BY THE BOLDT COMPANY SHALL NOT BE COPIED, DISTRIBUTED OR USED EXCEPT AS AUTHORIZED BY CONTRACT WITHOUT EXPRESS WRITTEN CONSENT OF THE BOLDT COMPANY.

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**BOLDT**  
 10755 Pineview  
 Circle, Minneapolis  
 MN 55426

www.theboldcompany.com

Rev.	Description	Date

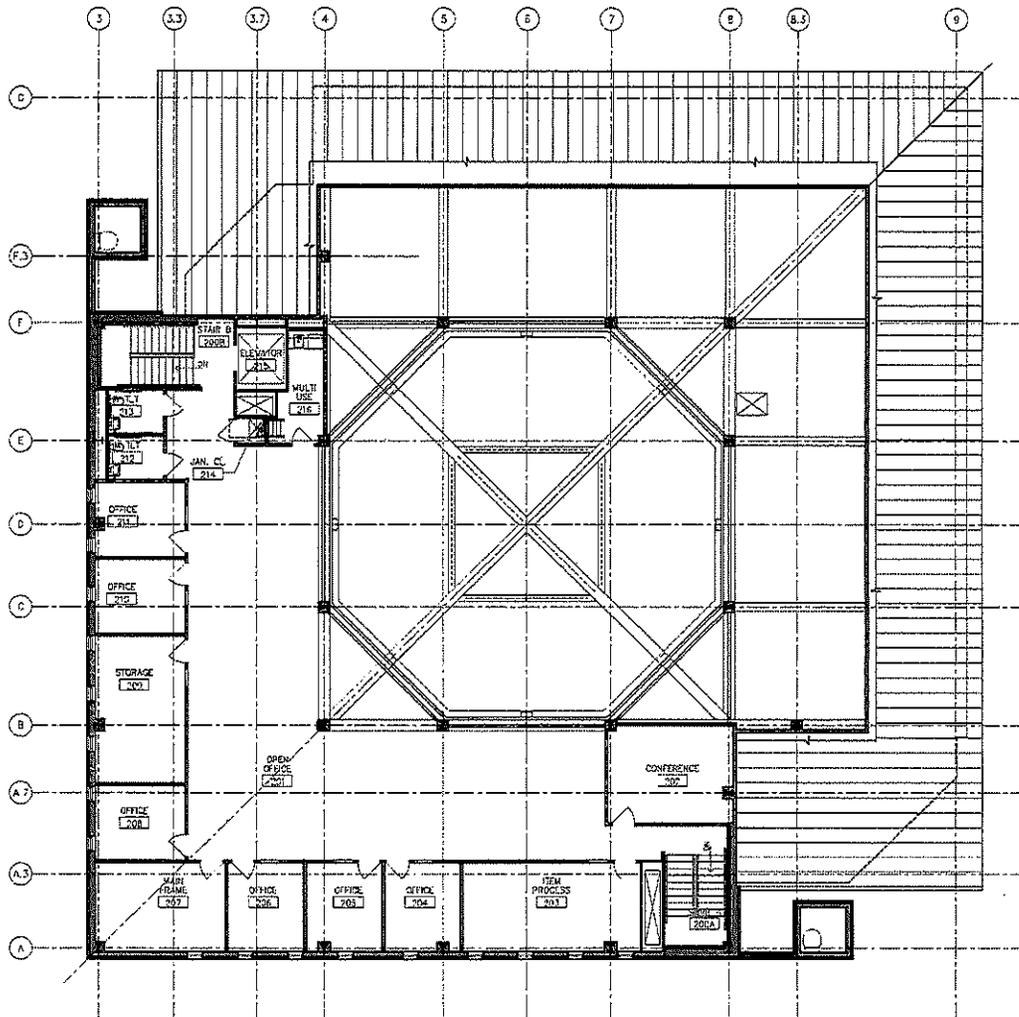
City of Cloquet  
 101 14th Street, Cloquet, MN  
 Preliminary Building Study  
 Main Floor Plan

Project Number	49809
Drawn By	JMK
Checked By	JMK

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Rev.	Description	Date

City of Cloquet  
 101 14th Street, Cloquet, MN  
 Preliminary Building Study  
 Upper Floor Plan

Project Number 49809  
 Drawn By JAK  
 Checked By JAK

**Preliminary**  
 03/02/2018 1:03:08 PM

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**City of Cloquet, Minnesota**  
**Estimated Tax Impact - GO CIP Bonds (Public Safety Facility/City Hall)**  
 March 14, 2018

BOND ISSUANCE INFORMATION	
Bond Issue Amount	\$1,740,000
Number of Years	15
Average Interest Rate	3.28%
Estimated Bond Rating	S&P AA
PROPERTY TAX INFORMATION	
Proposed Net Tax Capacity - Payable 2018	\$9,309,743
Debt Levy @ 105% - Average	158,317
Estimated Tax Capacity Rate:	
Payable - 2018 Without Proposed Bonds	41.908%
Payable - 2018 With Proposed Bonds	43.609%
Estimated Tax Rate Increase	1.701%

TAX IMPACT ANALYSIS							
Type of Property	Estimated Market Value	Market Value Exclusion	Taxable Market Value	Net Tax Capacity	Current City Tax	Proposed Tax Increase*	Proposed City Tax
Residential Homestead	\$ 50,000	\$ 20,000	\$ 30,000	\$ 300	\$ 125.72	\$ 5.10	\$ 130.83
	75,000	30,000	45,000	450	188.59	7.65	196.24
	100,000	28,240	71,760	718	300.73	12.20	312.93
	125,000	25,990	99,010	990	414.93	16.84	431.77
	150,000	23,740	126,260	1,263	529.13	21.47	550.60
	175,000	21,490	153,510	1,535	643.33	26.11	669.43
	200,000	19,240	180,760	1,808	757.53	30.74	788.27
	225,000	16,990	208,010	2,080	871.73	35.37	907.10
	250,000	14,740	235,260	2,353	985.93	40.01	1,025.93
	300,000	10,240	289,760	2,898	1,214.33	49.28	1,263.60
Commercial/Industrial	\$ 100,000	\$ -	\$ 100,000	\$ 1,500	\$ 628.62	\$ 25.51	\$ 654.13
	200,000	-	200,000	3,250	1,362.01	55.27	1,417.28
	300,000	-	300,000	5,250	2,200.17	89.28	2,289.45
	400,000	-	400,000	7,250	3,038.33	123.29	3,161.62
	500,000	-	500,000	9,250	3,876.49	157.30	4,033.79
1,000,000	-	1,000,000	19,250	8,067.29	327.36	8,394.65	
Apartments (4 or more units)	\$ 200,000	\$ -	\$ 200,000	\$ 2,500	\$ 1,047.70	\$ 42.51	\$ 1,090.21
	300,000	-	300,000	3,750	1,571.55	63.77	1,635.32
	500,000	-	500,000	6,250	2,619.25	106.28	2,725.53
Agricultural Homestead**	\$ 150,000	\$ 23,740	\$ 126,260	\$ 1,263	\$ 529.13	\$ 21.47	\$ 550.60
	400,000	23,740	376,260	2,513	1,052.98	42.73	1,095.71
	500,000	23,740	476,260	3,013	1,262.52	51.23	1,313.75
	600,000	23,740	576,260	3,513	1,472.06	59.73	1,531.79
	800,000	23,740	776,260	4,513	1,891.14	76.74	1,967.88
1,000,000	23,740	976,260	5,513	2,310.22	93.74	2,403.96	
Agricultural Non-Homestead (dollars per acre)	\$ 1,500	\$ -	\$ 1,500	\$ 15	\$ 6.29	\$ 0.26	\$ 6.54
	2,000	-	2,000	20	8.38	0.34	8.72
	2,500	-	2,500	25	10.48	0.43	10.90
Seasonal/Recreation Residential	\$ 100,000	\$ -	\$ 100,000	\$ 1,000	\$ 419.08	\$ 17.01	\$ 436.09
	200,000	-	200,000	2,000	838.16	34.01	872.17
	300,000	-	300,000	3,000	1,257.24	51.02	1,308.26
	400,000	-	400,000	4,000	1,676.32	68.02	1,744.34

\* The figures in the table are based on taxes for new bonded debt only, and do not include tax levies for other purposes. Tax increases shown above are gross increases, not including the impact of the state Property Tax Refund ("Circuit Breaker") program. Many owners of homestead property will qualify for a refund, based on their income and total property taxes. This will decrease the net tax effect of the bond issue for many property owners.

\*\* For agricultural homestead property, a value of \$150,000 was assumed for the house, garage and one acre.





**Project: City of Cloquet - Police Headquarters & Administration Building**  
**Address: 101 14th Street, Cloquet, MN**

**Preliminary Budget Summary 3-15-2018**

**Building Remodel**

<u>Division</u>	<u>Description</u>	<u>Budget Cost</u>
1 General Requirements	Project Supervision, Office Support, Dumpsters, Clean-Up, Trailers, Warehouse Support, Pickups, Jobsite Trailer, Temp. Fencing, & Construction Survey	\$ 55,000
2 Demolition	Remove Walls, Doors, Flooring, Windows, Millwork, Conc. Removal for Plumbing	\$ 21,300
3 Concrete	Concrete Patching for Plumbing	\$ 1,100
6 Wood, Plastics and Composites	Architectural Millwork (Cabinets, Counters, Working Counters)	\$ 18,000
8 Openings	Doors, Windows, Glass, Glazing	\$ 48,400
9 Finishes	Drywall Partitions, Tile, Acoustical Ceilings, Flooring, Paint	\$ 290,500
10 Specialties	Bathroom & Locker Accessories, Lockers, Signs, Kitchen Equipment	\$ 28,000
22 Mechanical	Plumbing & HVAC	\$ 62,200
26 Electrical	Electrical	\$ 142,800
<b>Subtotal Building</b>		<b>\$ 667,300</b>

**Garage Addition**

<u>Division</u>	<u>Description</u>	<u>Budget Cost</u>
1 General Requirements	Project Supervision, Office Support, Dumpsters, Clean-Up, Trailers, Warehouse Support, Pickups, Jobsite Trailer, Temp. Fencing, & Construction Survey	\$ 75,000
2 Demolition	Structural Demolition (Remove Canopy)	\$ 26,000
3 Concrete	Concrete Equipment, Foundations, Walls, Slab, Stoops	\$ 147,200
4 Masonry	CMU Walls & 4" Face Brick	\$ 134,700
5 Metals	Steel Equipment, Structural Steel, Metal Joist & Decking, Misc. Metals	\$ 55,500
6 Wood, Plastics and Composites	Rough Carpentry (Roof Blocking)	\$ 22,000
7 Thermal & Moisture Protection	Roofing, Fluid Applied Air Barrier	\$ 106,300
8 Openings	Hollow Metal Door, Overhead Doors, & Windows	\$ 20,900
9 Finishes	Painting Interior CMU Wall	\$ 5,500
21 Fire Suppression	Fire Suppression	\$ 26,000
22 Mechanical	Plumbing & HVAC	\$ 133,500
26 Electrical	Electrical	\$ 91,100
32 Exterior Improvements	Excavation, Fill, Asphalt, Sidewalk, Curb & Gutter, Landscaping, Fence for Outlet	\$ 145,000
<b>Subtotal Garage Addition</b>		<b>\$ 988,700</b>
	Construction Contingency	\$ 98,800
	Building Permit	\$ 17,000
	Architect/Engineering Design	\$ 86,000
	Design Build Bonds	\$ 19,200
<b>Subtotal</b>		<b>\$ 221,000</b>

**Total Cost Building Renovation & Garage Addition \$ 1,877,000**

Regular Meeting

Roll Call

Councilors Present: Bailey, Bjerkness, Kolodge, Langley, Maki, Rock, Mayor Hallback

Councilors Absent: None

Pledge of Allegiance

#### AGENDA

**MOTION:** Councilor Bailey moved and Councilor Rock seconded the motion to approve the March 6, 2018 agenda. The motion carried unanimously (7-0).

#### MINUTES

**MOTION:** Councilor Kolodge moved and Councilor Maki seconded the motion to approve the minutes of the Work Session and Regular Meeting of February 20, 2018. The motion carried unanimously (7-0).

#### CONSENT AGENDA

**MOTION:** Councilor Kolodge moved and Councilor Rock seconded the motion to amend the Consent Agenda by removing item *5b, Commission Appoint Policy* and item *5c, PLA Ordinance Amendment* from the Consent Agenda and add to Council Business as items *8b* and *8c*. The motion was carried unanimously (7-0).

- a. Resolution No. 18-12, Resolution Authorizing the Payment of Bills and Payroll
- b. 4<sup>th</sup> of July Fireworks – Pyrotechnic Display, Inc. Contract
- c. Approval of Raffle Permit – Knights of Columbus

#### PUBLIC HEARINGS

There were none.

#### PRESENTATIONS

There were none.

#### NORTHWOODS CREDIT UNION ARENA FACILITY ASSESSMENT PROPOSAL

**MOTION:** Councilor Bjerkness moved and Councilor Maki seconded the motion to authorize the proposal from SEH for a facility assessment for the Northwoods Credit Union Arena before committing to additional funding for the repair and upkeep of the arena. The motion carried unanimously (7-0).

#### COMMISSION APPOINTMENT POLICY

**MOTION:** Councilor Kolodge moved and Councilor Bjerkness seconded the approval of the Commission Appointment Policy with the removal of the last sentence in Item III(B)(3), *In the event of a stalemate after three rounds of voting on a specific Commission appointment, the Mayor shall have the authority to make the appointment.* The motion carried (5-2), Councilor Langley and Mayor Hallback opposed.

#### PLA ORDINANCE AMENDMENT

**MOTION:** Councilor Kolodge moved and Councilor Rock seconded the motion to approve the amendment of Chapter 9.2 of Cloquet City Code by approval of **ORDINANCE NO. 172A, AN ORDINANCE ADOPTING AND REQUIRING PROJECT LABOR AGREEMENTS WITHIN THE CITY OF CLOQUET.** The motion carried on (5-2), Councilors Bjerkness and Kolodge opposed.

##### **Section 9.2 Project Labor Agreements**

**9.2.01 Policy.** The City desires to advance or preserve its own proprietary interest in a Project where it acts as an owner, investor or developer. That interest is best served when construction of "Covered Projects" proceed in a timely, cost-effective manner with the

highest degree of quality and with minimal delays and disruptions. City contracts should be performed with the highest degree of safety for workers and the public, and in a manner, that provides meaningful training and employment opportunities for residents. Throughout the state and country, public and private construction owners regularly utilize and require project labor agreements for billions of dollars' worth of construction each year. Project labor agreements that establish uniform terms and conditions of employment for the contractors and other parties working on a project have been shown to provide an effective mechanism for construction management because they allow project owners to:

- (1) Predict their labor costs and requirements and more accurately estimate actual total project costs;
- (2) Promote cost-efficient, timely and safe construction project delivery, by providing access to a reliable supply of properly trained and skilled construction craft personnel for all aspects of the project;
- (3) Assure greater productivity and workmanship quality from construction craft personnel, thereby yielding high quality, cost-efficient projects, while also reducing maintenance and repair costs over the life of the project;
- (4) Integrate work schedules and standardize work rules for the project to provide a well-coordinated, efficiently functioning construction worksite that will minimize delays, promote quality, and maintain project safety; and,
- (5) Assure that construction will proceed without interruption from staffing shortages, high employee turnover, safety incidents, and labor disputes by providing reliable project staffing, contractual guarantees against work stoppages and mutually binding procedures for resolving disputes.

**9.2.02 Project Labor Agreement Required.** A project labor agreement, will be substantially in the form adopted by resolution of the Council from time to time and will be kept by the city administrator as a public document. It shall be required to be used on any Covered Project, as Covered Project is defined below, which involves a project with a total City investment of \$175,000 or more. Any project labor agreement entered into by the City shall be made binding on all contractors and subcontractors working on the Covered Project. The City shall implement the project labor agreement by requiring adherence to the agreement in the bid specifications and in all relevant bid documents. No contractor shall be required to be or become a party to a collective bargaining agreement on any other construction project in order to qualify to work under a project labor agreement implemented for a particular city project.

**Project Defined.** "Project" shall mean the erection, destruction, demolition, painting, remodeling or repairing of any building, highway, sidewalk, bridge, water or gas line, sewer and sewage treatment facility or other similar work conducted within the City.

**Covered Project Defined.** "Covered Project" means that the City has a contract for construction services on a Project owned by the City with a total Project cost of \$175,000 or more, or the City has a proprietary interest because one or more of the following conditions are met:

- (1) The City makes a payment or grant of \$175,000 or more to assist the development of a Project.
- (2) The City guarantees loan payments, lease payments or contract for deed payments of \$175,000 or more to assist the development of a Project.
- (3) The City receives ongoing revenue from a Project to repay loans provided by the City to assist the development of said Project, including incremental tax revenues generated by the Project and used directly or indirectly, to repay the loan by the City where the proceeds of the loan are used for development of that Project and the amount of the loan is \$175,000 or more.
- (4) The City receives ongoing revenue from a Project to pay debt service on bonds provided by the City to assist in the development of said Project, including incremental tax revenues generated by the Project and used, directly or indirectly, to pay debt service on bonds by the City where the proceeds of the bonds issued are used for development of the Project and the amount of the bonds are \$175,000 or more.

- (5) That the City otherwise has assets at risk equal to or in excess of \$175,000 because it has agreed to underwrite or guarantee the development of a Project.

**EFFECTIVE DATE.**

Subdivision 1: This Ordinance shall be in full force and in effect from and after its passage, approval, recording and publication as provided by law.

**PUBLIC COMMENTS**

There were none.

**COUNCIL COMMENTS, ANNOUNCEMENTS, AND UPDATES**

Councilor Langley acknowledged the Police Department on doing a good job.

**CLOSED SESSION**

Mayor Hallback announced that the City Council will now adjourn into a Closed Meeting as permitted under M.S. 13D.05, Subd. 2(a)(2) for the purpose of discussing internal affairs data relating to allegations of law enforcement personnel misconduct. Mayor Hallback announced the time is 7:16 p.m.

Mayor Hallback reopened the Regular Meeting at 7:53 p.m.

**MOTION:** Councilor Bailey moved and Councilor Rock seconded the motion to deny the appeal of the Citizens Advisory Board. The motion carried (5-2), Councilors Kolodge and Maki opposed.

On a motion duly carried by a unanimous yea vote of all members present on roll call, the Council adjourned.

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Aaron Reeves, City Administrator



**ADMINISTRATIVE OFFICES**

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email: admin@ci.cloquet.mn.us  
www.ci.cloquet.mn.us

**REQUEST FOR COUNCIL ACTION**

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To: Mayor and City Council  
From: Nancy Klassen, Finance Director  
Reviewed/Approved by: Aaron Reeves, City Administrator  
Date: March 15, 2018

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**ITEM DESCRIPTION:** Payment of Bills

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**Proposed Action**

Staff recommends the Council move to adopt **RESOLUTION NO. 18-12, A RESOLUTION AUTHORIZING THE PAYMENT OF BILLS.**

**Background/Overview**

Statutory Cities are required to have most claims authorized by the city council.

**Policy Objectives**

MN State Statute sections 412.271, Claims and disbursements for Statutory Cities.

**Financial/Budget/Grant Considerations**

See resolution for amounts charged to each individual fund.

**Advisory Committee/Commission Action**

Not applicable.

**Supporting Documents Attached**

- a. Resolution Authorizing the Payment of Bills.
- b. Vendor Summary Report.
- c. Department Summary Report.

**CITY OF CLOQUET  
COUNTY OF CARLTON  
STATE OF MINNESOTA**

**RESOLUTION NO. 18-16**

**A RESOLUTION AUTHORIZING THE PAYMENT OF BILLS**

**WHEREAS,** The City has various bills each month that require payment.

**NOW, THEREFORE, BE IT RESOLVED, BY THE CITY COUNCIL OF THE CITY OF CLOQUET, MINNESOTA,** That the bills be paid and charged to the following funds:

101	General Fund	\$	75,832.73
207	Community Development Operating		117.62
225	Permanent Improvement		1,733.50
226	Park Fund		10,675.37
228	Senior Center		873.80
403	Revolving Capital Projects		150.00
405	City Sales Tax Capital Projects		368.40
600	Water - Lake Superior Waterline		157,088.81
601	Water - In Town System		54,724.79
602	Sewer Fund		2,197.64
605	Stormwater Fund		774.39
614	CAT-7		94.00
	<b>TOTAL:</b>	<b>\$</b>	<b><u>304,631.05</u></b>

**PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF CLOQUET  
THIS 20TH DAY OF MARCH, 2018.**

ATTEST:

\_\_\_\_\_  
Dave Hallback, Mayor

\_\_\_\_\_  
Aaron Reeves, City Administrator

DATE: 03/15/2018  
TIME: 11:40:41  
ID: AP442000.WOW

CITY OF CLOQUET  
VENDOR SUMMARY REPORT

PAGE: 1

INVOICES DUE ON/BEFORE 03/20/2018

VENDOR #	NAME	PAID THIS FISCAL YEAR	AMOUNT DUE
110950	AARDVARK SEPTIC PUMPING	1,400.00	700.00
111350	LEXISNEXIS RISK DATA MNGMT INC	100.00	56.75
121000	ARROWHEAD SPRINGS INC	214.00	112.75
122958	AUTO ZONE, INC.	152.93	87.44
123700	BARCO PRODUCTS	0.00	787.84
125700	BEST OIL COMPANY	2,130.67	15,830.47
125900	BEST SERVICE	17.50	17.50
126850	BLAINE BROTHERS, INC	0.00	312.26
134000	CARLTON COUNTY HIGHWAY DEPT	4,908.97	2,192.62
137310	CENTURY LINK	5,910.38	236.52
137340	CHAMBERLAIN OIL CO., INC.	33,557.17	105.00
139025	CINTAS	611.23	183.39
140250	CITY OF CLOQUET-INVESTIGATIONS	3,148.00	1,920.00
141100	CLOQUET FORD-CHRYSLER CENTER	1,348.45	13.70
142100	CLOQUET MAIL STATION	387.31	30.17
142800	CLOQUET SANITARY SERVICE	1,346.16	808.25
145300	COMMUNITY PRINTING	3,731.10	23.62
145500	COMPENSATION CONSULTANTS, LTD	600.00	225.00
147050	CONSOLIDATED TELEPHONE COMPANY	1,220.48	610.24
150100	D A L C O	1,148.21	341.22
153300	DIAMOND DRILLING	0.00	295.80
156400	CITY OF DULUTH COMFORTSYSTEMS	157.06	79.58
156600	DULUTH LAWN & SPORTS, INC.	69.98	94.30
162640	ENVENTIS TELECOM INC	94.48	47.24
162750	ENVIRONMENTAL RESOURCE ASSOC.	0.00	260.53
163575	EVERBRIDGE INC	0.00	2,185.45
167875	FLAHERTY & HOOD, P.A.	4,053.75	3,702.00
169650	FORUM COMMUNICATIONS COMPANY	1,727.46	474.48
178700	H & L MESABI	4,700.08	632.94
179340	HAGENS GLASS & PAINT	14,824.34	615.55
180425	HARRIS COMPUTER SYSTEMS	486.29	432.01
180500	HAWKINS INC	12,497.87	3,592.10
192225	JOBSEQ	304.00	818.64
197125	PAUL KORTIE	0.00	1,200.00
197775	KWIK TRIP INC	163.17	51.30
197800	L & M SUPPLY CO	3,241.52	2,042.77
200650	LAMBERT AUTO GLASS	260.00	36.00
200750	LANDMARK ENVIRONMENTAL, LLC	942.50	1,733.50
202300	LEAGUE OF MN CITIES	2,308.00	780.00
206800	MACQUEEN EQUIPMENT INC	0.00	50.00
207400	MANEY INTERNATIONAL INC	5,143.46	298.07
209900	MCDONALD RENTALS INC	0.00	134.46
210450	MEDIACOM LLC.	493.38	16.76
211400	MENARDS	870.60	285.27

INVOICES DUE ON/BEFORE 03/20/2018

VENDOR #	NAME	PAID THIS FISCAL YEAR	AMOUNT DUE
213650	MIDWEST PLAYSAPES INC	25,100.00	2,805.50
213880	MIDWEST TESTING LLC	0.00	371.76
218400	MN CHIEFS OF POLICE ASSOC	0.00	888.00
220150	MN DEPARTMENT OF HEALTH	480.00	150.00
220925	MN DEPARTMENT OF PUBLIC SAFETY	53.75	95.25
222275	MN PEIP	94,631.50	42,831.32
227100	MORTON SALT	10,553.82	4,806.38
229500	NAPA AUTO PARTS	892.59	1,077.21
235560	NORTHERN STATES SUPPLY, INC.	0.00	13.69
235800	NORTHLAND AUTO PARTS	43.04	97.50
239200	OFFICE ENTERPRISES, INC.	1,047.44	71.95
240575	OPG-3 INC	185.00	3,700.00
240725	O'REILLY AUTO ENTERPRISES LLC	310.34	9.82
242850	PARSONS ELECTRIC LLC	6,272.82	256.17
244300	BRENT BELICH	307.50	314.00
248600	PROGRESSIVE CONSULTING	11,496.56	231.68
258200	RUDY GASSERT YETKA	73,792.00	8,856.25
259450	SAFEASSURE CONSULTANTS INC	0.00	7,176.00
261800	SEH	33,624.15	30,569.50
269600	SUPER ONE FOODS CLOQUET	84.22	22.08
270200	SUPERIOR COMPUTER PRODUCTS INC	7,478.00	3,449.00
271325	NANCY GETCHELL	1,990.70	516.00
272600	TERMINAL SUPPLY INC	752.40	97.65
277550	TURFWERKS	231.81	269.65
278600	TWIN PORT MAILING	10,225.03	3,697.84
279100	U S BANK EQUIPMENT FINANCE	1,256.13	129.74
281500	UNITED TRUCK BODY CO INC	138.64	111.24
282100	UNIVERSITY OF MINNESOTA	0.00	170.00
284875	VERIZON WIRELESS	2,402.01	350.10
288150	WASTE MANAGEMENT NORTHERN MN	73.44	73.44
290300	WIDDES FEED & FARM SUPPLY	4.00	4.00
R0001338	NV5/DADE MOELLER & ASSOCIATES	0.00	2,561.00
R0001548	MINIT MART 557	360.00	200.00
R0001593	ENGRAVABLE IMAGES	0.00	75.00
TOTAL ALL VENDORS:			160,502.21
<b>Less:</b>			
Payroll benefits			(42,831.32)
Library			0.00
Cloquet Area Fire District			(3,462.71)
Total Bills Approved			114,208.18
<b>Plus:</b>			
MN DNR Water User Fees			34,866.88
Credit card/bill pay f			1,839.90
MN Sales Tax			941.91
MN Power auto pay			148,395.61
MN Energy auto pay			4,378.57
<b>Total Bills</b>			<b>304,631.05</b>

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CITY OF CLOQUET  
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INVOICES DUE ON/BEFORE 03/20/2018

VENDOR #	NAME	PAID THIS FISCAL YEAR	AMOUNT DUE
-----			
GENERAL FUND			
00			
222275	MN PEIP	94,631.50	42,831.32
			42,831.32
34	CHARGES FOR SERVICES		
142800	CLOQUET SANITARY SERVICE	1,346.16	290.00
	CHARGES FOR SERVICES		290.00
41	GENERAL GOVERNMENT		
142800	CLOQUET SANITARY SERVICE	1,346.16	53.45
145300	COMMUNITY PRINTING	3,731.10	23.62
145500	COMPENSATION CONSULTANTS, LTD	600.00	225.00
147050	CONSOLIDATED TELEPHONE COMPANY	1,220.48	305.13
150100	D A L C O	1,148.21	156.85
167875	FLAHERTY & HOOD, P.A.	4,053.75	2,174.25
169650	FORUM COMMUNICATIONS COMPANY	1,727.46	106.08
180425	HARRIS COMPUTER SYSTEMS	486.29	127.55
197800	L & M SUPPLY CO	3,241.52	335.86
202300	LEAGUE OF MN CITIES	2,308.00	20.00
211400	MENARDS	870.60	19.25
240575	OPG-3 INC	185.00	3,700.00
242850	PARSONS ELECTRIC LLC	6,272.82	126.90
258200	RUDY GASSERT YETKA	73,792.00	8,856.25
259450	SAFEASSURE CONSULTANTS INC		7,176.00
270200	SUPERIOR COMPUTER PRODUCTS INC	7,478.00	3,229.00
278600	TWIN PORT MAILING	10,225.03	268.24
279100	U S BANK EQUIPMENT FINANCE	1,256.13	48.65
R0001593	ENGRAVABLE IMAGES		75.00
	GENERAL GOVERNMENT		27,027.08
42	PUBLIC SAFETY		
111350	LEXISNEXIS RISK DATA MNGMT INC	100.00	56.75
125700	BEST OIL COMPANY	2,130.67	2,898.70
139025	CINTAS	611.23	128.79
140250	CITY OF CLOQUET-INVESTIGATIONS	3,148.00	1,920.00
142100	CLOQUET MAIL STATION	387.31	15.62

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CITY OF CLOQUET  
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INVOICES DUE ON/BEFORE 03/20/2018

VENDOR #	NAME	PAID THIS FISCAL YEAR	AMOUNT DUE
GENERAL FUND			
42	PUBLIC SAFETY		
142800	CLOQUET SANITARY SERVICE	1,346.16	53.80
150100	D A L C O	1,148.21	92.19
163575	EVERBRIDGE INC		2,185.45
167875	FLAHERTY & HOOD, P.A.	4,053.75	1,527.75
179340	HAGENS GLASS & PAINT	14,824.34	124.08
192225	JOBSHQ	304.00	818.64
197125	PAUL KORTIE		1,200.00
197775	KWIK TRIP INC	163.17	51.30
197800	L & M SUPPLY CO	3,241.52	549.24
200650	LAMBERT AUTO GLASS	260.00	36.00
218400	MN CHIEFS OF POLICE ASSOC		888.00
220925	MN DEPARTMENT OF PUBLIC SAFETY	53.75	95.25
229500	NAPA AUTO PARTS	892.59	291.34
242850	PARSONS ELECTRIC LLC	6,272.82	129.27
244300	BRENT BELICH	307.50	135.00
269600	SUPER ONE FOODS CLOQUET	84.22	22.08
270200	SUPERIOR COMPUTER PRODUCTS INC	7,478.00	220.00
271325	NANCY GETCHELL	1,990.70	516.00
278600	TWIN PORT MAILING	10,225.03	76.64
284875	VERIZON WIRELESS	2,402.01	350.10
R0001548	MINIT MART 557	360.00	200.00
	PUBLIC SAFETY		14,581.99
43	PUBLIC WORKS		
121000	ARROWHEAD SPRINGS INC	214.00	48.00
122958	AUTO ZONE, INC.	152.93	87.44
125700	BEST OIL COMPANY	2,130.67	4,836.21
125900	BEST SERVICE	17.50	17.50
126850	BLAINE BROTHERS, INC		312.26
134000	CARLTON COUNTY HIGHWAY DEPT	4,908.97	2,192.62
137340	CHAMBERLAIN OIL CO., INC.	33,557.17	105.00
139025	CINTAS	611.23	27.30
142100	CLOQUET MAIL STATION	387.31	14.55
142800	CLOQUET SANITARY SERVICE	1,346.16	55.21
147050	CONSOLIDATED TELEPHONE COMPANY	1,220.48	43.59
153300	DIAMOND DRILLING		295.80
178700	H & L MESABI	4,700.08	632.94
180425	HARRIS COMPUTER SYSTEMS	486.29	56.83
197800	L & M SUPPLY CO	3,241.52	579.78
207400	MANEY INTERNATIONAL INC	5,143.46	298.07
227100	MORTON SALT	10,553.82	4,806.38

INVOICES DUE ON/BEFORE 03/20/2018

VENDOR #	NAME	PAID THIS FISCAL YEAR	AMOUNT DUE
GENERAL FUND			
43	PUBLIC WORKS		
229500	NAPA AUTO PARTS	892.59	766.72
235560	NORTHERN STATES SUPPLY, INC.		13.69
235800	NORTHLAND AUTO PARTS	43.04	97.50
239200	OFFICE ENTERPRISES, INC.	1,047.44	14.39
240725	O'REILLY AUTO ENTERPRISES LLC	310.34	9.82
244300	BRENT BELICH	307.50	89.50
272600	TERMINAL SUPPLY INC	752.40	97.65
278600	TWIN PORT MAILING	10,225.03	76.64
279100	U S BANK EQUIPMENT FINANCE	1,256.13	21.63
	PUBLIC WORKS		15,597.02
COMMUNITY DEV OPERATING (CITY)			
46	COMMUNITY DEVELOPMENT		
147050	CONSOLIDATED TELEPHONE COMPANY	1,220.48	43.57
278600	TWIN PORT MAILING	10,225.03	38.32
279100	U S BANK EQUIPMENT FINANCE	1,256.13	16.22
	COMMUNITY DEVELOPMENT		98.11
PERMANENT IMPROVEMENT			
56	CONSTRUCTION & MAINTENANCE		
200750	LANDMARK ENVIRONMENTAL, LLC	942.50	1,733.50
	CONSTRUCTION & MAINTENANCE		1,733.50
PARK FUND			
45	CULTURE AND RECREATION		
110950	AARDVARK SEPTIC PUMPING	1,400.00	700.00
123700	BARCO PRODUCTS		787.84
125700	BEST OIL COMPANY	2,130.67	1,349.26
142800	CLOQUET SANITARY SERVICE	1,346.16	276.04
150100	D A L C O	1,148.21	92.18
156600	DULUTH LAWN & SPORTS, INC.	69.98	94.30
179340	HAGENS GLASS & PAINT	14,824.34	445.20
197800	L & M SUPPLY CO	3,241.52	237.45
209900	MCDONALD RENTALS INC		134.46
211400	MENARDS	870.60	266.02

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CITY OF CLOQUET  
DEPARTMENT SUMMARY REPORT

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INVOICES DUE ON/BEFORE 03/20/2018

VENDOR #	NAME	PAID THIS FISCAL YEAR	AMOUNT DUE
PARK FUND			
45	CULTURE AND RECREATION		
213650	MIDWEST PLAYSAPES INC	25,100.00	2,805.50
277550	TURFWERKS	231.81	269.65
281500	UNITED TRUCK BODY CO INC	138.64	88.83
282100	UNIVERSITY OF MINNESOTA		170.00
	CULTURE AND RECREATION		7,716.73
SENIOR CENTER FUND			
45	CULTURE AND RECREATION		
179340	HAGENS GLASS & PAINT	14,824.34	46.27
197800	L & M SUPPLY CO	3,241.52	80.61
	CULTURE AND RECREATION		126.88
CAPITAL PROJECTS - REVOLVING			
81	SPECIAL PROJECTS		
220150	MN DEPARTMENT OF HEALTH	480.00	150.00
	SPECIAL PROJECTS		150.00
CITY SALES TAX CAPITAL			
81	SPECIAL PROJECTS		
169650	FORUM COMMUNICATIONS COMPANY	1,727.46	368.40
	SPECIAL PROJECTS		368.40
WATER - LAKE SUPERIOR WATERLIN			
50	STATION 1		
137310	CENTURY LINK	5,910.38	72.32
	STATION 1		72.32
51	STATION 2		
121000	ARROWHEAD SPRINGS INC	214.00	34.75

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CITY OF CLOQUET  
DEPARTMENT SUMMARY REPORT

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INVOICES DUE ON/BEFORE 03/20/2018

VENDOR #	NAME	PAID THIS FISCAL YEAR	AMOUNT DUE
WATER - LAKE SUPERIOR WATERLIN			
51	STATION 2		
137310	CENTURY LINK	5,910.38	164.20
162750	ENVIRONMENTAL RESOURCE ASSOC.		260.53
180500	HAWKINS INC	12,497.87	989.60
197800	L & M SUPPLY CO	3,241.52	152.64
288150	WASTE MANAGEMENT NORTHERN MN	73.44	73.44
	STATION 2		1,675.16
52 LAKE SUPERIOR WATERLINE			
125700	BEST OIL COMPANY	2,130.67	1,086.13
	LAKE SUPERIOR WATERLINE		1,086.13
57 ADMINISTRATION			
156400	CITY OF DULUTH COMFORTSYSTEMS	157.06	79.58
239200	OFFICE ENTERPRISES, INC.	1,047.44	14.39
	ADMINISTRATION		93.97
WATER - IN TOWN SYSTEM			
49	CLOQUET		
125700	BEST OIL COMPANY	2,130.67	1,319.92
139025	CINTAS	611.23	16.38
141100	CLOQUET FORD-CHRYSLER CENTER	1,348.45	13.70
180500	HAWKINS INC	12,497.87	2,602.50
197800	L & M SUPPLY CO	3,241.52	72.14
213880	MIDWEST TESTING LLC		371.76
229500	NAPA AUTO PARTS	892.59	11.97
244300	BRENT BELICH	307.50	89.50
261800	SEH	33,624.15	30,569.50
281500	UNITED TRUCK BODY CO INC	138.64	22.41
R0001338	NV5/DADE MOELLER & ASSOCIATES		2,561.00
	CLOQUET		37,650.78
54 BILLING & COLLECTION			

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CITY OF CLOQUET  
DEPARTMENT SUMMARY REPORT

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INVOICES DUE ON/BEFORE 03/20/2018

VENDOR #	NAME	PAID THIS FISCAL YEAR	AMOUNT DUE
WATER - IN TOWN SYSTEM			
54	BILLING & COLLECTION		
180425	HARRIS COMPUTER SYSTEMS	486.29	247.63
278600	TWIN PORT MAILING	10,225.03	3,084.74
	BILLING & COLLECTION		3,332.37
57 ADMINISTRATION & GENERAL			
142800	CLOQUET SANITARY SERVICE	1,346.16	18.40
147050	CONSOLIDATED TELEPHONE COMPANY	1,220.48	130.77
239200	OFFICE ENTERPRISES, INC.	1,047.44	14.39
248600	PROGRESSIVE CONSULTING	11,496.56	231.68
278600	TWIN PORT MAILING	10,225.03	76.64
279100	U S BANK EQUIPMENT FINANCE	1,256.13	21.62
	ADMINISTRATION & GENERAL		493.50
ENTERPRISE FUND - SEWER			
55	SANITARY SEWER		
125700	BEST OIL COMPANY	2,130.67	920.49
139025	CINTAS	611.23	10.92
197800	L & M SUPPLY CO	3,241.52	35.05
229500	NAPA AUTO PARTS	892.59	7.18
290300	WIDDES FEED & FARM SUPPLY	4.00	4.00
	SANITARY SEWER		977.64
57 ADMINISTRATION & GENERAL			
142800	CLOQUET SANITARY SERVICE	1,346.16	18.40
147050	CONSOLIDATED TELEPHONE COMPANY	1,220.48	87.18
206800	MACQUEEN EQUIPMENT INC		50.00
239200	OFFICE ENTERPRISES, INC.	1,047.44	14.39
278600	TWIN PORT MAILING	10,225.03	76.62
279100	U S BANK EQUIPMENT FINANCE	1,256.13	21.62
	ADMINISTRATION & GENERAL		268.21
STORM WATER UTILITY			
57	ADMINISTRATION & GENERAL		

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CITY OF CLOQUET  
DEPARTMENT SUMMARY REPORT

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INVOICES DUE ON/BEFORE 03/20/2018

VENDOR #	NAME	PAID THIS FISCAL YEAR	AMOUNT DUE
STORM WATER UTILITY			
57	ADMINISTRATION & GENERAL		
202300	LEAGUE OF MN CITIES	2,308.00	760.00
239200	OFFICE ENTERPRISES, INC.	1,047.44	14.39
	ADMINISTRATION & GENERAL		774.39
CABLE TELEVISION			
45	CULTURE AND RECREATION		
121000	ARROWHEAD SPRINGS INC	214.00	30.00
162640	ENVENTIS TELECOM INC	94.48	47.24
210450	MEDIACOM LLC.	493.38	16.76
	CULTURE AND RECREATION		94.00
CLOQUET AREA FIRE DISTRICT			
42	PUBLIC SAFETY		
125700	BEST OIL COMPANY	2,130.67	3,419.76
142800	CLOQUET SANITARY SERVICE	1,346.16	42.95
	PUBLIC SAFETY		3,462.71
	TOTAL ALL DEPARTMENTS		160,502.21



**ADMINISTRATIVE OFFICES**

1307 Cloquet Avenue • Cloquet, MN 55720  
Phone: 218-879-3347 • Fax: 218-879-6555  
email: admin@ci.cloquet.mn.us  
www.ci.cloquet.mn.us

**REQUEST FOR COUNCIL ACTION**

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To: Mayor and City Council  
From: Jeffrey Palmer, Chief of Police  
Reviewed By: Aaron Reeves, City Administrator *AR*  
Date: March 20, 2018

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**ITEM DESCRIPTION:** Part-time Administrative Police Secretary

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**Proposed Action**

Staff recommends that the City Council move to approve the six-month probationary appointment of Chelsey Angell to the part-time position of Administrative Police Secretary effective on March 21, 2018.

**Background/Overview**

The Cloquet Police Department was looking to recruit a part-time Administrative Police Secretary due to the growing department and to be able to better meet the needs of our officers and the public with service demands.

In February, the City of Cloquet completed all its due diligence required and posted the position vacancy as required under the AFSCME Labor Agreement. No members of the AFSCME unit posted for the position. It was then advertised publicly, we received applications, and conducted interviews with the five selected candidates.

Through this interview process, the City identified Ms. Angell as its top candidate, who has accepted the City's preliminary offer of employment subject to City Council approval. This candidate has a Bachelor's Degree in Human Services and has previously worked as a social worker. Ms. Angell stated that she can start on March 21, 2018.

**Policy Objectives**

The Police Department currently functions with two administrative secretary positions. These positions are integral to both assisting our officers and public with service demands. The growing department is making it difficult for the two full-time secretaries to be able to keep up on daily, weekly, monthly, quarterly, and annual duties. Therefore, we were looking to recruit a part-time Administrative Police Secretary. Keeping a fully staffed department is consistent with the service level directives of the City Council.

The City Council is the hiring authority for the City as determined by City Code and State law. The City Council must act to appoint this individual to complete the hiring process.

**Financial/Budget/Grant Considerations**

This position is currently fully funded as part of the adopted 2018 operating budget.

**Advisory Committee/Commission Action**

None.

**Supporting Documentation Attached**

- None



## DEPARTMENT OF PUBLIC WORKS

1307 Cloquet Avenue; Cloquet, MN 55720  
Phone: (218) 879-6758 Fax: (218) 879-6555  
Street - Water - Sewer - Engineering - Park  
www.ci.cloquet.mn.us

### REQUEST FOR COUNCIL ACTION

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To: Mayor and City Council  
From: Caleb Peterson, Public Works Director  
Reviewed By: Aaron Reeves, City Administrator *AR*  
Date: March 20, 2018

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**ITEM DESCRIPTION:** 14<sup>th</sup> Street Resolution of Support

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#### Proposed Action

Staff recommends that the City Council move to adopt **RESOLUTION NO. 18-17, A RESOLUTION IN SUPPORT OF CORRIDORS OF COMMERCE FUNDING FOR THE I-35 CSAH 3 (14<sup>TH</sup> STREET) INTERCHANGE.**

#### Background

The Interstate 35 (I-35) corridor through northeast Carlton County is approximately seven miles in length and carries between 17,000 and 27,000 vehicles per day (2014 AADT). This corridor serves commuters, recreational traffic, and is a main freight corridor in the area. The corridor has four interchanges and a total of 17 bridges. Most these bridges are 45 to 55 years old and segments of pavement throughout the corridor are reaching the end of their service life based on the Remaining Service Life rating. As the corridor continues to age, MNDOT recognized it was important to develop a plan that identifies current and future safety, operational, and mobility needs of the corridor and how they can be coordinated with upcoming infrastructure replacement projects.

In 2017 MNDOT contracted with SRF Consulting Group to conduct a study to identify existing geometric, safety, and operational/mobility issues; inventory infrastructure condition; develop improvement concepts; and generate a plan that will serve as a guide for programming future projects along the corridor. One of the needs/concepts identified as part of that study was for improved access to I-35 at 14<sup>th</sup> Street. Currently traffic going to and from FDLTCC or Braun Park must exit on Highway 33 and take Washington Avenue to 14<sup>th</sup> Street. While current interchange spacing with Highways 33 and 45 do allow for full interchange at 14<sup>th</sup> Street, SRF developed a concept which would tie a frontage road system and partial interchange to the new Highway 33 Roundabout. A concept plan of the proposed alternative is attached.

Recently, Carlton County applied for funding of this potential project under the State's Corridors for Commerce program. As a local government which would be impacted by the proposed project, Cloquet needs to provide a resolution of support for the application or face a distinct disadvantage in the scoring process.

#### Policy Objectives

N/A.

#### Financial/Budget/Grant Considerations

None.

#### Advisory Committee/Commission Action

N/A.

#### Supporting Documents Attached

- Resolution 18-17
- Concept Plan

**CITY OF CLOQUET  
COUNTY OF CARLTON  
STATE OF MINNESOTA**

**RESOLUTION NO. 18-17**

**A RESOLUTION IN SUPPORT OF CORRIDORS OF COMMERCE FUNDING  
FOR THE I-35 CSAH 3 (14<sup>TH</sup> STREET) INTERCHANGE**

**WHEREAS**, Interstate 35 serves a vital role in connecting individuals and businesses in communities across northeast Minnesota; and

**WHEREAS**, the Corridors of Commerce program was created and funded by the Minnesota Legislature for the specific purpose of funding the expansion and improvement of interregional corridors like Interstate 35, which play an important role in the movement of freight and people between regions of our State; and

**WHEREAS**, the 2017 I-35 Planning Study conducted by the Minnesota Department of Transportation identified this project as a need in order to improve access/mobility for the area east/south of I-35, between TH 210 and TH 45.

**NOW, THEREFORE, BE IT RESOLVED, BY THE CITY COUNCIL OF THE CITY OF CLOQUET, MINNESOTA**, that the City of Cloquet supports the use of Corridors of Commerce funding to create a new interchange at I-35 and CSAH 3.

**PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF CLOQUET THIS 20TH DAY OF MARCH 2018.**

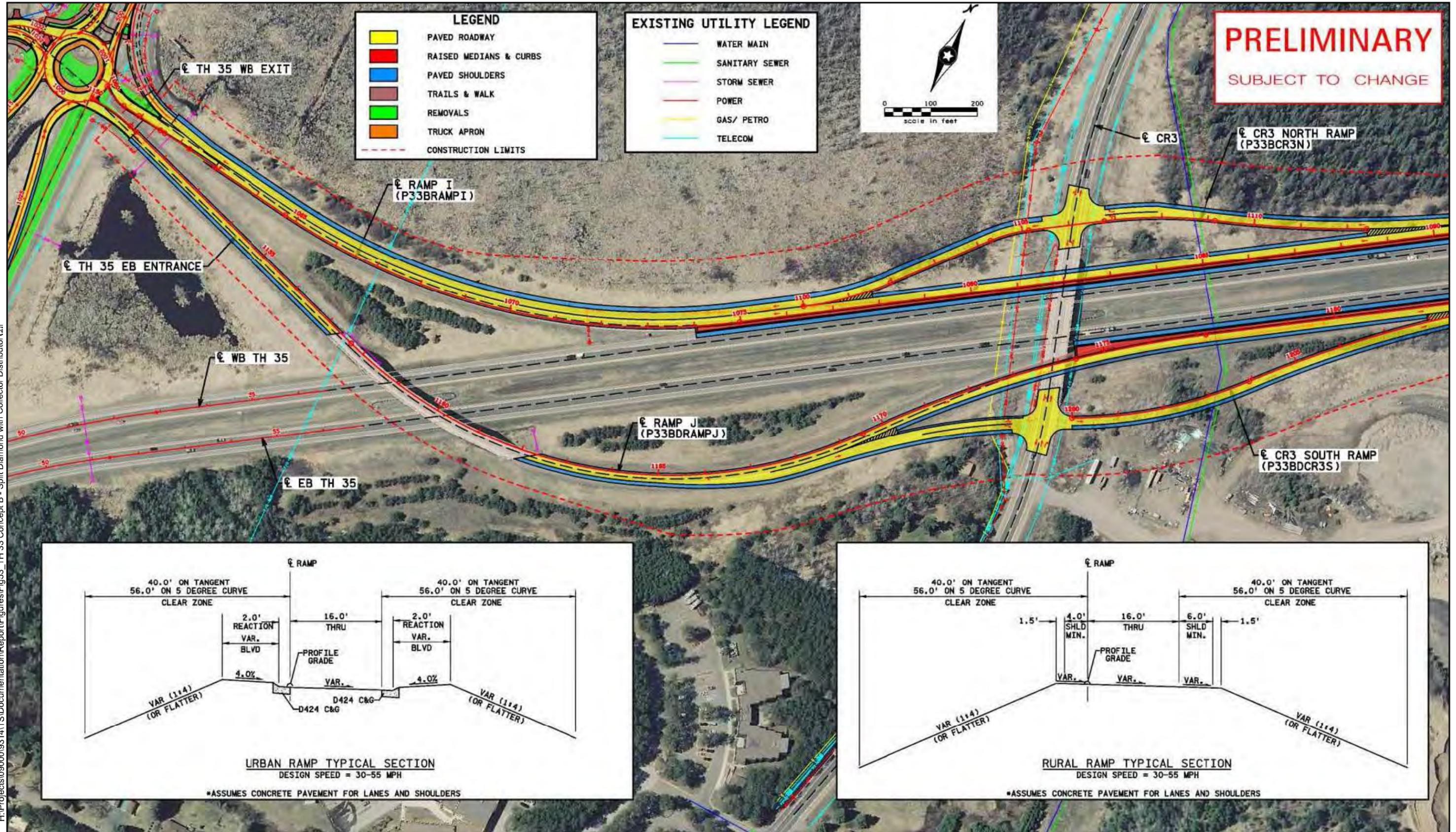
\_\_\_\_\_  
Dave Hallback, Mayor

ATTEST:

\_\_\_\_\_  
Aaron Reeves, City Administrator

I HEREBY CERTIFY that the above is a true and correct copy of a resolution presented to and adopted by the City of Cloquet, County of Carlton, State of Minnesota, at a duly authorized Municipal Council Meeting held in the Municipality of Cloquet, Minnesota on the 20th day of March 2018, as disclosed by the records of said Municipality on file and of record in the office.

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



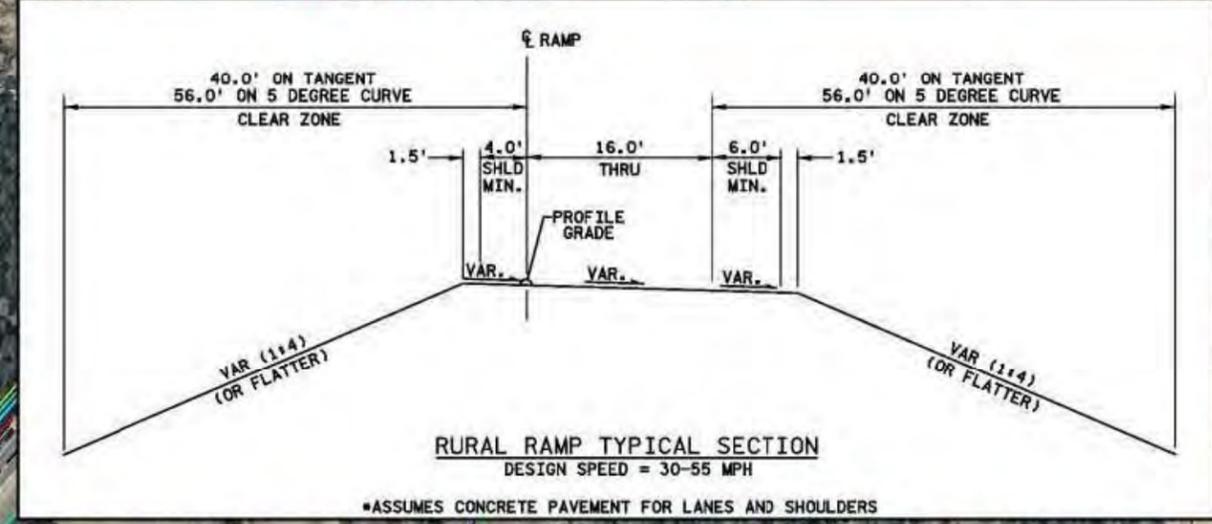
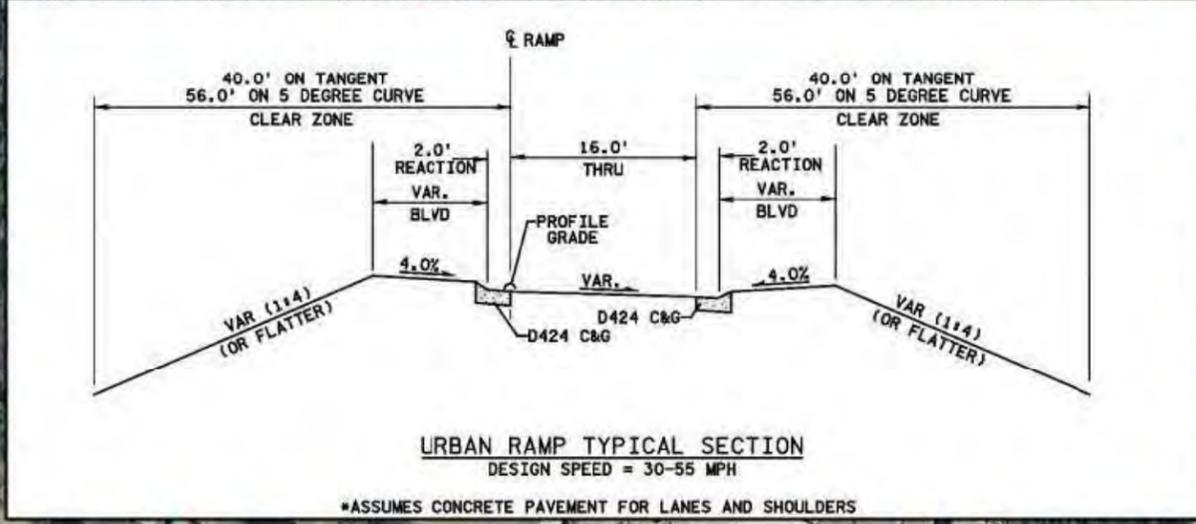
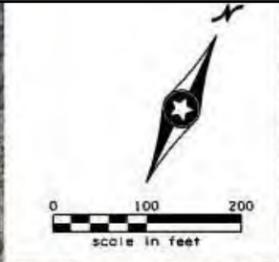
**PRELIMINARY**  
SUBJECT TO CHANGE

**LEGEND**

Yellow	PAVED ROADWAY
Red	RAISED MEDIANS & CURBS
Blue	PAVED SHOULDERS
Brown	TRAILS & WALK
Green	REMOVALS
Orange	TRUCK APRON
Dashed red	CONSTRUCTION LIMITS

**EXISTING UTILITY LEGEND**

Purple	WATER MAIN
Green	SANITARY SEWER
Pink	STORM SEWER
Red	POWER
Yellow	GAS/ PETRO
Cyan	TELECOM



H:\Projects\09000\9314\TSDocumentation\Report\Figures\Fig53\_TH 33 Concept B - Split Diamond with Collector Distributor.cdr

Figure 53



## DEPARTMENT OF PUBLIC WORKS

1307 Cloquet Avenue; Cloquet, MN 55720  
Phone: (218) 879-6758 Fax: (218) 879-6555  
Street - Water - Sewer - Engineering - Park  
[www.ci.cloquet.mn.us](http://www.ci.cloquet.mn.us)

### REQUEST FOR COUNCIL ACTION

---

To: Mayor and City Council  
From: Caleb Peterson, Public Works Director  
Reviewed By: Aaron Reeves, City Administrator *AR*  
Date: March 20, 2018

---

**ITEM DESCRIPTION:** Water Treatment Plant - Drinking Water Revolving Fund Application

---

#### Proposed Action

Staff recommends that the City Council move to adopt **RESOLUTION NO. 18-18, APPLYING TO THE MINNESOTA PUBLIC FACILITIES AUTHORITY FOR A LOAN FROM THE DRINKING WATER REVOLVING FUND.**

#### Background

In May of 2017, the City applied for funding eligibility under the Drinking Water Revolving Fund (DWRF) for the first of two proposed water treatment plants. The DWRF is a low interest loan program offered by the State to assist with funding priority improvements to public water supplies. Use of this funding source would save the City money on interest and bonding fees associated with typical project financing. The City was notified in October that our application was in the fundable range for construction in 2018. If the City wishes to proceed, we need to have construction plans to the Health Department and an application for funding submitted to the Minnesota Public Facilities Authority by March 29, 2018.

#### Policy Objectives

N/A.

#### Financial/Budget/Grant Considerations

The preliminary cost estimate for this improvement was \$5.6 million. An updated estimate completed in February was \$7 million including engineering and contingency. With planning and design still in development these estimates change on a daily basis. Staff recommends applying for \$7 million in funding with the understanding that estimate is likely to decrease as the project scope is refined. Making application at the higher amount does not commit the city to proceeding with construction or debt issuance.

#### Advisory Committee/Commission Action

N/A.

#### Supporting Documents Attached

- Resolution 18-18
- Building Rendering, Site and Floor Plan

**CITY OF CLOQUET  
COUNTY OF CARLTON  
STATE OF MINNESOTA**

**RESOLUTION NO. 18-18**

**A RESOLUTION APPLYING TO THE MINNESOTA PUBLIC FACILITIES  
AUTHORITY FOR A LOAN FROM THE DRINKING WATER REVOLVING FUND**

**WHEREAS**, The 2009 Water Quality Study identified manganese concentrations in Well Numbers 8 and 11 which are of concern for aesthetic reasons; and

**WHEREAS**, Emerging concerns have surfaced regarding the health effects high levels of manganese may have on humans; and

**WHEREAS**, The City is committed to reducing manganese levels in drinking water for both public health and aesthetic reasons; and

**WHEREAS**, Previous engineering studies have found the construction of new water filter plant to be a cost feasible means of reducing manganese levels for Well No. 8.

**NOW, THEREFORE, BE IT RESOLVED, BY THE CITY COUNCIL OF THE CITY OF CLOQUET, MINNESOTA**, that the City of Cloquet is hereby applying to the Minnesota Public Facilities Authority for a loan from the Drinking Water Revolving Fund for improvements to its drinking water system as described in the loan application.

**BE IT FURTHER RESOLVED**, that the City of Cloquet estimates the loan amount to be \$7,000,000.00 or the as-bid cost of the project.

**BE IT FURTHER RESOLVED**, that the City of Cloquet has the legal authority to apply for the loan, and the financial, technical, and managerial capacity to repay the loan and ensure proper construction, operation and maintenance of the project for its design life.

**PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF CLOQUET THIS 20TH DAY OF MARCH 2018.**

\_\_\_\_\_  
Dave Hallback, Mayor

ATTEST:

\_\_\_\_\_  
Aaron Reeves, City Administrator

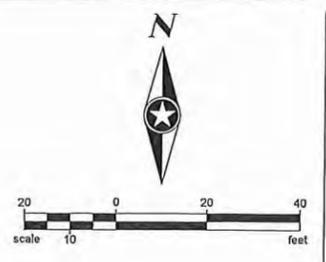
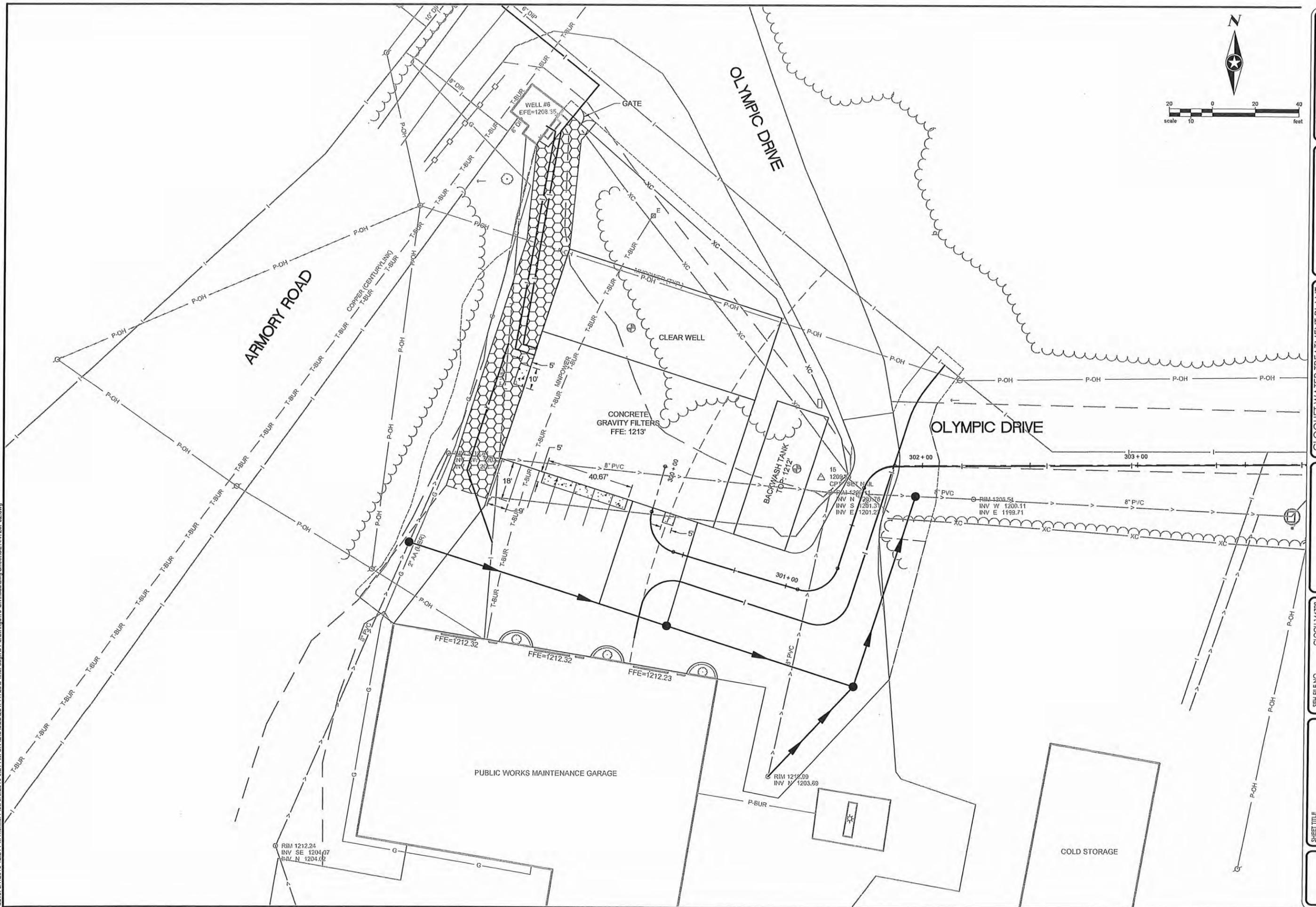
I HEREBY CERTIFY that the above is a true and correct copy of a resolution presented to and adopted by the City of Cloquet, County of Carlton, State of Minnesota, at a duly authorized Municipal Council Meeting held in the Municipality of Cloquet, Minnesota on the 20th day of March 2018, as disclosed by the records of said Municipality on file and of record in the office.

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



PRELIMINARY EXTERIOR PERSPECTIVE - BASE OPTION PLUS APPROX. \$15K

Save: 3/7/2018 12:24 PM: hmkd1 Plot: 3/9/2018 8:21 AM S:\A\E\C\CLOQUET\14472815-final-dsgn\15-drawings\10-Civil\load\dwg\sheet\14472815.dwg



SEH  
 3535 VANDERBILT CENTER DR  
 ST PAUL, MN 55110  
 TEL: 612.224.4000  
 FAX: 612.224.4000  
 WWW.SEHINC.COM

**PRELIMINARY**  
 NOT FOR CONSTRUCTION

CLOQUET WATER TREATMENT PLANT  
 CLOQUET, MINNESOTA

MARK	DATE	DESCRIPTION

SHEET TITLE	CLOQUET 144728
CITY PROJECT NO.	PRELIM
PROJECT STATUS	XX-XX-2018
ISSUE DATE	REH
DESIGNED BY	REH
DRAWN BY	REH

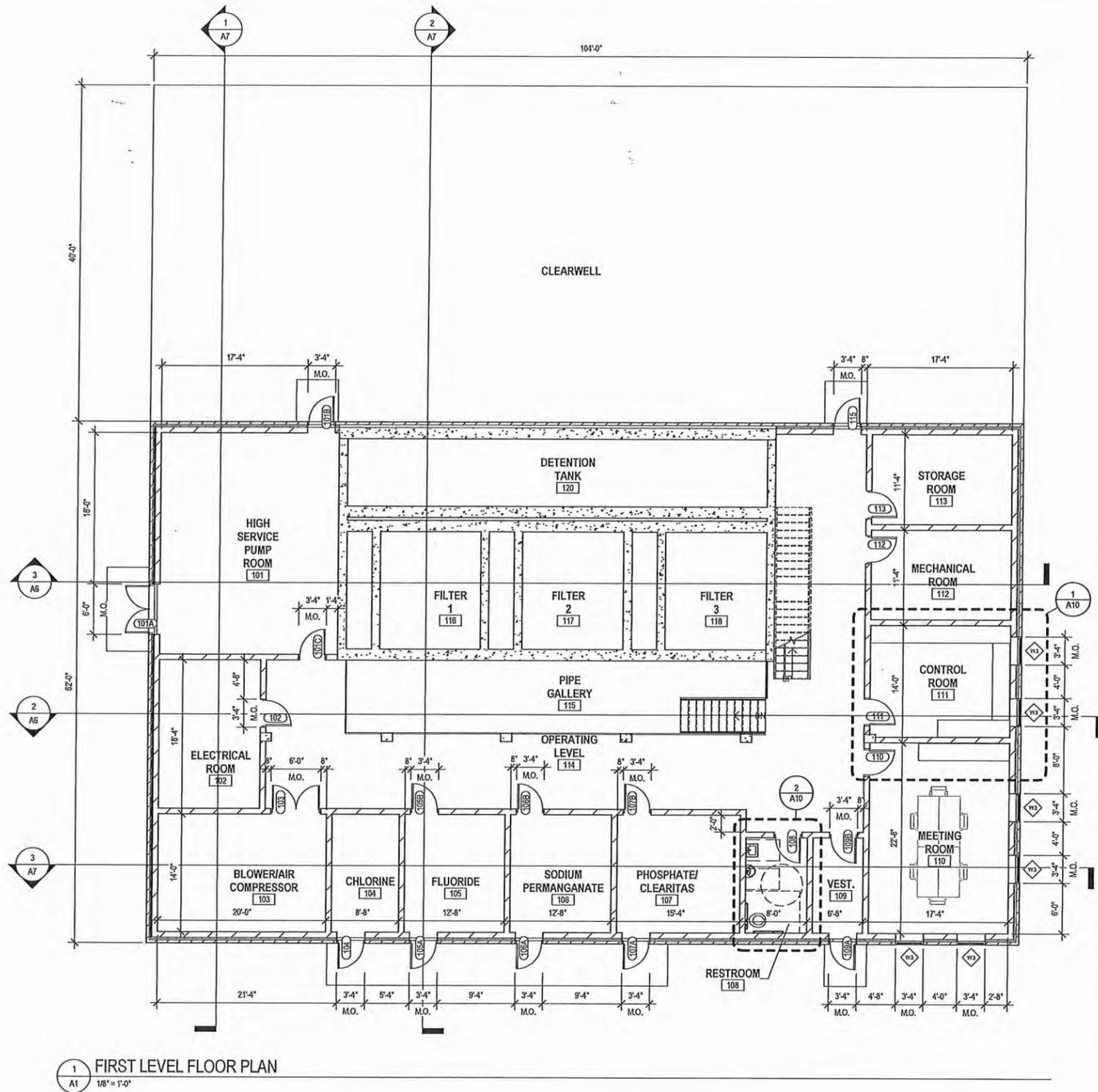
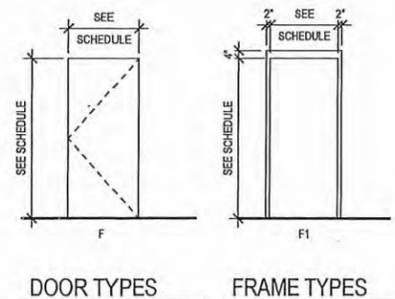
SHEET  
 C02

DOOR SCHEDULE														
DOOR NUMBER	DOOR				GLASS TYPE	FRAME			FIRE RATING	HW GROUP	DETAILS			REMARKS
	HEIGHT	WIDTH	MATL	TYPE		MATL	TYPE	DEPTH			HEAD/JAMB	SILL		
101A	7'-0"	5'-8"	FRP	F		FRP	F1							
101B	7'-0"	3'-0"	FRP	F		FRP	F1							
101C	7'-0"	3'-0"	FRP	NL	GL-1	FRP	F1							
102	7'-0"	3'-0"	FRP	F		FRP	F1							
103	7'-0"	5'-8"	FRP	F		FRP	F1							
104	7'-0"	3'-0"	FRP	F		FRP	F1							
105A	7'-0"	3'-0"	FRP	F		FRP	F1							
105B	7'-0"	3'-0"	FRP	F		FRP	F1							
106A	7'-0"	3'-0"	FRP	F		FRP	F1							
106B	7'-0"	3'-0"	FRP	F		FRP	F1			90 MIN.				
107A	7'-0"	3'-0"	FRP	F		FRP	F1							
107B	7'-0"	3'-0"	FRP	F		FRP	F1							
108	7'-0"	3'-0"	FRP	F		FRP	F1							
109A	7'-0"	3'-0"	FRP	HG	GL-1	FRP	F1							
109B	7'-0"	3'-0"	FRP	F		FRP	F1							
110	7'-0"	3'-0"	FRP	HG	GL-1	FRP	F1							
111	7'-0"	3'-0"	FRP	HG	GL-1	FRP	F1							
112	7'-0"	3'-0"	FRP	F		FRP	F1							
113	7'-0"	3'-0"	FRP	F		FRP	F1							
115	7'-0"	3'-0"	FRP	F		FRP	F1							
202	7'-0"	3'-0"	FRP	HG	GL-1	FRP	F1							

ROOM FINISH SCHEDULE									
ROOM NUMBER	ROOM NAME	FLOOR	WALL FINISH				CEILING		REMARKS
			NORTH	SOUTH	EAST	WEST	FINISH	MATERIAL	
001	HIGH SERVICE PUMP TANK								
002	CLEARWELL								
101	HIGH SERVICE PUMP ROOM								
102	ELECTRICAL ROOM								
103	BLOWER/AIR COMPRESSOR								
104	CHLORINE								
105	FLUORIDE								
106	SODIUM PERMANGANATE								
107	PHOSPHATE/CLEARITAS								
108	RESTROOM								
109	VEST.								
110	MEETING ROOM								
111	CONTROL ROOM								
112	MECHANICAL ROOM								
113	STORAGE ROOM								
114	OPERATING LEVEL								
115	PIPE GALLERY								
116	FILTER 1								
117	FILTER 2								
118	FILTER 3								
119	FILTER 4								
120	DETENTION TANK								
201	STAIR								
202	FILTER ACCESS								

WINDOW AND LOUVER SCHEDULE											
TYPE MARK	R.O.		MATERIAL	FINISH	DETAILS			GLAZING		HEAD HEIGHT	REMARKS
	WIDTH	HEIGHT			HEAD / JAMB	SILL	THICKNESS	TYPE			
L1	2'-0"	3'-4"	ALUM	-	-	-	-	-	-	-	-
L2	3'-4"	4'-0"	ALUM	-	-	-	-	-	6'-0"	-	-
W1	6'-0"	2'-0"	ALUM	-	-	-	-	-	10'-8"	-	-
W2	6'-0"	3'-4"	ALUM	-	-	-	-	-	8'-8"	-	-
W3	3'-4"	4'-0"	ALUM	-	-	-	-	-	7'-4"	-	-

NOTE: WINDOW TYPES SHOULD BE CREATED IF ANY VERTICAL OR HORIZONTAL MULLIONS ARE DESIRED



1 FIRST LEVEL FLOOR PLAN  
1/8" = 1'-0"

**FLOOR PLAN KEYNOTES:** (X)

1. KEYNOTE 1

**GENERAL NOTES:**

1. GENERAL NOTE #1

2/28/2018 4:42:54 PM

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3535 VAUGHAN CENTER DR  
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TEL: 651.451.1000  
FAX: 651.451.1014  
TOLL FREE: 800.253.2035  
www.sehinc.com

**SEH**

**PRELIMINARY**  
NOT FOR CONSTRUCTION

**CLOQUET WATER TREATMENT PLANT**  
CITY OF CLOQUET

MARK	DATE	DESCRIPTION	REVISIONS

FILE NO. 144728 CLOQUET  
CITY PROJECT NO. PRELIM. NOT FOR CONSTRUCTION  
PROJECT STATUS ISSUE DATE  
DESIGNED BY J.M. BF  
DRAWN BY  
Sheel Bhatt/Hendrickson, Inc. © (R)11

**FIRST LEVEL FLOOR PLAN, TYPES AND SCHEDULES**

SHEET  
**A1**



## DEPARTMENT OF PUBLIC WORKS

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### REQUEST FOR COUNCIL ACTION

---

To: Mayor and City Council  
From: John Anderson, Assistant Engineer  
Reviewed By: Aaron Reeves, City Administrator *AR*  
Date: March 20, 2018

---

**ITEM DESCRIPTION:** Engineering Services - Pine Tree Plaza Utilities

---

#### **Proposed Action**

Staff recommends the City Council move to approve the letter proposal in the amount of \$48,500 from Short Elliot Hendrickson Inc. (SEH) to complete design services and assist in field services for the Pine Tree Plaza utility replacement.

#### **Background/Overview**

The 2018-2022 Capital Improvement Plan calls for a utility replacement project in the Pine Tree Plaza area in 2018. This project involves replacing the watermain in the area along TH 33 from the Americinn to McDonalds and along the frontage road west to the Super One parking lot. This segment of watermain has had a history of breaks including one this winter and is very deep adjacent to Perkins making it very difficult to repair. Additionally, the sanitary sewer in the area between Pizza Hut and McDonalds will be studied to see if any improvements would be possible in conjunction with this work. A portion of the project costs would be funded by special assessment to the benefiting properties.

SEH has provided a proposal to assist City staff on this project. SEH would provide engineering services necessary to replace this failing watermain and study the sanitary sewer. A feasibility study would be produced to be used in the special assessment process. City staff would conduct the required hearings associated with the special assessments. Also included in the scope of work provided by SEH is easement research and creation of required descriptions. In our preliminary research it appears there may be gaps in the City's utility easements along this corridor which will need to be addressed before construction of any new utilities. The full scope of work by SEH is shown in the attached proposal.

With the engineering staff focused on the Arch Street Area Improvements, Cloquet Avenue and 2018 Bituminous Overlays we are concerned with our ability to complete the Pine Tree Plaza Utility Improvements this year and as such asked for SEH to provide some assistance. City staff will handle the Special Assessment process and hearings as well as the construction inspection for this project.

#### **Policy Objectives**

To advance proposed capital improvement projects in accordance with State law.

**Financial/Budget/Grant Considerations**

\$470,000 is included as part of the 2018 Capital Improvement Plan for completion of the project. The proposed design and construction services fee of \$48,500 is included as part of the project budget. The proposal includes design services of \$33,500 and construction services of \$15,000. City staff will handle the day to day construction inspection.

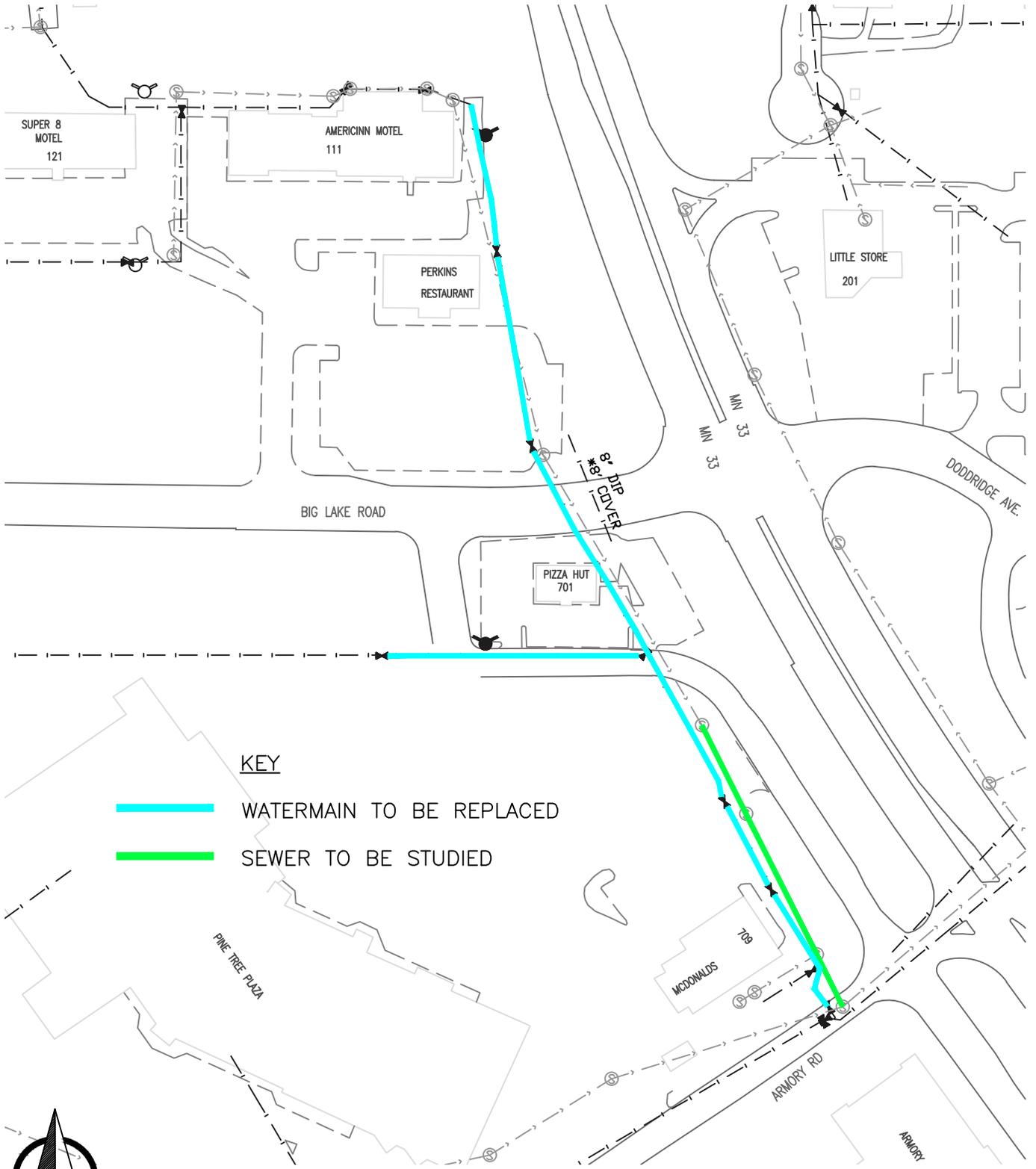
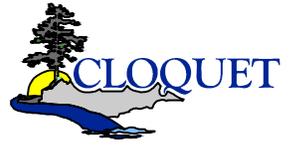
**Advisory Committee/Commission Action**

N/A

**Supporting Documentation Attached**

- Location Map
- Short Elliot Hendrickson Inc. Letter Proposal
- Capital Improvement Plan Item

# LOCATION MAP



KEY

-  WATERMAIN TO BE REPLACED
-  SEWER TO BE STUDIED





Building a Better World  
for All of Us®

March 13, 2018

RE: Pine Tree Plaza Utilities  
Cloquet, MN  
SEH Project No. P-145623

Mr. Caleb Peterson  
City Engineer  
City of Cloquet  
1307 Cloquet Avenue  
Cloquet, MN 55720

Dear Mr. Peterson:

Short Elliott Hendrickson Inc. (SEH®) is pleased to submit this proposal for the Pine Tree Plaza Utility Improvements project. This proposal is based on conversations with City staff, review of existing documents, and our previous knowledge of the project area.

### **Project Overview**

We understand the City would like to address concerns related to the existing sewer and water utilities running parallel to the western side of TH33 between the AmericInn property and Armory Road. In order to achieve this, the City is seeking assistance to complete design and construction services. We have developed the following work plan and fee estimate based on this understanding.

### **Phase I Work Plan (Lump Sum)**

#### **Task 1.1 Title Work**

This work includes utilizing Carlton County Abstract and Title to complete a title search of the project area including Outlot A, Lots 1, 3, and 3A of the Lumberjack Plat. This will provide the property ownership and encumbrances on the properties within the project area.

#### **Task 1.2 Existing Easement and Right-of-Way Establishment**

This work includes incorporating available data (City provided survey data, one call mapping locate data, City as-built information) to create an existing conditions basemap of the project area. This work also includes conducting a field review of the existing property monumentation to verify property boundaries. This work also includes establishing existing right of way, property, and easement boundaries based on the field work and the title work as listed above.

#### **Task 1.3 Soil Borings**

This work includes utilizing Braun Intertec to collect a total of three soil borings along the utility route. These borings will be provided as part of the bidding documents to reduce the risk of unforeseen costs and Contractor disputes on unknown subsurface conditions.

#### **Task 1.4 Preliminary Design & Feasibility Report**

This work includes completing a preliminary design of the sewer and water utilities within the project area. This preliminary design includes creation of plan and profile sheets and a preliminary cost estimate in line with the City's assessment policy. A meeting will then be held to discuss findings and refine the project scope and determine the exact level of

improvements to be constructed. Upon completion of the scope determination, a feasibility report will be created as required by Minn. Stat., Chapter 429. SEH will then attend the initial public hearing which is to be led by the City. SEH will hold on any further design efforts until council approval of the feasibility report.

**Task 2.1 Proposed Easements**

This work includes establishing two new easements near Big Lake Road. These are anticipated to be required based on the location of the DIP water pipe that was recently installed under Big Lake Road in anticipation of this project. It is anticipated that there will be one new easement on the Perkins property, and one new easement on the Pizza Hut property. This also includes a vacation of the existing easement as applicable based on project scope.

**Task 2.2 Final Design, Permitting, & Bidding Documents**

This work includes utilizing the information gathered during the preliminary design phase and producing bid documents including plans, specifications, and an engineer's estimate of probable cost. It is expected the plans will include a title sheet, statement of estimated quantities, three plan and profile sheets, and a details sheet. It is not anticipated there will be typical sections or cross sections included as the work is intended to be utility focused. This also includes an application to the Minnesota Department of Health.

**Phase II Work Plan (Hourly)**

**Task 3.1 Engineering Support during Construction**

For purposes of budgeting, it is assumed that the above scope of work will amount to an average of 8 hours of project manager effort per week of construction, along with an average of 4 hours per week of designer effort for an anticipated 6 weeks of construction. The actual effort may vary based on the need of the project and requests from the City. This work generally includes:

- Attending pre-construction meeting and weekly onsite construction meetings
- Review shop drawings
- Review of pay estimates and change orders (prepared by City)
- Additional site visits as requested by the City
- Engineering support as requested to address field changes or adjustments to the scope of work
- General project management duties (team coordination, permitting related items, etc.)
- Punch list walkthrough and site review

**Task 3.2 Construction Staking**

For purposes of this proposal, we have assumed a total of 6 mobilizations to the site for staking needs. Should additional mobilizations or stakes be requested beyond what is identified below, this may amend our total budgeted fee. This work generally includes:

- Creation of survey points from construction documents suitable for field staking
- Staking of watermain alignment, hydrant and valve locations, sanitary sewer manholes, sanitary sewer piping, and erosion control measures.
- If requested, collection of survey data suitable for the completion of record drawings

**Task 3.3 Finalize Assessment Summary**

This work includes creation of a final assessment breakdown upon closeout of the construction contract. This will be in line with the feasibility report approach as well as the City code. This work also includes attendance at a final assessment hearing if requested.

## Deliverables

For this project, SEH will provide the following:

- Title work listing ownership and encumbrances on subject properties
- Boring logs of three total soil borings
- Preliminary design plans and feasibility report meeting the requirements of the City assessment policy and Minn. Stat., Chapter 429.
- Two proposed easement descriptions and exhibits and one existing easement description and exhibit
- Bidding documents suitable for the public bidding process
- Field stakes as requested by the Contractor
- Final assessment breakdown based on actual project costs

## Assumptions

Our work plan and deliverables were built on the following assumptions:

- City will provide all topographic survey as requested by SEH. This includes surface features and measurements of depths of utilities such as water valves and sanitary manholes.
- A total of five meetings are included during the design phase. This includes a project kickoff meeting, a preliminary design review, attendance at the public hearing, a final design review, and attendance at the bid opening.
- The following items are not included in the current design scope: street design (typical sections, cross sections, and roadway profile), geotechnical design, landscaping design, lighting design, grading design, turning movement analysis, stormwater design, ADA design, or environmental efforts.
- City will complete onsite observation during the construction phase.
- Survey assumptions: All field work will be completed without excessive snow cover. Adjacent survey monumentation exists and is usable. There will be no gaps, overlaps, or title issues discovered during the survey and title efforts.

## Schedule

We will begin work upon execution of a contract. We have outlined below some critical milestones and tentative dates.

Council Authorization for Preliminary Design	March 21, 2018
Preliminary Design Review Meeting	April 12, 2018
Initial Public Hearing	April 24, 2018
Council Acceptance of Feasibility Report	May 1, 2018
Final Design Review Meeting	May 24, 2018
Project Advertised	May 31, 2018
Bid Opening	June 21, 2018
Construction Start	July 16, 2018
Project Closeout	October 2018
Final Assessment Hearing	November 2018

## Fee Estimate

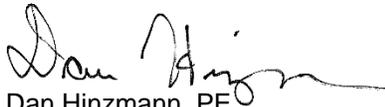
**Phase I** - We have estimated a total fee of \$33,500 to complete our services which would be billed on a lump sum basis.

**Phase II** – We have budgeted a total fee of \$15,000 to complete our services which would be billed on an hourly basis. Please note that this fee may vary depending upon the scope of services requested, the Contractor's actual schedule, and the need determined by the project related items.

If this proposal meets your approval, we will forward a contract. We look forward to discussing this project with you further. If you have any questions, please contact me at **218.279.3034** or via email at **dhinzmann@sehinc.com**.

Sincerely,

SHORT ELLIOTT HENDRICKSON INC.



Dan Hinzmann, PE  
Project Manager

**Capital Plan**  
**City of Cloquet, Minnesota**

2018 thru 2022

Department Street  
 Contact City Engineer  
 Type Improvement  
 Useful Life 20 Years  
 Category Street Construction  
 Priority 1 Urgent

Project # STP-032  
 Project Name Pine Tree Plaza Frontage Road

**Description** **Total Project Cost: \$470,000**  
 This project involves the construction of a new frontage road from Big Lake Road to Armory Road through the parking lot of Pine Tree Plaza as well as related utility improvements with water main and sanitary sewer main.

**Justification**  
 The City in 2014 worked with Carlton County and MNDOT on the reconstruction of the Doddridge Avenue and Big Lake Road intersection. The owner of the mall has expressed some interest in redeveloping a portion of their property along the existing frontage road where by realignment of the road would be helpful for the project.  
 The property owner is currently looking at additional development opportunities on the property. Discussions as to whether or not this is a public or private road and the responsibility for funding is still under discussion.  
 With the highway improvements in 2014 the City began work on certain realignment and upgrade to the utility system in this area and has additional work that needs to be completed with the lines that run back across Big lake Road to the hotel area north of the roadway. The new roadway would be approximately 600 feet in length.

Expenditures	2018	2019	2020	2021	2022	Total
Construction/Maintenance	470,000					470,000
<b>Total</b>	<b>470,000</b>					<b>470,000</b>

Funding Sources	2018	2019	2020	2021	2022	Total
MnDOT Transportation Funding	170,000					170,000
Sewer Fund	70,000					70,000
Storm Water Fund	80,000					80,000
Water Fund	150,000					150,000
<b>Total</b>	<b>470,000</b>					<b>470,000</b>

**Budget Impact/Other**



## DEPARTMENT OF PUBLIC WORKS

1307 Cloquet Avenue; Cloquet, MN 55720  
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Street - Water - Sewer – Engineering - Park  
[www.ci.cloquet.mn.us](http://www.ci.cloquet.mn.us)

### REQUEST FOR COUNCIL ACTION

---

To: Mayor and City Council  
From: John Anderson, Assistant City Engineer  
Reviewed by: Aaron Reeves, City Administrator *AR*  
Date: March 20, 2018

---

**ITEM DESCRIPTION:** Resolution Ordering Improvement and Preparation of Plans and Specifications on the Streets in the Arch Street Area

---

#### Proposed Action

Staff recommends the City Council move to adopt **RESOLUTION 18-14, A RESOLUTION ORDERING IMPROVEMENT AND PREPARATION OF PLANS AND SPECIFICATIONS FOR THE RECONSTRUCTION OF PROPOSED 2018 IMPROVEMENT OF ARCH STREET FROM AVENUE C TO PARK AVENUE AND PARK AVENUE FROM ARCH STREET TO MARKET STREET AND AVENUE D FROM BROADWAY STREET TO MARKET STREET AND AVENUE E FROM ARCH STREET TO MARKET STREET.**

Additionally, Staff recommends the City Council move to adopt **RESOLUTION 18-15, A RESOLUTION RELATING TO PARKING RESTRICTIONS ON ARCH STREET FROM AVENUE D TO PARK AVENUE AND PARK AVENUE FROM ARCH STREET TO MARKET STREET.**

#### Background/Overview

As part of the City's 5-Year Capital Improvement Program (CIP) and approved budget, plans are proposed to reconstruct the following streets:

- Arch Street from Avenue C to Park Avenue
- Park Avenue from Arch Street to Market Street
- Avenue D from Broadway Street to Market Street
- Avenue E from Arch Street to Market Street

In general, the existing infrastructure in this area is considered to be in very poor to failed condition. Some of the issues documented in recent years include sewer back-ups, localized flooding, and a failed pavement surface. While a quick drive down the street leaves little doubt about the need for improvements, a full evaluation of the existing conditions and proposed actions are documented in the attached feasibility study. Special attention should be paid to Section V Sidewalk and Street Construction as current state aid design standards along with the existing topography result in a number of challenges that must be addressed. As Council is aware, it is these surface (roadway, sidewalk etc.) improvements which often generate the most public input.

Plans for the project have been prepared and in accordance with MN Statutes Chapter 429. On February 20, 2018, the City Council ordered a public hearing be held on the improvements. Notices were mailed to all affected property owners and published in the local paper in accordance with state statutes. The City Council should hold a public hearing and during which, take formal public input to assist them in their decision as to how the City should proceed. In accordance with Chapter 429, the City Council must order the improvement by a 6/7 vote in order to move forward with the project.

**Policy Objectives**

To advance proposed capital improvement projects but prior to approval affected property owners shall be provided an opportunity to make comments in reference to the proposed improvement in accordance with State Statutes. While not required by state statute, a neighborhood meeting was held on January 18, 2018. A number of the residents that attended that meeting voiced a desire to include repaving the alley between Avenue D and Avenue E from Arch Street to Market Street along with this project. This work has been included in the plans.

**Financial/Budget/Grant Considerations**

The engineer's estimate for the project is \$1,976,927. A breakdown of project cost / budget by fund is as follows:

	<u>Engineers Estimate</u>	<u>Budget</u>
Municipal State Aid	\$ 753,234	\$ 500,000
Sanitary Sewer Fund	\$ 171,967	\$ 255,000
Water fund	\$ 400,755	\$ 290,000
Stormsewer Fund	\$ 17,194	\$ 50,000
Permanent Improvement	\$ 379,868	\$ 800,000
Special Assessment	\$ 253,908	
Total	\$1,976,927	\$1,895,000

A preliminary assessment role has been prepared in accordance with Chapter 12 of City Code. A copy can be found in appendix D of the Feasibility Study. Total assessment estimates are equal to \$253,908 or approximately 20% of the total local project cost. The purpose of the public hearing on the improvement is to determine the nature of the work to be included in the project. A separate assessment hearing will be held at the conclusion of the project to take input on the assessment associated with the project. The Feasibility Study estimates the typical assessment to properties to be \$7,100 for a typical 60-foot lot. This includes \$5,000 for sewer and water replacement and \$2,100 for street improvements. Obviously, as some of these costs are based on frontage, the assessment to each property will vary.

**Advisory Committee/Commission Action**

N/A

**Supporting Documentation Attached**

- Feasibility Study
- Resolution No. 18-14
- Resolution No. 18-15

**CITY OF CLOQUET  
COUNTY OF CARLTON  
STATE OF MINNESOTA**

**RESOLUTION NO. 18-14**

**RESOLUTION ORDERING IMPROVEMENT AND PREPARATION OF PLANS  
AND SPECIFICATIONS FOR THE RECONSTRUCTION OF  
ARCH STREET FROM AVENUE C TO PARK AVENUE AND PARK AVENUE FROM ARCH  
STREET TO MARKET STREET AND AVENUE D FROM BROADWAY STREET TO  
MARKET STREET AND AVENUE E FROM ARCH STREET TO MARKET STREET**

**WHEREAS**, The City has completed a feasibility study to reconstruct Arch Street from Avenue C to Park Avenue, Park Avenue from Arch Street to Market Street, Avenue D from Broadway Street to Market Street, and Avenue E from Arch Street to Market Street; and

**WHEREAS**, As part of the project the City Engineer has identified a need to replace aging and deteriorated roadway, sidewalks, sanitary sewers, storms sewers, and water utilities; and

**WHEREAS**, A resolution of the Council adopted February 20, 2018, set a date for a Council hearing on the proposed improvement; and

**WHEREAS**, Ten days mailed notice and two weeks published notice of the hearing was given and the hearing was held thereon on the 20<sup>th</sup> day of March 2018, at which time all persons desiring to be heard were given an opportunity to be heard.

**NOW, THEREFORE, BE IT RESOLVED, BY THE CITY COUNCIL OF THE CITY OF CLOQUET, MINNESOTA:**

1. Such improvement is necessary, cost effective, and feasible as detailed in the City's feasibility study.
2. The City Engineer is hereby designated as the engineer for this improvement and shall prepare plans and specifications for the making of such improvement.
3. Such improvement is hereby ordered and the City Engineer is hereby authorized to solicit bids for construction.

**PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF CLOQUET THIS 20<sup>th</sup>  
DAY OF MARCH 2018.**

ATTEST:

\_\_\_\_\_  
Dave Hallback, Mayor

\_\_\_\_\_  
Aaron Reeves, City Administrator

**CITY OF CLOQUET  
COUNTY OF CARLTON  
STATE OF MINNESOTA**

**RESOLUTION NO. 18-15**

**RESOLUTION RELATING TO PARKING RESTRICTIONS ON  
ARCH STREET FROM AVENUE D TO PARK AVENUE AND ON PARK AVENUE FROM  
ARCH STREET TO MARKET STREET**

**WHEREAS**, The City has planned the improvement of Arch Street, State Aid Route No. 104, from Avenue D to Park Avenue; and

**WHEREAS**, The City has planned the improvement of Park Avenue, State Aid Route No. 127, from Arch Street to Market Street; and

**WHEREAS**, the City will be expending Municipal State Aid Funds on the improvement of these streets; and

**WHEREAS**, this improvement does not provide adequate width for parking on both sides of the street within these two blocks of Arch Street and this one block of Park Avenue; and approval of the proposed construction as a Municipal State Aid Street project must therefore be conditioned upon certain parking restrictions.

**NOW, THEREFORE, BE IT RESOLVED, BY THE CITY COUNCIL OF THE CITY OF CLOQUET, MINNESOTA:**

That the City shall restrict the parking of motor vehicles on Arch Street from Avenue D to Park Avenue, to one side only.

**AND MAY IT FURTHER BE RESOLVED, BY THE CITY COUNCIL OF THE CITY OF CLOQUET, MINNESOTA:**

That the City shall allow no parking of motor vehicles on Park Avenue from Arch Street to Market Street.

**PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF CLOQUET THIS 20<sup>th</sup> DAY OF MARCH 2018.**

ATTEST:

\_\_\_\_\_  
Dave Hallback, Mayor

\_\_\_\_\_  
Aaron Reeves, City Administrator

**CITY OF CLOQUET**



**FEASIBILITY STUDY**

**For the**

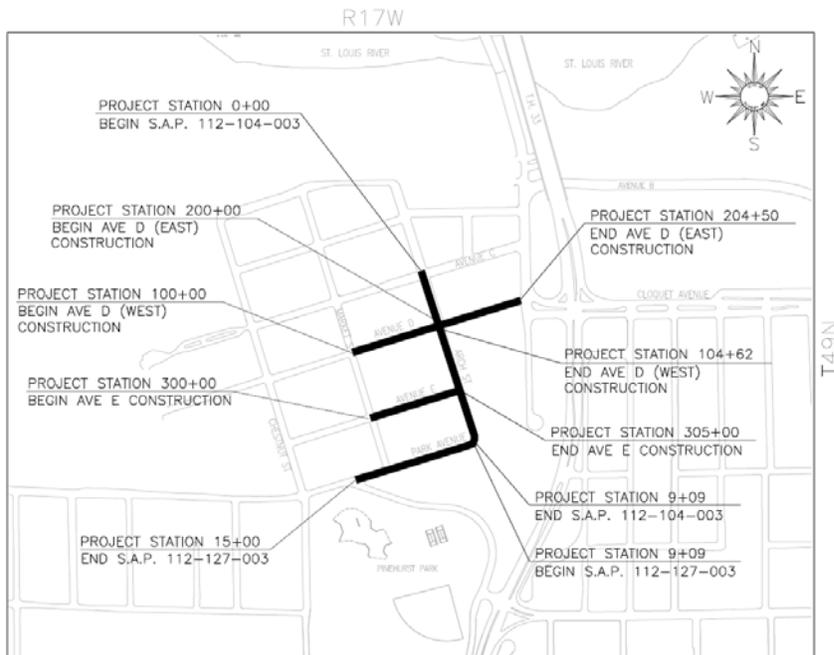
**2018 PROPOSED ARCH STREET AREA RECONSTRUCTION PROJECT**

**PROJECT AREA**

- Arch Street – Avenue C to Park Avenue**
- Park Avenue – Arch Street to Market Street**
- Avenue D – Broadway Street to Market Street**
- Avenue E – Arch Street to Market Street**

**City Project No. 1075**

**January 26, 2018**



## CERTIFICATION SHEET

I hereby certify that this plan, specification, or report was prepared by me or under my direct supervision, and that I am a duly Registered Professional Engineer under the laws of the State of Minnesota.



Signature \_\_\_\_\_

Typed or Printed Name John M. Anderson

Date: January 26, 2018 License Number 25889

## **I. Project Description**

As part of the City's 5-Year Capital Improvement Program (CIP), preliminary plans have been assembled to reconstruct In the Arch Street Area during the summer of 2018. The project is proposed to include the total reconstruction of the street, curb and gutter, sidewalk, watermain, sanitary and storm sewers in the area.

## **II. Watermain**

The existing watermain in this area appears to be original town infrastructure, likely installed in the early 1900's or before. Currently there is no watermain in Park Avenue between Arch Street and Market Street. Additionally, there is a dead end water main on the south end of Broadway that ends in the cul-de-sac. No breaks have been documented on the existing pipeline over the past 20 years but its proximity to the existing sewer and likely lead calked joints no longer comply with current health codes. The age and code issues in the existing system warrant replacement prior to construction of a new roadway.

The proposed design includes a new 8" diameter Ductile Iron watermain located with the proper separation from sewers both horizontally and vertically as required by the Minnesota Department of Health. Additionally, a loop would be made connecting the south end of Broadway to the rest of the water system. Also watermain would be added to the block of Park Avenue that is currently without water and sewer thus providing accessible and maintainable services to adjacent properties.

## **III. Sanitary Sewer**

The existing clay tile sewer in the area is also over 100 years in age. Despite plentiful grade down the hill, a number of private service and mainline sewer back-ups have been documented over the past 30 years. Root intrusion into the pipeline is a major issue, and the structural capacity is highly questionable. Recent attempts to televise the sewermain have indicated multiple holes/voids in both the main and associated manholes with severe cracking in multiple locations.

The recommended improvement includes the installation of a new 8" PVC sewer to be located under the centerline of the new roadway. Those sections of existing sewer not removed as part of the new watermain construction would be abandoned in place. New sewer service lines would be extended to connect with existing service lines at the right of way. New sewer would be added along the block of Park Avenue and services would extend to the right of way for homeowners to connect to at their cost

## **IV. Storm Sewer**

The existing area is served by very little storm sewer. There is a system in Park Avenue that drains to Pinehurst Park and the balance of the area drains on the street, downhill to the north, to be collected at Avenue C. At times, drainage down to Avenue C and to Broadway Street can overwhelm the limited number of drain structures which are present.

Park Avenue and Arch Street are both State Aid Routes and as such are required to collect drainage in accordance with State Aid Design Standards. It is recommended that storm sewer be extended from Broadway and Avenue D west along Avenue D and then south along Arch Street to Avenue E. The extension will also allow for relief of current issues with localized flooding and storm sewer inlet capacity. It is also recommended the storm sewer in Park Avenue be replaced and a storm water treatment basin be installed along the south side of Park Avenue before discharging to Pinehurst Park.

## V. Street & Sidewalk Construction

The existing road right-of-way on streets in this area is 66 feet in width however the topography of the site and minimal set-backs of buildings along both sides create a corridor which functions much narrower. The existing street width in the area are shown in Table 1 along with existing sidewalk locations and where parking is permitted.

Table 1 - Existing Street Conditions			Type	PAVEMENT WIDTH	SIDEWALK LOCATION	BLVDS WIDTH	PARKING LOCATION
STREET	FROM	TO					
Arch Street- North Half	Ave C	Ave D	State Aid	45'	Both Sides	None	Both
Arch Street- South Half	Ave C	Ave D	State Aid	45'	Both Sides	4' ; 4'	Both
Arch Street	Ave D	Park	State Aid	32'	Both Sides	9' ; 9'	Both
Park Avenue	Arch	Market	State Aid	24'	None	None	Both
Avenue D	Market	Arch	Local	24'-25'	Both Sides	4' ; 4'	One Side (N)
Avenue D	Arch	Broadway	Local	28'-30'	Both Sides	6' ; 4'	One Side (S)
Avenue E	Market	Arch	Local	32'	Both Sides	9' ; 9'	Both

The area streets are lined with mature trees which have outgrown the available space causing heaving in the adjacent curb and sidewalk. A number of retaining walls exist along the right of way. The largest and longest is along the south side of Avenue D from Arch Street to Market Street. The condition of the retaining walls, although upright, are deteriorated to the point they would be costly to work around and may be compromised during the course of construction. Many of the wall segments are beginning to crumble in places, the walls are reaching the end of their useful life. The retaining wall design varies depending on location. In the case of the larger / taller walls they are proposed to be built with larger wetcast blocks similar to those along Big Lake Road near Perkins. In the case of shorter walls, drycast modular blocks are proposed similar to those used to reconstruct the wall along the south side of Avenue D east of Arch Street.

The primary design challenges with this area are due to the steep topography/grades and the narrow footprint of the existing road bed. Currently, the City allows parking along both sides of road despite the narrow width of 32 feet on Arch Street from Avenue D to Park Avenue and on

Avenue E from Arch Street to Market Street. Under state aid standards, a minimum width of 38 feet is required to allow parking along both sides of the street. With the steep grades, such a section would be infeasible as the wider road would take out the sidewalk and boulevard on both sides of the street and produce driveway grades that would be problematic for area residents. Since each street segment has unique circumstances six separate typical sections are recommended for the area to address each street’s needs individually. A summary of the proposed pavement widths, sidewalk locations, and parking recommendations block by block are shown in Table 2. Those items that differ than the in place conditions are shown in bold text with a shaded background.

Table 2 - Proposed Street Conditions			Type	PAVEMENT WIDTH	SIDEWALK LOCATION	BLVDS WIDTH	PARKING LOCATION
STREET	FROM	TO					
Arch Street- North Half	Ave C	Ave D	State Aid	<b>40'</b>	Both Sides	None	Both
Arch Street- South Half	Ave C	Ave D	State Aid	<b>40'</b>	Both Sides	6' ; 6'	Both
Arch Street	Ave D	Park	State Aid	32'	<b>East Side Only</b>	<b>None; 9'</b>	<b>One Side</b>
Park Avenue	Arch	Market	State Aid	<b>28'</b>	<b>South Side</b>	None	<b>None</b>
Avenue D	Market	Arch	Local	32'	<b>South Side Only</b>	<b>None ; None</b>	One Side
Avenue D	Arch	Broadway	Local	32'	Both Sides	<b>None ; None</b>	One Side
Avenue E	Market	Arch	Local	32'	Both Sides	9' ; 9'	<b>One Side</b>

 Indicates a changed condition from the current in place improvements

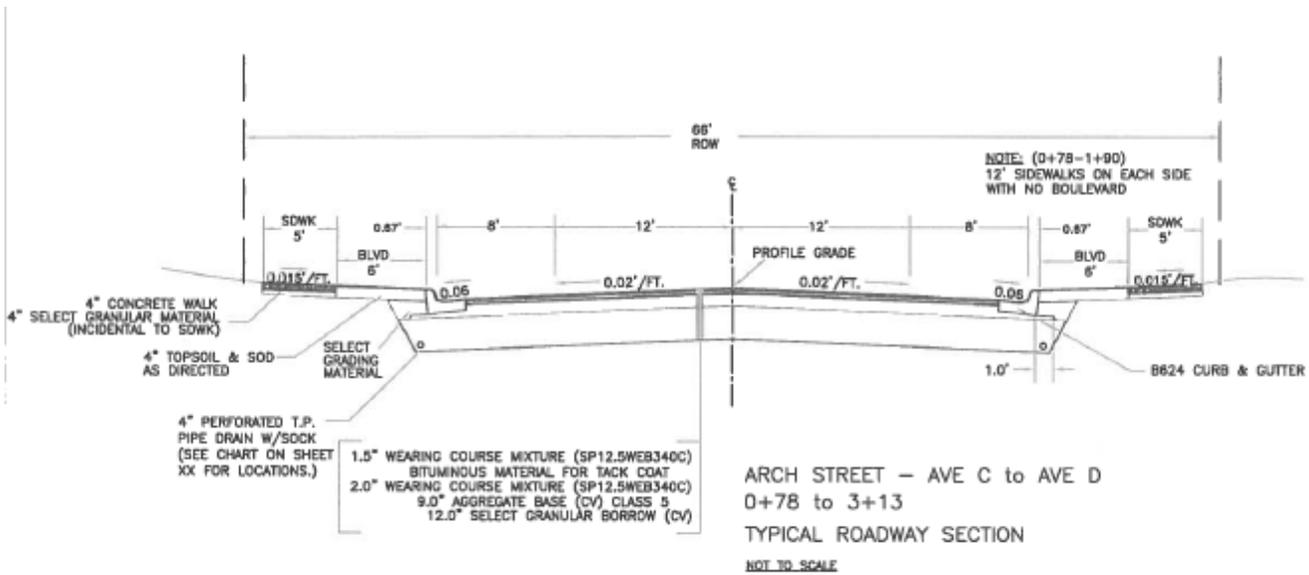
In general, we have tried to perpetuate parking and sidewalks where feasible. The block of Arch Street from Avenue D to Park Avenue has an existing retaining wall on the west side that would need to be completely reconstructed in order to provide sufficient width for parking on both sides. While not signed as no parking currently the existing block of Park Avenue from Arch Street to Market Street is too narrow to provide for parking. Given the limited number of homes that front on this street and the proximity to the park on the south side, parking does not seem to be a priority for this block. The block of Avenue E between Market Street and Arch Street is planned to be replaced at the existing width of 32 feet. While this is not a State Aid route and would not be held to meet state aid design standards for width to allow parking, we are proposing to limit parking on this block to one side.

The existing width of Arch Street from Avenue C to Avenue D is 45 feet. This width goes beyond what is needed and is proposed to be narrowed to 40 feet. There is not sufficient space according to state aid standards to allow for angle parking on the west side as is the current practice. The proposed width of 40 feet would allow for parallel parking on both sides of the street. As is standard with State Aid street a no parking resolution will need to be passed for MSAS street sections that are not wide enough for parking on both sides.

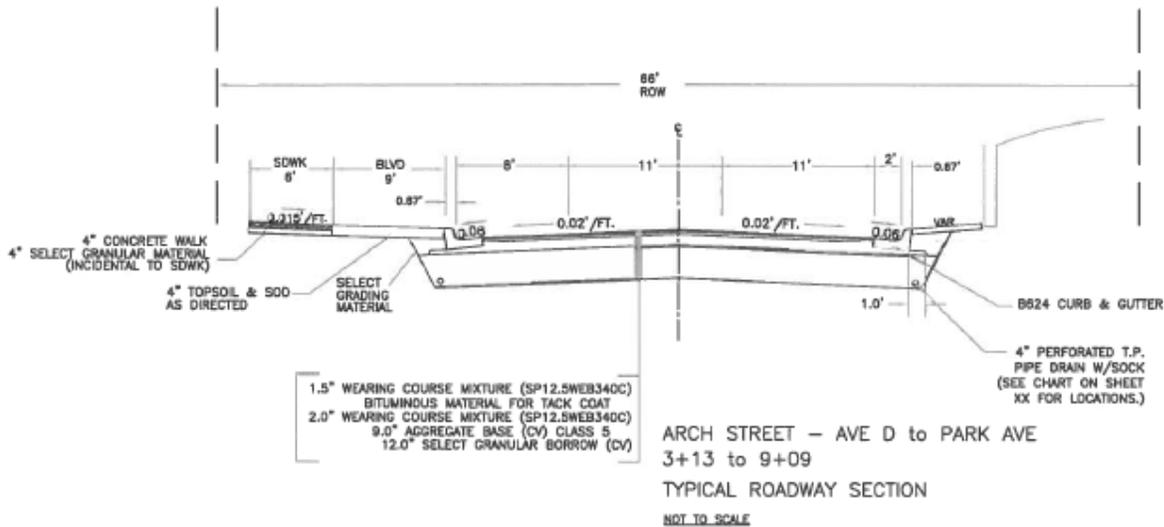
Sidewalk is being added to the south side of Park Avenue along Pinehurst Park. Sidewalk is not being replaced along Avenue D on the North side. Many of the driveways on this block are extremely short and most driveways require the full space behind the curb to park a vehicle. If a sidewalk was replaced then most driveways would utilize a portion of the sidewalk to park a vehicle. The steep slope and retaining wall limit the ability to move the street further south.

Figures 1 through 6 below show the proposed street sections for the project.

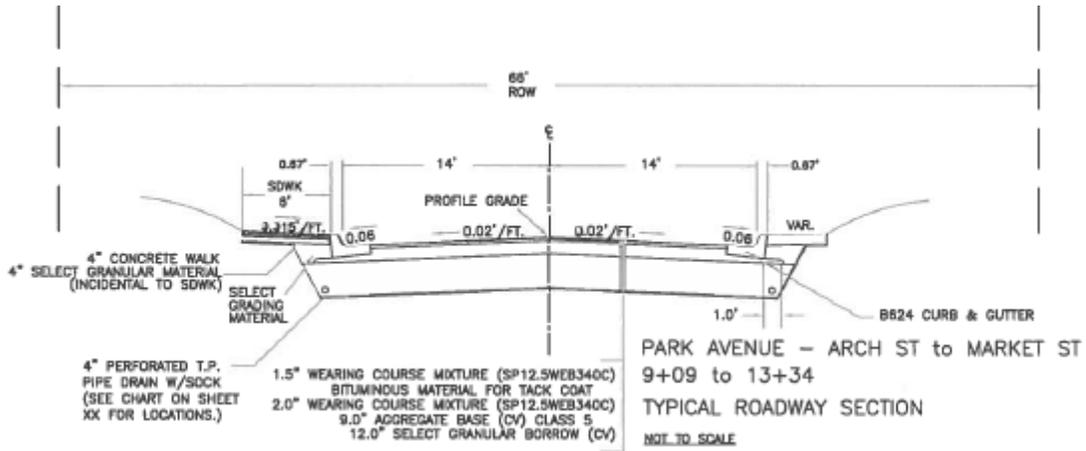
**Figure 1 - Arch Street, Avenue C to Avenue D**



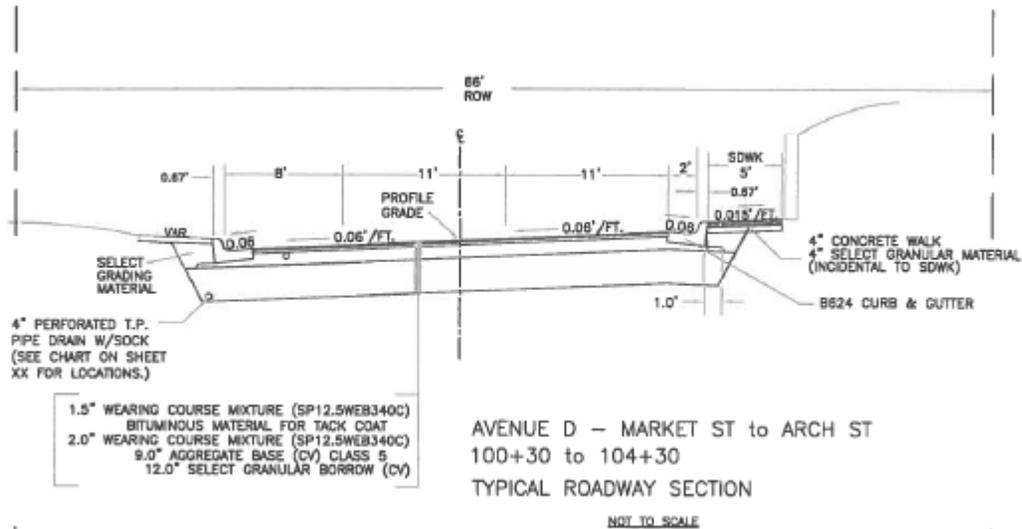
**Figure 2 Arch Street, Avenue D to Park Avenue**



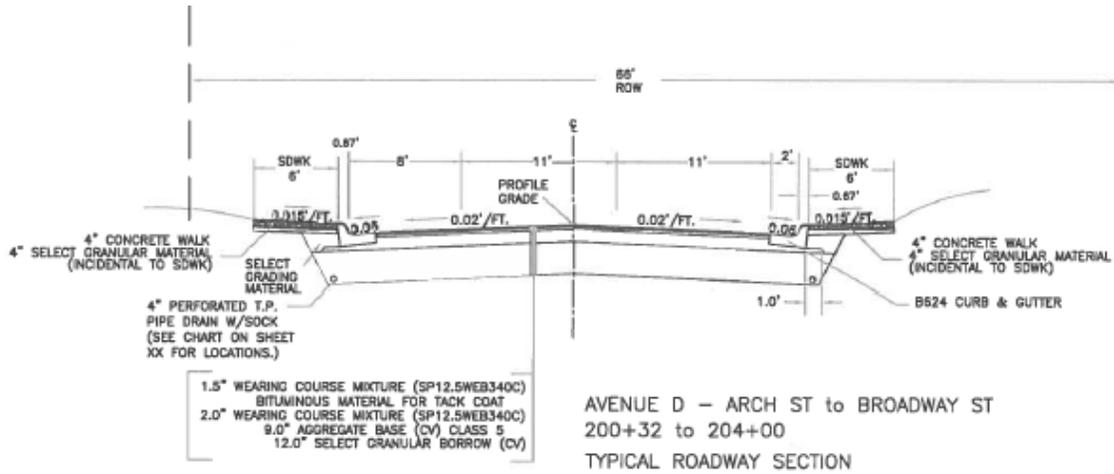
**Figure 3 Park Avenue, Arch Street to Market Street**



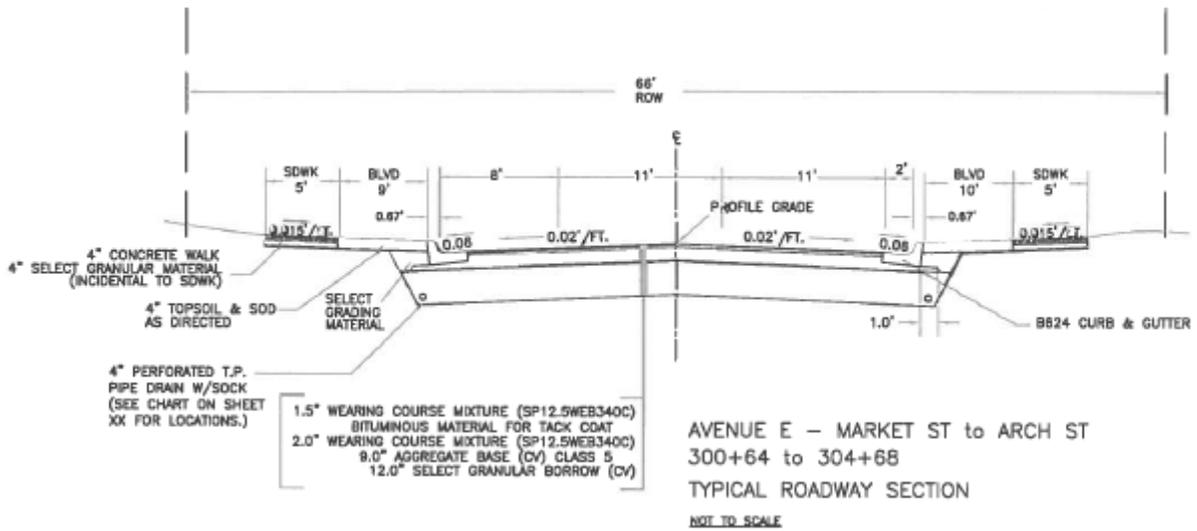
**Figure 4 Avenue D, Market Street to Arch Street**



**Figure 5 Avenue D, Arch Street to Broadway Street**



**Figure 6 (Proposed Roadway Sections)**



In general, the existing surface infrastructure is considered to be in poor to failed condition. Multiple overlays have been completed over the years however poor subgrade soils warrant complete reconstruction of the road at this time. A geotechnical investigation of the site was performed and the recommendations for street and utility construction have been incorporated into the design. The report is attached in **Appendix A**

**VI. Neighborhood Meeting**

A neighborhood meeting was held on January 18, 2018 to introduce the project and solicit input from residents. There were 13 people in attendance at the meeting. One point raised at the neighborhood meeting by a number of residents is that there is a need to address the condition of the alley pavement on the alley between Arch Street and Market Street and between Avenue E and Avenue D. The presentation and sign in sheet from the meeting are included in **Appendix B**

**VII. Cost Estimate & Funding**

The engineer’s estimate for the project can be found in **Appendix C** of this report. The total construction cost is estimated at \$1,976,927. Proposed funding sources include municipal state aid, water, sewer and storm water utilities. A breakdown of project cost by fund is as follows:

State Aid.....	\$753,234
Permanent Improvement Fund .....	\$379,868
Water Fund.....	\$400,755
Sewer Fund.....	\$171,967
Stormwater.....	\$ 17,194
Special Assessment.....	\$ 253,908

A preliminary assessment role has been prepared in accordance with Chapter 12 of City Code. A copy can be found in **Appendix D** of this report. Total assessment estimates are equal to \$253,908 or approximately 20% of the total local project cost .

**VIII. Project Schedule**

The schedule for the proposed improvements is as follows:

Neighborhood Meeting.....	January 18, 2018
Receive Feasibility Study / Order Public Hearing.....	February 6, 2018
Project Hearing / Authorize Ad for bid.....	March 6, 2018
Advertise for Bid.....	March 14, 2018
Open Bids.....	April 5, 2018
Award Bids.....	April 17, 2018
Start Construction .....	June 2018
Substantial Completion of Construction .....	October 2018
Assessment Hearing .....	February 2019

**IX. Cost Effective and Necessary**

The project is of sufficient size and scope to be cost effective and the work is necessary to maintain the public infrastructure.

**X. Conclusion & Recommendations**

Based upon the information contained in this report, the proposed Arch Street Area Street Reconstruction Project is feasible from an engineering and financial standpoint.

**APPENDIX D**  
**Preliminary Special Assessment Roll**

**2018 Arch St/Park Ave/West End Reconstruction**

Bituminous Pavement and Utility Reconstruction

City Contract No. 1075

**Preliminary Project Assessment Roll****Preliminary Assessment**

<u>Property Owner</u>	<u>Description</u>	<u>Parcel No.</u>	<u>Assessed Frontage</u>	<u>Street</u>	<u>Utilities</u>	<u>Total Assessment</u>
<b><u>AVENUE D</u></b>						
MIKROT, ANGELA C/O PAT MIKROT 6285 EAST RD KETTLE RIVER MN 55757	CITY OF CLOQUET ORIGINAL PLAT Block: 39 Lot: 7	<b>314 MARKET ST</b> 06-045-4620 Side Lot	60.0	\$2,100.00	\$0.00	\$2,100.00
RUTHFORD, MICHAEL S 224 AVENUE D CLOQUET MN 55720	CITY OF CLOQUET ORIGINAL PLAT Block: 42 Lot: 6 DOCKET 180587	<b>224 AVENUE D</b> 06-045-5600	60.0	\$2,100.00	\$0.00 prev. 2001	\$2,100.00
JOSEPH, JOHN T 220 AVENUE D CLOQUET MN 55720	CITY OF CLOQUET ORIGINAL PLAT Block: 42 Lot: 5	<b>220 AVENUE D</b> 06-045-5580	60.0	\$2,100.00	\$0.00 prev. 2001	\$2,100.00
MARTI, JASON P 219 AVE D CLOQUET MN 55720	CITY OF CLOQUET ORIGINAL PLAT Block: 39 Lot: 8	<b>219 AVENUE D</b> 06-045-4640	60.0	\$2,100.00	\$5,000.00	\$7,100.00
PETERSON, ROBERT C & SHEILA K 214 AVENUE D CLOQUET MN 55720	CITY OF CLOQUET ORIGINAL PLAT Block: 42 Lot: 4 Block: 42 Lot: 3 W1/2	<b>214 AVENUE D</b> 06-045-5560 06-045-5540	60.0 30.0	\$2,100.00 \$1,050.00	\$0.00	\$2,100.00 \$1,050.00
BERGQUIST, BARRY D & VIVIAN 318 AVENUE D CLOQUET MN 55720	CITY OF CLOQUET ORIGINAL PLAT Block: 39 Lot: 9 DOCKET 204337	<b>213/215 AVENUE D</b> 06-045-4660	60.0	\$2,100.00	\$5,000.00	\$7,100.00
COLLELO, JODI Y 823 HAWTHORNE ST CLOQUET MN 55720	CITY OF CLOQUET ORIGINAL PLAT Block: 39 Lot: 10	<b>209/211 AVENUE D</b> 06-045-4680	60.0	\$2,100.00	\$5,000.00	\$7,100.00

LAGER, ROBERT & KRISTINE 207 AVE D CLOQUET MN 55720	CITY OF CLOQUET ORIGINAL PLAT Block: 39 Lot: 11 DOCKET 298888	<b>207 AVENUE D</b> 06-045-4700	60.0	\$2,100.00	\$5,000.00	\$7,100.00
KEENE, RENEE 203 AVENUE D CLOQUET MN 55720	CITY OF CLOQUET ORIGINAL PLAT Block: 39 Lot: 12  THAT PT OF BLK 39 COM AT SE CORN TH W ALG S LN OF BLK 39 34 FT TO PT OF BEG TH CONT W 42.6 FT TH N 99.2 FT TH E 44.3 FT TH S TO PT OF BEG SUBJ TO PARTY WALL AGREE	<b>203 AVENUE D</b> 06-045-4740	42.6	\$1,491.00	\$5,000.00	\$6,491.00
SEVEN & UP FOUNDATION FOR BASENJI RESCUE & EDUCATION 4315 ZENITH AVE S MINNEAPOLIS MN 55410	CITY OF CLOQUET ORIGINAL PLAT Block: 39 Lot: 12  PART OF BLOCK 39 COMM AT SE COR OF BLK 39 TH W ALG S LINE OF BLK 39 A DIST OF 34 FT TO ACT PT OF BEG TH E ALG S LINE OF BLK 39 A DIST OF 34 FT TH N ALG E LN OF BLK 39 A DIST OF 99.2 FT TH W PAR WITH S LINE OF BLK 39 A DIST OF 32.3 FT TH S TO ACT PT OF BE	<b>201 AVENUE D</b> 06-045-4720 Front plus 1/3 side	67.1	\$2,347.45	\$5,000.00	\$7,347.45
PALMETTO PROPERTIES LLC RESTORATION AND ELECTRIC LLC 1930 COUNTY RD 142 BARNUM MN 55707	CITY OF CLOQUET ORIGINAL PLAT Block: 40 Lot: 9 E 1/2	<b>119 AVENUE D</b> 06-045-5060	30.0	\$1,050.00	\$5,000.00	\$6,050.00
ZEZULKA, ZACHERY 806 ALLEN ST CLOQUET MN 55720	CITY OF CLOQUET ORIGINAL PLAT Block: 40 Lot: 10 W1/2 LOT 10 AND W 40 FT LOT 5	<b>120 AVENUE C</b> 06-045-4960 <b>EMPTY LOT</b>	30.0	\$1,050.00	\$0.00	\$1,050.00
YAMRY, LISA 114 AVENUE D CLOQUET MN 55720	CITY OF CLOQUET ORIGINAL PLAT Block: 41 Lot: 3 EX PT BEG NW COR BLK 41 E 179.4 FT TO BEG TH E 11.5 FT TH S 136.91 FT TH W 13.5 FT TH N 137 FT TO BEG	<b>114 AVENUE D</b> 06-045-5220	48.5	\$1,697.50	\$5,000.00	\$6,697.50
OSLO, LLC 714 23RD ST PO BOX 426 CLOQUET MN 55720	CITY OF CLOQUET ORIGINAL PLAT Block: 40 Lot: 10 W1/2 LOT 4 & E 20 FT OF LOT 5 & E 30 FT OF LOT 10	<b>EMPTY LOT</b> 06-045-4880	30.0	\$1,050.00	\$0.00	\$1,050.00
CARLSON, RICHARD C	CITY OF CLOQUET ORIGINAL PLAT	<b>113 AVENUE D</b>				

113 AVENUE D CLOQUET MN 55720	Block: 40 Lot: 11 W1/2	06-045-5100	30.0	\$1,050.00	\$5,000.00	\$6,050.00
MARTIN, THOMAS J & MONICA R 114 AVENUE C CLOQUET MN 55720	CITY OF CLOQUET ORIGINAL PLAT Block: 40 Lot: 11 E 1/2 LOTS 4 AND 11 DOCKET 276244	<b>114 AVENUE C</b> 06-045-4900 <b>EMPTY LOT</b>	30.0	\$0.00	\$0.00	\$0.00
LOWINSKI, JAMES J & DIANN K 3509 LAVAQUE RD HERMANTOWN MN 55810	CITY OF CLOQUET ORIGINAL PLAT Block: 40 Lot: 12 W1/2 OF LOT 12 AND ALL THAT PART OF E1/2 LYING WEST OF LINE BEG 106 FT W OF INTERS OF W LINE OF SIDWK ON W SIDE OF BRDWAY AND PROJ LINE OF N LINE OF SIDWLK N SIDE AVE D TH CONT IN N DIR TO N BOUNDRY LINE OF LOT 12	<b>109 AVENUE D</b> 06-045-5120	32.04	\$0.00	\$5,000.00 possible prev assmt	\$5,000.00
CITY NATIONAL BANK OF CLOQUET 1804 DODDRIDGE AVE CLOQUET MN 55720	CITY OF CLOQUET ORIGINAL PLAT Block: 40 Lot: 1 S 1/2 EX N 53 FT DOCKET T12000 12003 12616 Block: 40 Lot: 13 Block: 40 Lot: 12 ALL PT LY E OF LN BEG 106 FT W OF INTERS WITH W LN OF SIDWLK W SIDE BROADWAY/PROJ LINE OF N LINE OF SIDWLK N OF AVE D TH CONT NW TO N BOUNDARY LINE SUBJ TO EASE	<b>PARKING LOT</b> 06-045-4780  06-045-5160 06-045-5140	16.15  30.0 27.96	\$565.25  \$1,050.00 \$978.60	\$0.00  \$0.00 \$0.00	\$565.25  \$1,050.00 \$978.60
TA MN/WI LLC 24601 CENTER RIDGE RD WESTLAKE OH 44145	CITY OF CLOQUET ORIGINAL PLAT Block: 41 Lot: 1 & S 10 FT OF AVE D Block: 41 Lot: 2 Block: 41 Lot: 3 PT OF LOT 3 BEG NW COR BLK 41 TH E 179.4 FT TO BEG TH E 11.5 FT TH S 136.91 FT TH W 13.5 FT TH N 137 FT TO BEG	<b>401 BROADWAY ST</b> 06-045-5180 06-045-5200 06-045-5240	100.0 60.0 11.5	\$3,500.00 \$2,100.00 \$402.50	\$0.00 \$0.00 \$0.00	\$3,500.00 \$2,100.00 \$402.50
<b><u>AVENUE E</u></b>						
JIRSCHLE, TRACY L S & ANTHONY P 224 AVENUE E CLOQUET MN 55720	CITY OF CLOQUET ORIGINAL PLAT Block: 61 Lot: 6	<b>224 AVENUE E</b> 06-045-6280	60.0	\$2,100.00	\$2,500.00 WATER	\$4,600.00
TIERNEY, DANIEL P & PEGGY L 223 AVENUE E CLOQUET MN 55720	CITY OF CLOQUET ORIGINAL PLAT Block: 42 Lot: 7 DOCKET 266286	<b>223 AVENUE E</b> 06-045-5620	60.0	\$2,100.00	\$0.00	\$2,100.00

JOHNSON, DAVID A 217 AVENUE E CLOQUET MN 55720	CITY OF CLOQUET ORIGINAL PLAT Block: 42 Lot: 8	<b>217 AVENUE E</b> 06-045-5640	60.0	\$2,100.00	\$0.00 prev. 2001	\$2,100.00
JOHNSTON, PAUL D & RACHEL A 215 AVENUE E CLOQUET MN 55720	CITY OF CLOQUET ORIGINAL PLAT Block: 42 Lot: 9	<b>215 AVENUE E</b> 06-045-5660	60.0	\$2,100.00	\$0.00 prev. 2001	\$2,100.00
CITY OF CLOQUET WATER TOWER TANKS	CITY OF CLOQUET ORIGINAL PLAT Block: 61 Lot: 3 AND EAST 1/2 LOT 4	<b>OLD WATER TWR</b> 06-045-6260	90.0	\$3,150.00	\$5,000.00	\$8,150.00
CITY OF CLOQUET WATER TOWER TANKS	CITY OF CLOQUET ORIGINAL PLAT Block: 61 Lot: 5 AND WEST 1/2 LOT 4	<b>OLD WATER TWR</b> 06-045-6260	90.0	\$3,150.00	\$5,000.00	\$8,150.00
KORKALA, ANDREW A 209 AVE E CLOQUET MN 55720	CITY OF CLOQUET ORIGINAL PLAT Block: 42 Lot: W 40 FT OF LOT 11 AND ALL OF LOT 10 DOCKET TORRENS 7464 DOCKET 204540	<b>209 AVENUE E</b> 06-045-5680	100.0	\$3,500.00	\$5,000.00	\$8,500.00
AILI, JAMES R & KIM J 3325 STRAND RD DULUTH MN 55803	CITY OF CLOQUET ORIGINAL PLAT Block: 61 Lot: 2	<b>208 AVENUE E</b> 06-045-6240	60.0	\$2,100.00	\$5,000.00	\$7,100.00
TREASURE, MICHAEL S JR 202 AVENUE E CLOQUET MN 55720	CITY OF CLOQUET ORIGINAL PLAT Block: 61 Lot: 1	<b>202 AVENUE E</b> 06-045-6220	60.0	\$2,100.00	\$5,000.00	\$7,100.00
GOODREAU, JAMES E JR & JILL J 201 AVENUE E CLOQUET MN 55720	CITY OF CLOQUET ORIGINAL PLAT Block: 42 Lot: LT 11 EX W 40 FT & ALL OF LT 12	<b>201 AVENUE E</b> 06-045-5700	80.0	\$2,800.00	\$5,000.00	\$7,800.00
<b><u>PARK AVENUE</u></b>						
BRINK, TERRY L 223 PARK AVE CLOQUET MN 55720	CITY OF CLOQUET ORIGINAL PLAT Block: 61 Lot: 7	<b>223 PARK AVENUE</b> 06-045-6300	60.0	\$2,100.00	\$0.00	\$2,100.00
JOHNSON, SETH 217 PARK AVE CLOQUET MN 55720	CITY OF CLOQUET ORIGINAL PLAT Block: 61 Lot: 8 DOCKET 208318 & 258549 & 258550	<b>217 PARK AVENUE</b> 06-045-6320	60.0	\$2,100.00	\$0.00 prev. 1990	\$2,100.00

RYAN, MITCHELL L & ANNA L 215 PARK AVE CLOQUET MN 55720	CITY OF CLOQUET ORIGINAL PLAT Block: 61 Lot: 9 SUBJECT TO EASE	<b>215 PARK AVENUE</b> 06-045-6340	60.0	\$2,100.00	\$0.00 prev. 1990	\$2,100.00
TOLLERUD, MARK R & SHARI D 209 PARK AVENUE CLOQUET MN 55720	CITY OF CLOQUET ORIGINAL PLAT Block: 61 Lot: 10 Block: 61 Lot: 11	<b>209 PARK AVENUE</b> 06-045-6360 06-045-6380	60.0 60.0	\$2,100.00 \$2,100.00	\$5,000.00 \$0.00 x2 ex & prop?	\$7,100.00 \$2,100.00
GAULKE, MARTIN D & LAURA E 201 PARK AVE CLOQUET MN 55720	CITY OF CLOQUET ORIGINAL PLAT Block: 61 Lot: 12	<b>201 PARK AVENUE</b> 06-045-6400	90.1	\$3,154.90	\$5,000.00	\$8,154.90

**ARCH STREET**

LUKE, RICHARD 1415 16TH ST CLOQUET MN 55720	CITY OF CLOQUET ORIGINAL PLAT Block: 39 Lot: LOT 1 & PART OF LOT 2 DESC AS FOL COM AT SW COR OF SE1/4 OF SW1/4 SEC 14 TH S 89 DEG 57 MIN 52 SEC E ALG S LINE OF SD SE1/4 OF SW1/4 487.20 FT TO CENTER OF ARCH ST TH N 17 DEG 43 MIN 38 SEC W ALG CENTER OF ARCH ST 313.05 FT TO CENTER OF AVE C TH S 73 DEG	<b>206 AVENUE C</b> 06-045-5000 Side Lot	100.0	\$3,500.00	\$0.00	\$3,500.00
ROTHENBERGER, ROBERT L 2102 W SUPERIOR ST DULUTH MN 55802	CITY OF CLOQUET ORIGINAL PLAT Block: 40 Lot: 7 DOCKET 288464	<b>128 AVENUE C</b> 06-045-5020 Side Lot	100.0	\$3,500.00	\$0.00	\$3,500.00
WEHR, JARED D & PAMELA L 1017 S LAUREL ST CLOQUET MN 55720	CITY OF CLOQUET ORIGINAL PLAT Block: 40 Lot: N 1/2 OF LOT 8 AND N1/2 OF W1/2 OF LOT 9	<b>GARAGE</b> 06-045-5040	50.0	\$1,750.00	\$0.00	\$1,750.00
JOBIN, MICHAEL 316 ARCH ST CLOQUET MN 55720	CITY OF CLOQUET ORIGINAL PLAT Block: 40 Lot: S1/2 OF LOT 8 AND S1/2 OF W1/2 OF LOT 9	<b>316 ARCH STREET</b> 06-045-5050 Front plus 1/3 side	80.0	\$2,800.00	\$5,000.00	\$7,800.00
JOHNSON, DUANE M & NANCY K 5935 TURTLE LAKE RD SHOREVIEW MN 55126	CITY OF CLOQUET ORIGINAL PLAT Block: 41 Lot:	<b>402 ARCH STREET</b> 06-045-5300 Front plus 1/3 side	100.0	\$3,500.00	\$5,000.00	\$8,500.00

COM AT NW COR OF LOT 5 BLK 41 CITY OF  
CLOQUET TH S 50 FT TH E 120 FT TO E LN OF LOT 4  
TH N 49 FT TH W 120 FT TO PT OF BEG & A STRIP OF  
LAND 10 FT WIDE N & S & 120 FT E & W ON N SIDE  
OF LOTS 4 & 5

<p>EHLKE, SHANNON 223 8TH AVE S SOUTH ST PAUL MN 55075-2209</p>	<p>CITY OF CLOQUET ORIGINAL PLAT Block: 41 Lot: 5 EX N 50 FT</p>	<p><b>408 ARCH STREET</b> 06-045-5280</p>	68.0	\$2,380.00	\$5,000.00	\$7,380.00
<p>MILLER, RONALD H 34572 LORDS DR  STURGEON LAKE MN 55783</p>	<p>CITY OF CLOQUET ORIGINAL PLAT Block: 42 Lot: 1  Block: 42 Lot: 2 Block: 42 Lot: 3 E1/2</p>	<p><b>409 ARCH STREET</b> 06-045-5480 Front plus 1/3 side 06-045-5500 06-045-5520</p>	99.33  60.0 30.0	\$3,476.55  \$2,100.00 \$1,050.00	\$5,000.00 prev. 2001 \$0.00 \$0.00	\$8,476.55  \$2,100.00 \$1,050.00
<p>PFEFFER, ROBERT D &amp; CATHERINE M 410 ARCH ST CLOQUET MN 55720</p>	<p>CITY OF CLOQUET ORIGINAL PLAT Block: 41 Lot: PT OF LOTS 6 &amp; 7 DESC AS COM AT IRON PIPE MONUMENT INTERS OF INSIDE SIDEWALK LIN AT SW COR OF INTERS OF AVE D &amp; BROADWAY SD MONT BEING 10 FT N TH W PAR N LIN 363.16 FT TH LEFT 90 DEG 43 MIN 138.30 FT TO PT OF BEG TH CONT ON SAME STR LIN 45 FT TH LEFT 88</p>	<p><b>410 ARCH STREET</b> 06-045-5340</p>	45.0	\$1,575.00	\$5,000.00	\$6,575.00
<p>WAUGH, JONATHAN C &amp; BILLIE J 416 ARCH STREET CLOQUET MN 55720</p>	<p>CITY OF CLOQUET ORIGINAL PLAT Block: 41 Lot: LOTS 6 &amp; 7 EX N 40 FT THEREOF EX ALL TH PT OF VAC AVE E ADJ ON S</p>	<p><b>416 ARCH STREET</b> 06-045-5360</p>	78.0	\$2,730.00	\$5,000.00	\$7,730.00
<p>CHAFFEE, BRANDON L &amp; ERIKA J 500 ARCH ST CLOQUET MN 55720</p>	<p>CITY OF CLOQUET ORIGINAL PLAT Block: 41 Lot: COM SW COR LOT 6 BLK 41 TH E ON S LN OF BLK 41 137 1/2 FT TH S TO N LN OF BLK 62 TH W ON N LN OF BLK 62 TO NW COR OF BLK 62 TH N TO BEG BEING W 1/2 OF AVE E VACATED</p>	<p><b>500 ARCH STREET</b> 06-045-5320</p>	66.0	\$2,310.00	\$5,000.00	\$7,310.00
<p>JOHNSON, MATTHEW M &amp; SAMANTHA J 502 ARCH ST CLOQUET MN 55720</p>	<p>CITY OF CLOQUET ORIGINAL PLAT Block: 62 Lot: N1/2 LOTS 3 AND 4</p>	<p><b>502 ARCH STREET</b> 06-045-6540</p>	50.0	\$1,750.00	\$5,000.00	\$6,750.00
<p>ORTIZ, HECTOR 3312 1ST AVE</p>	<p>CITY OF CLOQUET ORIGINAL PLAT Block: 62 Lot:</p>	<p><b>508 ARCH STREET</b> 06-045-6500</p>	44.0	\$1,540.00	\$5,000.00	\$6,540.00

HIBBING MN 55746-2446

S1/2 LOTS 3 AND 4 EX S 6 FT

WIERSMA, EUGENE M & THERAANN M  
510 ARCH ST  
CLOQUET MN 55720

CITY OF CLOQUET ORIGINAL PLAT  
Block: 62 Lot:  
S 6FT LOTS 3 AND 4 N 44 FT LOTS 5 AND 6 DOCKET  
225968

**510 ARCH STREET**

06-045-6520

50.0

\$1,750.00

\$5,000.00

\$6,750.00

HIETALA, ANGELINE M  
516 ARCH ST  
CLOQUET MN 55720

CITY OF CLOQUET ORIGINAL PLAT  
Block: 62 Lot:  
S 56 FT OF LOTS 5 & 6

**516 ARCH STREET**

06-045-6560

56.0

\$1,960.00

\$5,000.00

\$6,960.00

Total Assessed Frontage -----

	<u>Street</u>	<u>Utilities</u>	<u>Total Assessment</u>
<b>Total Assessed Amount -----</b>	<b>\$106,408.75</b>	<b>\$147,500.00</b>	<b>\$253,908.75</b>

0.1307

Assessment Payment Breakdown:			
	Curb Bituminous	Per FF	
	\$ 35.00	Per FF	28
Water & Sewer Utility Reconstruction	\$ 5,000	Per Connection	

The above numbers are a preliminary 12/18/17 estimate.

Approved By Council      \$0.00  
N/A



**ADMINISTRATIVE OFFICES**

1307 Cloquet Avenue • Cloquet MN 55720  
Phone: 218-879-3347 • Fax: 218-879-6555  
email: areeves@cloquetmn.gov  
www.cloquetmn.gov

**REQUEST FOR COUNCIL ACTION**

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To: Honorable Mayor and City Council  
From: Aaron S. Reeves, City Administrator *AR*  
Date: March 20, 2018

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**ITEM DESCRIPTION:** Parks Commission Interviews & Appointments

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**Proposed Action**

Interview three candidates for the two open Parks Commission seats at the Work Session. Appoint two applicants to the Parks Commission at the regular meeting.

**Background/Overview**

As discussed at the last Council meeting, the Council will interview and appoint applicants to various advisory groups. Each applicant will have a 15 minute interview, staff will track time to make sure each interview stays on schedule.

**Supporting Documentation Attached**

- Parks Commission Interview Questions





**COMMUNITY DEVELOPMENT DEPARTMENT**

1307 Cloquet Avenue • Cloquet MN 55720

Phone: 218-879-2507 • Fax: 218-879-6555

[www.ci.cloquet.mn.us](http://www.ci.cloquet.mn.us)

**REQUEST FOR COUNCIL ACTION**

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To: Mayor and City Council  
From: Al Cottingham, City Planner/Zoning Administrator  
Reviewed/Approved By: Aaron Reeves, City Administrator *AR*  
Date: March 14, 2018

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**ITEM DESCRIPTION:** Zoning Case 18-02: Site Plan for ALDI's located West of 101 Big Lake Road (Perkins)

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**Proposed Action**

The Planning Commission recommends the City Council move to adopt:

- **RESOLUTION NO. 18-13, A RESOLUTION APPROVING THE SITE PLAN IN THE RC – REGIONAL COMMERCIAL DISTRICT FOR ALDI'S**

**Background/Overview**

ALDI Inc. has submitted a Site Plan application for ALDI's. The site is located west of 101 Big Lake Road (Perkins).

The Site Plan is for ALDI's with associated parking, landscaping, grading and drainage and building location.

**Site Plan**

Attached, the Commission will find the following plans for this development:

- Site Plan
- Grading and Drainage Plan
- Utility Plan
- Landscape Plan
- Lighting Plan
- Building Elevations

**Stormwater Management: (Section 18.6)**

The developer has also run a hydraulic model for storm water which has been reviewed by the City Engineer and meets requirements. The stormwater will discharge into an existing storm sewer line located on the north side of the site.

The Code requires private stormwater areas to meet the following requirements:

1. A permanent public easement shall be provided to the city for access for inspection and/or maintenance purposes. Cost incurred by the city for any maintenance of private systems will be billed and/or assessed to the owner/operator.

2. Recorded inspection and maintenance agreements that define inspection and maintenance responsibilities are required. A minimum annual inspection for private systems shall be required. These requirements are transferrable to any party that becomes the owner/operator of the site.
3. An inspection and maintenance plan shall be developed, approved and included as an attachment to the maintenance agreement. At a minimum, maintenance plans must include the following:
  - a. Responsible person(s) for completing inspections and conducting maintenance.
  - b. Frequency of inspections and maintenance.
  - c. Inspection checklist and type of maintenance anticipated.
4. If site configurations or structural stormwater BMPs change, causing decreased BMP effectiveness, new or improved structural stormwater BMPs must be implemented to meet the requirements of this section.
5. The property owner shall keep on file all structural stormwater BMP annual inspection and maintenance records for 5 years and submit to the City as requested.
6. The City shall require the submittal of a letter of credit or other financial security in a form acceptable to the city in the amount of \$5,000 to ensure the stormwater treatment systems are installed correctly and in accordance with this ordinance.

**Impervious Surface:** (Section 17.6.11, Subd. 5. E and F)

The zoning district allows the maximum building coverage to be 60% with a maximum impervious surface coverage of 70%. The building coverage is approximately 29% and the total impervious surface coverage is approximately 59%.

**Building Setbacks:** (Section 17.6.11, Subd. 5. B)

The ordinance requires that the minimum front setback be 35 feet, the minimum side yard setback be 20 feet and the minimum rear yard setback be 30 feet. The proposed building location meets or exceeds these minimum requirements.

**Landscaping:** (Section 17.5.04 Subd. 5.)

The landscape plan shows 25 overstory plantings, 9 of which are existing trees to be saved, the site is required to have 25 overstory plantings in addition to understory trees and shrubs. The plan shows that the site will be irrigated.

**Parking:** (Section 17.5.11 Subd. 6.)

The site is required to have 88 parking spaces based on 1 parking stall per every 250 sq. ft. of building. The site plan shows 88 parking spaces with a shared parking area with the property to the east. Shared parking easement documents will need to be filed and recorded for this prior to a building permit being issued.

**Trash Storage:** (Section 17.5.15 Subd. 7. A (7))

The trash storage area can either be inside the building or an exterior enclosure. The trash storage area will be inside an exterior enclosure.

**Signage:** (Section 17.5.13 Subd. 14.)

Proposed signage will be addressed at a later date.

**Lighting:** (Section 17.5.12 Subd. 5. B)

The applicant has provided a photometric plan along with detail sheets which display downward facing fixtures that emit footcandle readings that are compliant with City lighting standards.

**Other Site Plan Items:**

Pedestrian access to the site will be via a new sidewalk extending north and west from Big Lake Road. There is a significant retaining wall proposed on the south, west and north sides of the building. A fence will need to be installed along the top of the wall.

**Policy Objectives**

The purpose of this Site Plan Review application is to ensure that this development project is aligned with city development standards.

**Financial Impacts**

The Site Plan fee of \$300 was paid.

**Advisory Committee/Commission Action**

The Planning Commission has recommended approval of the Site Plan on a 4 – 0 vote.

**Supporting Documents Attachments**

- Resolution No. 18- 13
- Location Map
- Engineer's Memo Dated March 5, 2018
- Site Plan Maps

**STATE OF MINNESOTA  
COUNTY OF CARLTON  
CITY OF CLOQUET**

**RESOLUTION NO. 18-13**

**A RESOLUTION APPROVING A SITE PLAN IN THE  
RC – REGIONAL COMMERCIAL DISTRICT FOR ALDI INC**

**WHEREAS**, ALDI Inc. is proposing a Site Plan in the RC – Regional Commercial District for ALDI's;  
and

**WHEREAS**, the property of the proposed Site Plan is located west of 101 Big Lake Road and is legally described as follows:

The West 389.04 feet of the South 245 feet of Outlot A, Lumberjack Addition, Carlton County, Minnesota. And,

**WHEREAS**, the Planning Commission reviewed the staff report and recommends approval of the Site Plan.

**NOW, THEREFORE, BE IT RESOLVED, BY THE CITY COUNCIL OF THE CITY OF CLOQUET, MINNESOTA**, that the Planning Commission recommends approval of Zoning Case 18-02 for a site plan for ALDI Inc. for ALDI's subject to the following conditions:

1. The required easements, inspection and maintenance agreements, inspection and maintenance plan, financial guarantee and other items as required for the stormwater BMPs must be submitted before a building permit is issued.
2. Compliance with the Assistant City Engineer's Memo dated March 5, 2018.
3. Cross Easements documents for the parking and drives must be filed and recorded prior to the issuance of a building permit.
4. The parcels need to be consolidated into one tax parcel.
5. Signage shall comply with the Ordinance requirements.
6. A fence shall be installed along the top of the retaining wall.
7. Approval from Carlton County for the Big Lake Road work.

**PASSED BY THE CITY COUNCIL OF THE CITY OF CLOQUET THIS 20TH DAY OF MARCH 2018.**

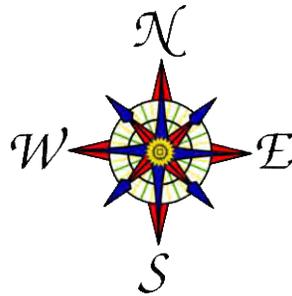
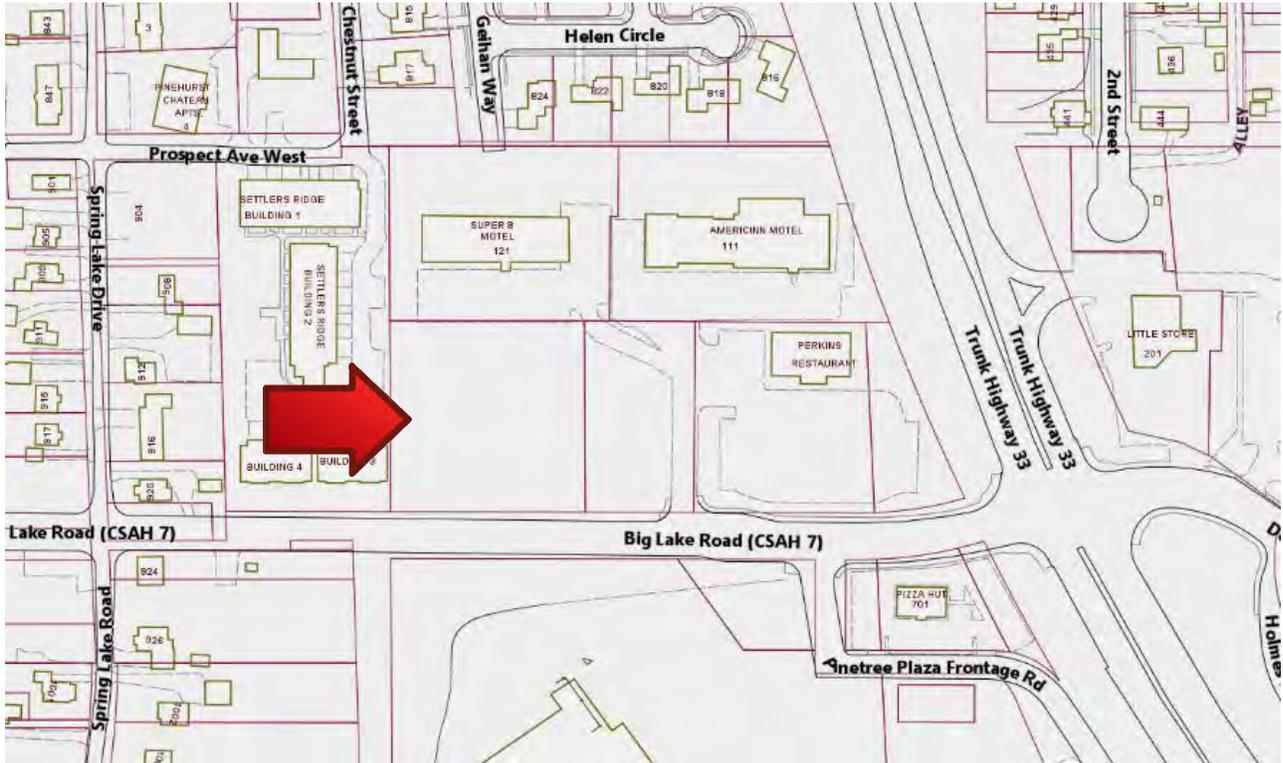
\_\_\_\_\_  
Dave Hallback, Mayor

ATTEST:

\_\_\_\_\_  
Aaron Reeves, City Administrator

# LOCATION MAP

## ALDI Inc.



No Scale



## DEPARTMENT OF PUBLIC WORKS

1307 Cloquet Avenue; Cloquet, MN 55720  
Phone: (218) 879-6758 Fax: (218) 879-6555  
Street - Water - Sewer – Engineering - Park  
[www.ci.cloquet.mn.us](http://www.ci.cloquet.mn.us)

### MEMO

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To: Al Cottingham, City Planner  
From: John Anderson, Assistant City Engineer  
Date: March 5, 2018

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**SUBJECT:** Aldi Site Plan Review 2

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I have reviewed the revised preliminary plans for the Aldi site plans, prepared by ISG and dated 2/28/18. The items that have been addressed in the plan revisions are shown in ~~strikeout~~ and the comments added to the original review are shown as underlined. Some items the developer's engineer has commented on as noted and remain in this list of review comments as reminders that additional steps need to be taken in the future such as submitting a permit application.

The following are my comments on the revised plans submitted.

#### **Preliminary Plans**

1. A City issued grading permit will be required for this work as well as an NPDES construction site permit.
2. A Sewer and Water permit will be needed to extend municipal services to the new building.
3. Appropriate traffic control measures need to be put in place to allow for access to existing motels and Perkins site during the course of construction.
4. Paving is shown to match the existing pavement along the shared entrance driveway to the motels and Perkins restaurant. Is placing a new lift of bituminous on this entrance along with the final wear paving in the parking lot a possibility? Given all the activity this would provide a much more cohesive end product. ~~Long term is there a maintenance agreement in place between the properties that share this driveway?~~
5. The retaining wall at the northwest corner of the building will be exposing the existing watermain located to the north to the potential for freezing. Provide insulation or adequate distance from the wall to the watermain to prevent freezing in this watermain. Provide detail in wall construction drawings
6. ~~The retaining wall details show drain tile located behind the wall. This drain tile should be shown in the plan view and shown how it is connected to storm sewer or where it can discharge at the surface.~~
7. ~~Erosion control blanket should cover entire disturbed area behind the retaining wall.~~

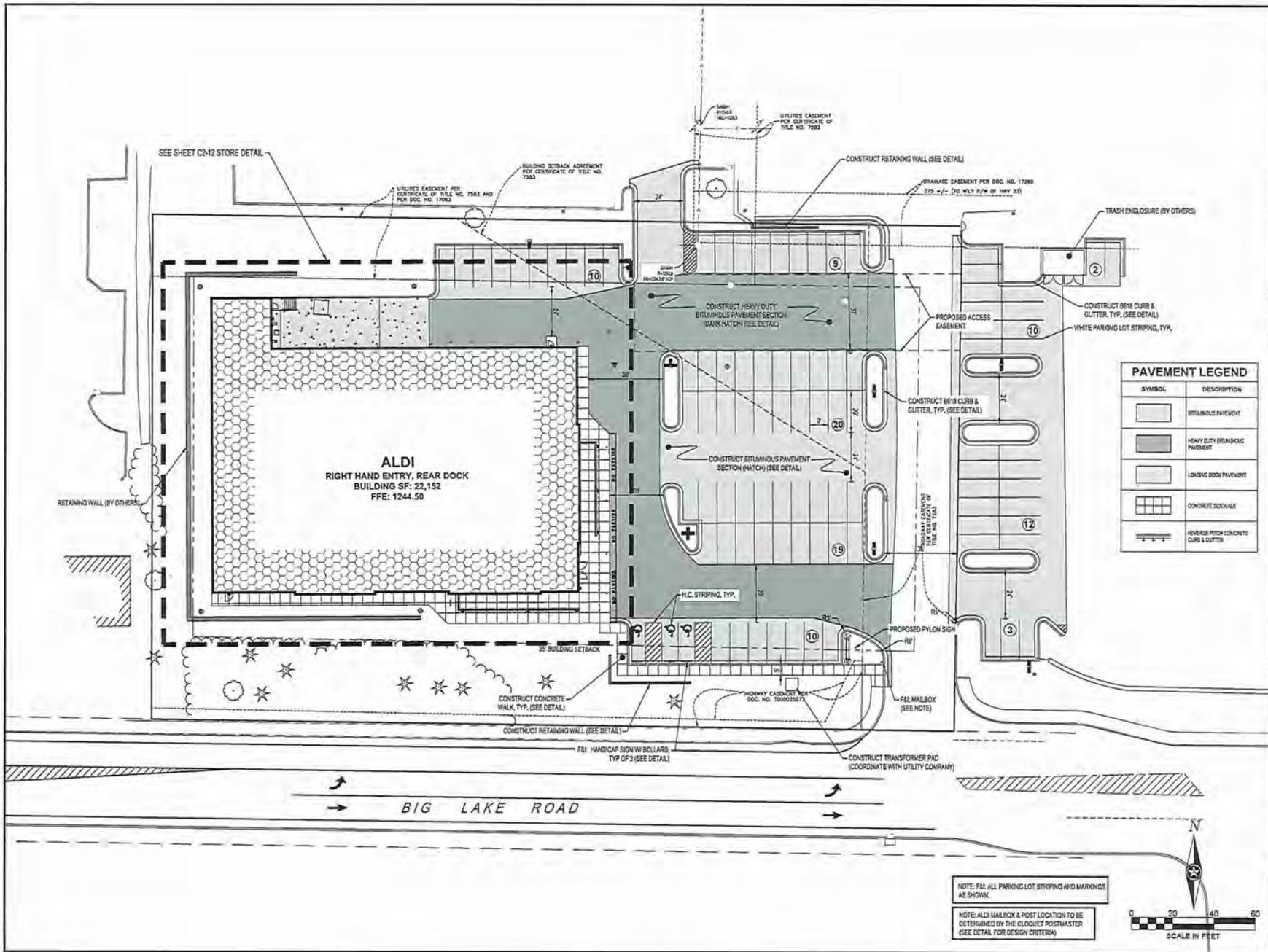
- ~~8. Perimeter control is needed along the west side of the access driveway and north east corner of the parking lot.~~
- ~~9. Provide information on circulation of semi-truck deliveries to the loading dock, some island placement may be a problem in accessing the loading dock with larger vehicles.~~
- ~~10. The proposed sewer service serving the new building crosses an existing watermain and an existing storm sewer about 10 feet southwest of where this service connects to the existing manhole. It appears there may be a vertical crossing conflict in this area. Verify there is a minimum of 1.5 feet of vertical clearance between the pipes at this crossing.~~
- ~~11. The dumpster enclosure is encroaching on the drainage and utility easement and needs to be relocated.~~
- ~~12. The proposed electrical transformer north of the building must not be located within 10 feet of the existing watermain.~~
- ~~13. There is an existing fire hydrant in the area where the water service is shown to connect. The existing hydrant needs to be relocated to fall in an island in the parking lot.~~
- ~~14. The water service connection should be tapped to the existing 6-inch watermain between the hydrant lead and the existing gate valve.~~
- ~~15. The sanitary sewer service should be connected to the existing 8-inch stub west out of the existing manhole~~
- ~~16. The grading plan needs to show top of wall / bottom of wall elevations for the large wall west of the building~~
17. The retaining wall at the southwest corner of the site appears to be approximately 28 feet tall with only about 17 feet to the property line behind the wall and an existing building beyond that. Provide structural details that demonstrate how this wall is to be built without impacting the adjacent building. Provide detail in wall construction drawings

## Stormwater management Report

1. The stormwater treatment and routing is acceptable as proposed in the plans and stormwater calculations.
2. The long-term operation and maintenance of the stormwater facility needs to be described and documented in a maintenance agreement which can be recorded against the property. The City will not operate nor maintain the stormwater treatment system on the site. A sample is attached but the specific details of this need to be developed by the owner and submitted for review by city staff.
3. The storm sewer improvements on the site both existing and proposed other than the trunk storm sewer main running east to west are not publicly owned or maintained. The property owner is responsible for operation and maintenance of all storm facilities other than the east west trunk line through the site. A portion of the trunk storm line appears to fall outside the public easement. The developer of the site needs to grant a public drainage and utility easement to the city for this storm sewer. Provide an easement document to cover trunk storm sewer not currently within an easement

## **Traffic Impact Study**

1. The traffic study proposes to restripe Big Lake Road to create an eastbound left turn lane. The proposed work on Big Lake Road needs to be reviewed and approved by the Carlton County Engineer. Provide documentation the County Engineer has approved your plan
2. The traffic study shows that the development of the Aldi site will increase the delay northbound on the frontage road from 22.8 seconds (LOS C) to 32 seconds (LOS D) on the Saturday peak. And in the future (2038) that peak delay is projected to increase from 104.1 seconds (LOS F) to 159.0 (LOS F) seconds as a result of the development.



Issued:	Date:
A SITE PLAN REVIEW	3/16/18
B	
C	
D	
E	

Revisions:	Date:
1 REVIEW COMMENT:	2/23/2018
2	
3	
4	
5	
6	
7	
8	
9	

PRELIMINARY  
NOT FOR CONSTRUCTION

NOTE:  
THE CLARITY OF THESE PLANS DEPENDS UPON COLOR COPIES. IF THIS TEXT DOES NOT APPEAR IN COLOR, THIS IS NOT AN ORIGINAL PLAN SET AND MAY RESULT IN MISINTERPRETATION.

I HEREBY CERTIFY THAT THIS PLAN, SPECIFICATION OR REPORT WAS PREPARED BY ME OR UNDER MY DIRECT SUPERVISION AND THAT I AM A DULY LICENSED PROFESSIONAL ENGINEER UNDER THE LAWS OF THE STATE OF MINNESOTA.  
Andrew T. Brandel

**PAVEMENT LEGEND**

SYMBOL	DESCRIPTION
[Pattern: Dotted]	BITUMINOUS PAVEMENT
[Pattern: Horizontal Lines]	HEAVY DUTY BITUMINOUS PAVEMENT
[Pattern: Vertical Lines]	LOADING DOCK PAVEMENT
[Pattern: Grid]	CONCRETE SIDEWALK
[Pattern: Dashed]	REVERSE PITCH CONCRETE CURB & GUTTER

DATE: LIC. NO. 47278

I HEREBY CERTIFY THAT THIS PLAN, SPECIFICATION OR REPORT WAS PREPARED BY ME OR UNDER MY DIRECT SUPERVISION AND THAT I AM A DULY LICENSED LANDSCAPE ARCHITECT UNDER THE LAWS OF THE STATE OF MINNESOTA.

DATE: LIC. NO.



MINNEAPOLIS / ST. PAUL OFFICE  
7900 INTERNATIONAL DRIVE  
INTERNATIONAL PLAZA, SUITE 550  
MINNEAPOLIS, MN 55425  
PHONE: 952.426.0699



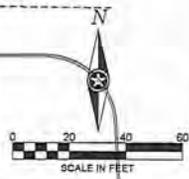
ALDI Inc. Store #: 101  
CLOQUET, MN

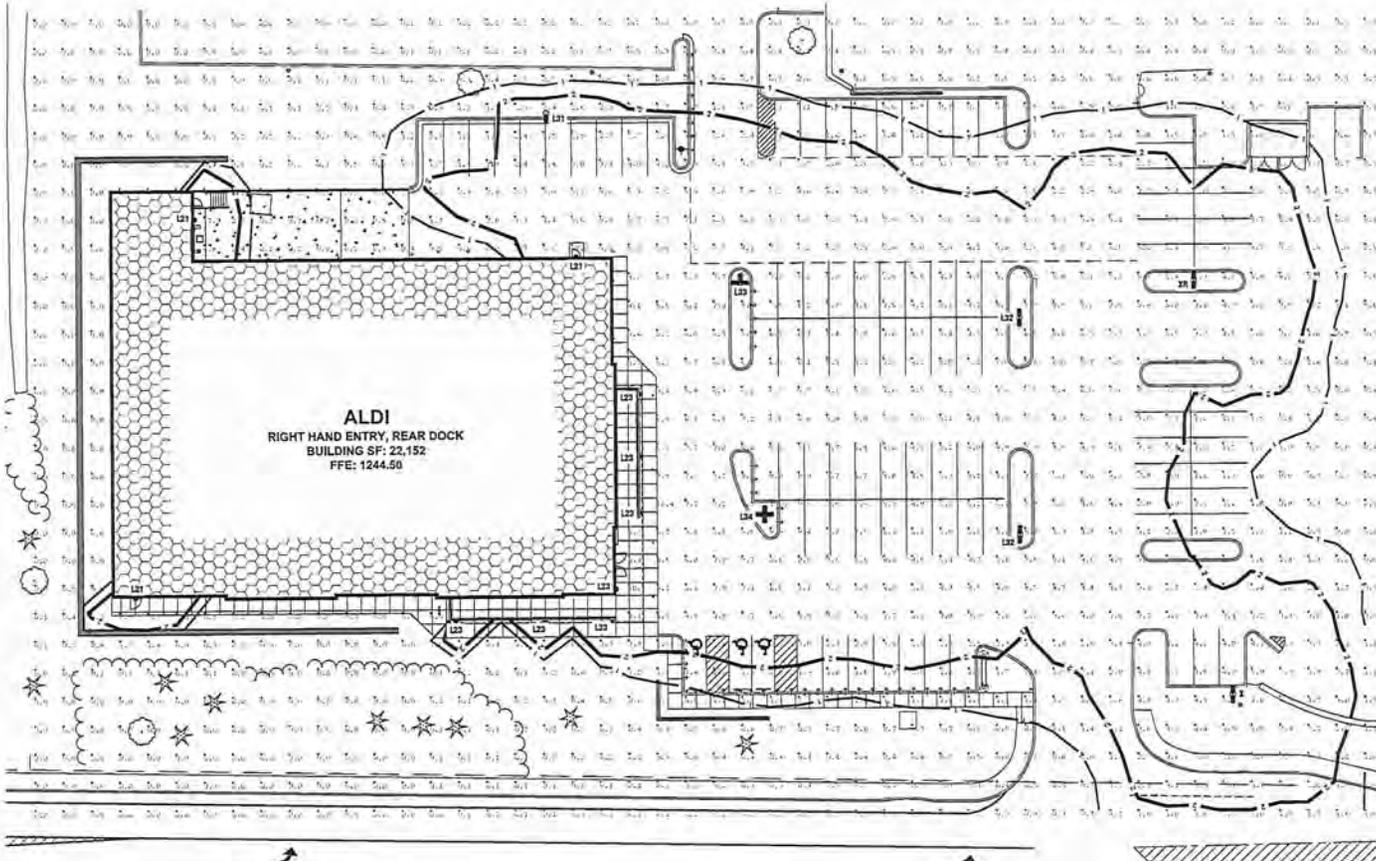
Project Name & Location:  
**SITE PLAN**

Drawing Name:	Project No.
Date: 02/16/18	17-20456
Type: .V8.D	
Drawn By: ART/EJR	C2-10
Designed By: RJA	
Reviewed By: ATB	Drawing No.

NOTE: F&R ALL PARKING LOT STRIPING AND MARKINGS AS SHOWN.

NOTE: ALDI MAILBOX & POST LOCATION TO BE DETERMINED BY THE CLOQUET POSTMASTER (SEE DETAIL FOR DESIGN CRITERIA)

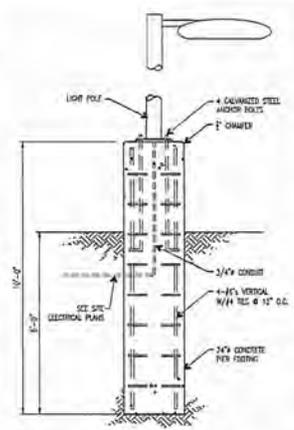




**ALDI**  
 RIGHT HAND ENTRY, REAR DOCK  
 BUILDING SF: 22,152  
 FFE: 1244.50

Provide light fixtures as shown on Fixture Schedule. Substitutions shall have prior approval by the Project Engineer before bid date. Being listed as an acceptable Manufacturer in no way releases the Contractor's obligation to provide all equipment and features in accordance with these specifications.

LIGHT FIXTURE SCHEDULE					
TYPE	STYLE	MANUFACTURER/MODEL NUMBER	LAMPS	REMARKS	
L21	BAR (NO GUARD) WALL PACK	OSRAM LIGHTING #5064ACACALP	LED	INSTALL WITHIN 4" OF 12" ABOVE RECESSED FLOOR	
L23	RECESSED WALL RECESSES	OSRAM LIGHTING #443R23AG-00173	LED	INSTALL WITHIN 4" OF ABOVE RECESSED FLOOR	
L31	SITE POLE SINGLE HEAD POLE	OSRAM LIGHTING #5050AAHNE-4-5143L-01, #5050A-01, #5050B-01 OSRAM LIGHTING #54220151	LED	100W FIXED ARM MOUNT 35'-0" POLE	
L32	SITE POLE DOUBLE HEAD @ 18" POLE	OSRAM LIGHTING #5050AAHNE-4-5143L-01, #5050A-01 OSRAM LIGHTING #54220151	LED	100W FIXED ARM MOUNT 35'-0" POLE	
L33	SITE POLE TRIPLE HEAD @ 16" POLE	OSRAM LIGHTING #5050AAHNE-4-5143L-01, #5050A-01 OSRAM LIGHTING #54220151	LED	100W FIXED ARM MOUNT 35'-0" POLE	
L34	SITE POLE QUAD HEAD @ 15" POLE	OSRAM LIGHTING #5050AAHNE-4-5143L-01, #5050A-01 OSRAM LIGHTING #54220151	LED	100W FIXED ARM MOUNT 35'-0" POLE	
X	EXISTING POLE	-	-	EXISTING POLE AND HEADS TO BE RELOCATED TO NEW SITES	
Y	EXISTING POLE	-	-	EXISTING POLE AND HEADS TO REMAIN	



1 LIGHT POLE DETAIL  
 N.T.S.



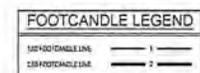
"L21" LIGHT STYLE



"L23" LIGHT STYLE



"L31", "L32", "L33", "L34" LIGHT STYLE



NOTE: SEE ELECTRICAL PLAN FOR SITE ELECTRICAL LAYOUT



Issue:	Date:
A SITE PLAN REVIEW	02/16/18
B	
C	
D	
E	
Revisions:	
1 REVIEW COMMENTS	2/28/2018
2	
3	
4	
5	
6	
7	
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9	

PRELIMINARY  
 NOT FOR CONSTRUCTION

NOTE: THE CLARITY OF THESE PLANS DEPEND UPON COLOR COPIES. IF THIS TEXT DOES NOT APPEAR IN COLOR, THIS IS NOT AN ORIGINAL PLAN SET AND MAY RESULT IN MISINTERPRETATION.

I HEREBY CERTIFY THAT THIS PLAN, SPECIFICATION OR REPORT WAS PREPARED BY ME OR UNDER MY DIRECT SUPERVISION AND THAT I AM A DULY LICENSED PROFESSIONAL ENGINEER UNDER THE LAWS OF THE STATE OF MINNESOTA.  
 Andrew T. Brandt

DATE: 02/16/18 LIC. NO. 47,073

I HEREBY CERTIFY THAT THIS PLAN, SPECIFICATION OR REPORT WAS PREPARED BY ME OR UNDER MY DIRECT SUPERVISION AND THAT I AM A DULY LICENSED LANDSCAPE ARCHITECT UNDER THE LAWS OF THE STATE OF MINNESOTA.

DATE: LIC. NO.

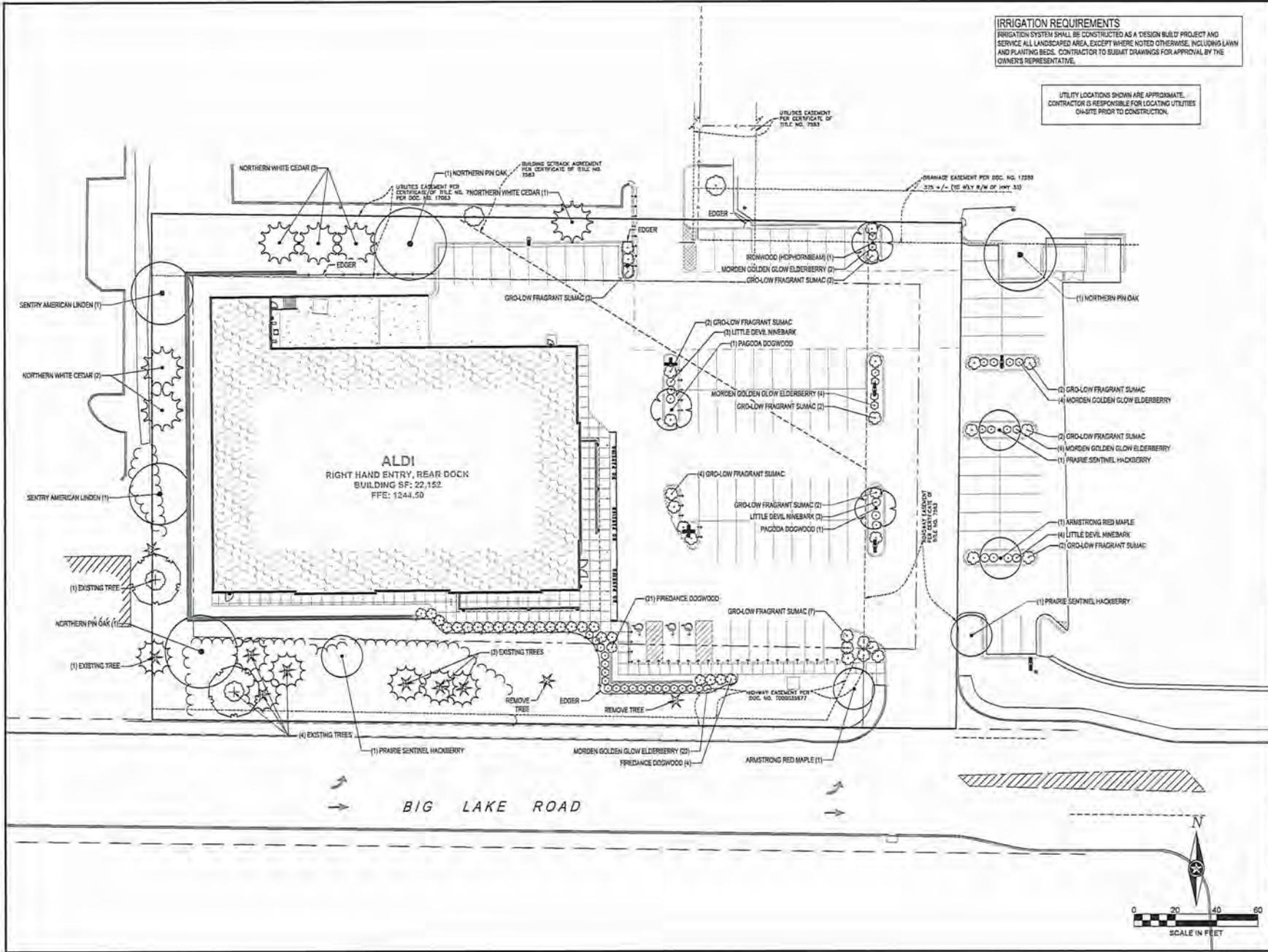


MINNEAPOLIS / ST. PAUL OFFICE  
 7900 INTERNATIONAL DRIVE  
 INTERNATIONAL PLAZA, SUITE 550  
 MINNEAPOLIS, MN 55425  
 PHONE: 952.426.0699



ALDI Inc. Store #: 101  
 CLOQUET, MN

Project Name & Location:	
SITE PHOTOMETRIC PLAN	
Drawing Name:	Project No.
Date: 02/16/18	17-20456
Type: V8.0	
Drawn By: KDM	C6-10
Designed By: KDM	
Reviewed By: ATB	Drawing No.



**IRRIGATION REQUIREMENTS**  
 IRRIGATION SYSTEM SHALL BE CONSTRUCTED AS A DESIGN BUILD PROJECT AND SERVICE ALL LANDSCAPED AREA EXCEPT WHERE NOTED OTHERWISE, INCLUDING LAWN AND PLANTING BEDS. CONTRACTOR TO SUBMIT DRAWINGS FOR APPROVAL BY THE OWNER'S REPRESENTATIVE.

UTILITY LOCATIONS SHOWN ARE APPROXIMATE.  
 CONTRACTOR IS RESPONSIBLE FOR LOCATING UTILITIES ON-SITE PRIOR TO CONSTRUCTION.

Issued:	Date:
A	02/16/18
B	
C	
D	
E	

Revisions:	Date:
1	2/20/2018
2	
3	
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**PRELIMINARY  
 NOT FOR CONSTRUCTION**

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I HEREBY CERTIFY THAT THIS PLAN, SPECIFICATION, OR REPORT WAS PREPARED BY ME OR UNDER MY DIRECT SUPERVISION AND THAT I AM A duly LICENSED PROFESSIONAL ENGINEER UNDER THE LAWS OF THE STATE OF MINNESOTA.  
 Andrew T. Brandel

DATE: \_\_\_\_\_ LIC. NO. 47,278

I HEREBY CERTIFY THAT THIS PLAN, SPECIFICATION, OR REPORT WAS PREPARED BY ME OR UNDER MY DIRECT SUPERVISION AND THAT I AM A duly LICENSED LANDSCAPE ARCHITECT UNDER THE LAWS OF THE STATE OF MINNESOTA.

DATE: \_\_\_\_\_ LIC. NO. \_\_\_\_\_



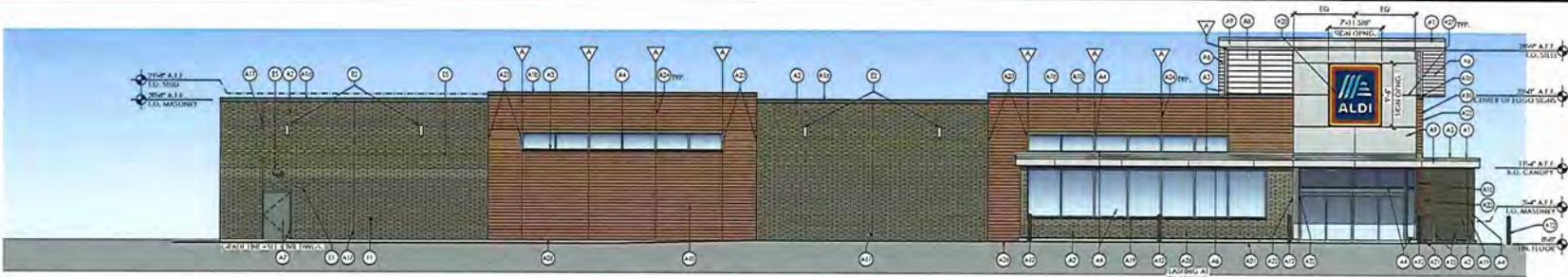
MINNEAPOLIS / ST. PAUL OFFICE  
 7900 INTERNATIONAL DRIVE  
 INTERNATIONAL PLAZA, SUITE 500  
 MINNEAPOLIS, MN 55425  
 PHONE: 952.426.0699



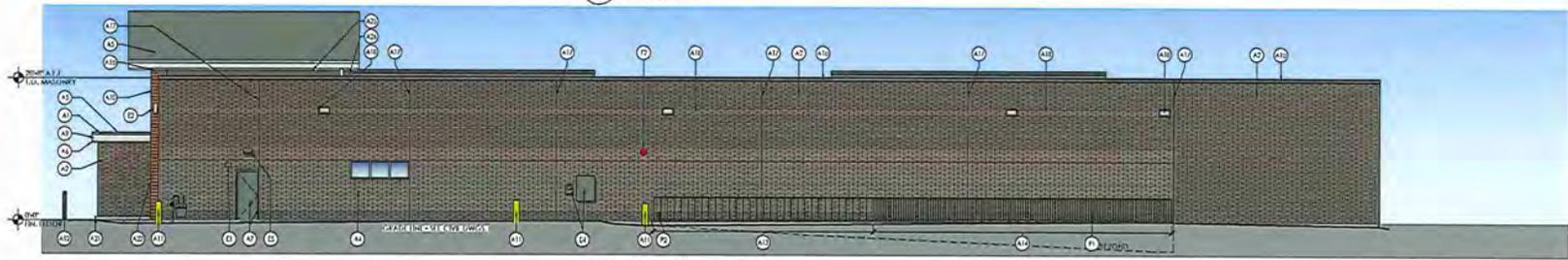
ALDI Inc. Store #: 101  
 CLOQUET, MN

Project Name & Location:  
**PLANTING PLAN**

Drawing Name:	Project No.
Date: 02/16/18	17-20456
Type: VB.0	
Drawn By: ART/EJR	L1-20
Designed By: RJA	
Reviewed By: ATB	Drawing No.



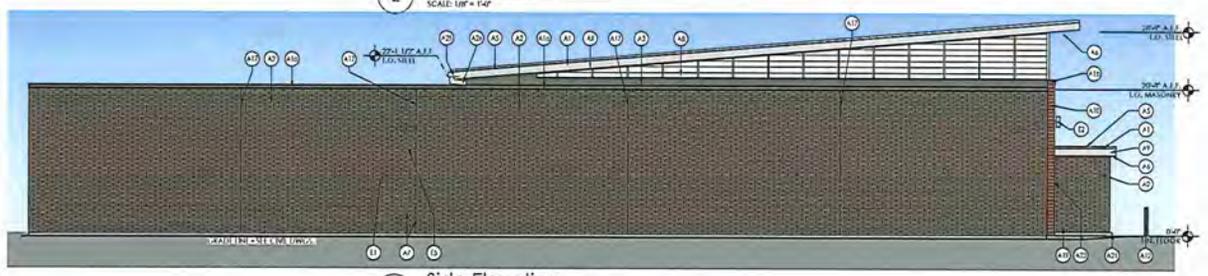
4 Front Elevation  
SCALE: 1/8" = 1'-0"



3 Rear Elevation  
SCALE: 1/8" = 1'-0"



2 Side Elevation  
SCALE: 1/8" = 1'-0"



1 Side Elevation  
SCALE: 1/8" = 1'-0"

DESCRIPTION	QUANTITY	SG. FT. PER SIGN	TOTALS
POWER SIGN	2	74.9	149.8
TOTAL SIGNAGE			149.8

NOTE: SIGNAGE IS SHOWN FOR REFERENCE ONLY AND SHALL BE UNDER SEPARATE CONTRACT AGREEMENT.

Issued:	Date:
A Issued for Use / Reference	1/14/18
B	
C	
D	
E	

Revisions:	Date:
1	
2	
3	
4	
5	
6	
7	
8	
9	

Project Architect/Engineer	Date

Project Lead	Date

Project Designer	Date

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Drawing Adoption  
It is a condition of use for this drawing, unless otherwise noted, that the user of this drawing shall be responsible for obtaining all necessary permits and approvals from the appropriate authorities. The user shall be responsible for obtaining all necessary permits and approvals from the appropriate authorities. The user shall be responsible for obtaining all necessary permits and approvals from the appropriate authorities.

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615 Fishers Run  
Victor, NY 14564  
518.742.2222  
585.928.4714 fax  
www.apd.com

**ALDI Inc.**  
4201 Bagley Avenue North  
Fond du Lac, WI 53021  
www.aldi.us

ALDI Inc. Store #: XX  
Cloquet, MN  
Highway 7  
Cloquet, MN  
Carlton County  
Project Name & Location:

Concept Exterior Elevations	
Drawing Name:	
Date:	Project No.
Type: RHRDVER	17-0400A
Drawn By: KY	CEE-2
Scale: As Noted	Drawing No.



**Community Development Department**  
1307 Cloquet Avenue • Cloquet MN 55720  
Phone: 218-879-2507 • Fax: 218-879-6555  
[www.ci.cloquet.mn.us](http://www.ci.cloquet.mn.us)

## REQUEST FOR COUNCIL ACTION

---

To: Mayor and Cloquet City Council  
From: Holly Hansen, Community Development Director  
Reviewed by: Aaron Reeves, City Administrator  
Date: March 9, 2018

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**ITEM DESCRIPTION:** Approve the Purchase Agreement Between the City of Cloquet to Toy Barn Storage, LLC

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### **Proposed Action**

Staff recommends that the City Council move to approve the Purchase Agreement between the City of Cloquet to Toy Barn Storage, LLC, for Lot 3 Block 3 of the Cloquet Business Park with the option to purchase Lot 1 Block 3 and Lot 2 Block 3, within 5 years of the closing date on Lot 3 for mini storage, contingent on receiving all other necessary City approvals.

Staff will provide an overview of the proposal followed by a company overview by the business owners. Following the overview, Council will have an opportunity to ask any questions they may have.

### **Background / Overview**

In November 2017, the City of Cloquet was contacted by the owners of Toy Barn Storage, LLC, who, after examining the current market conditions in the Cloquet area, concluded that Cloquet is a prime candidate for new facility investment.

They explored the Cloquet Business Park and while still having some near-term reservations related to the location, they concluded that the location is a viable long-term investment. City staff confirmed the likelihood that redevelopment forces will remain within the South Highway 33 corridor and long-term, some storage facilities may be redeveloped into retail/commercial uses over the next 10-15 years. The owners met with the City Planner and Community Development Director who explained the site zoning, development standards, the procedural process related to lot sales, and the series of City Board approvals (EDA recommends lot sale to City Council; Planning Commission needs to approve that any sale for development is in conformity with the City's Comprehensive Plan and then recommends the Site Plan to City Council).

NO CITY ASSISTANCE REQUESTED

Toy Barn, LLC is not requesting any City assistance. The two other businesses in the Business Park requested City assistance and in exchange for that assistance, those businesses were required to create jobs (Daqota Systems – TIF and a Gap Loan; Cloquet Home Center – Gap Loan).

CONNECTION TO CITY WATER AND REGIONAL WLSSD SEWER

There is not any “profit” associated with businesses connecting to City and regional utilities. Rates are set to cover the costs of providing the service and associated future maintenance needs. This building will not connect to water or sewer. Water and sewer is available and stubbed into each lot of the Cloquet Business Park.

SITE PLAN PREPARATION FOR PLANNING COMMISSION

After the EDA directed Purchase Agreements to be prepared by the City’s Development Attorney Briggs and Morgan in January, Toy Barn Storage owners hired Northland Consulting Engineering to prepare site and grading plans for the City Planner and Assistant City Engineer to review in preparation for the required Planning Commission Site Plan review. To date, they have expended \$12,000 in engineering and surveying fees.

ESTIMATED TAXES

When the three lots are fully developed and complete, the total number of buildings are as follows: Eight 40’ x 180’ buildings and three 40’ x 150’ buildings. The Carlton County Assessor provided a property tax estimate of:

- \$ 9,600 -1<sup>st</sup> Building
- \$16,600 -2<sup>nd</sup> Building
- \$23,000 -3<sup>rd</sup> Building, etc.

Reoccurring annual expenses will include office manager/book keeper; grounds keeper/snow removal services; office management expenses; marketing expenses; cost of financing; insurance and electricity.

KEY POINTS OF THE PURCHASE AGREEMENT

Attached is a copy of the Purchase Agreement. Contained within that agreement is the draft Site Plan for the Toy Barn Storage, LLC project and two separate exhibit maps related to future option agreements.



Option agreements are common in economic development and have been done by the City of Cloquet in the past for the Cloquet Home Center project and 14<sup>th</sup> Street Apartments with Phased Apartment units

(City land owner on option lots in both cases). Toy Barn Storage has offered \$90,000 for 3 lots totaling 5.8 acres in size in the Cloquet Business Park (\$15,517.24 per acre) translating by site to the following:

- **1.6 acres PIN 06-617-0520, Lot 3, Block 3 Cloquet Business Park: \$24,827.59**

Five-year Option Agreement Property to be exercised within 5 years from the date of the completion of the first sale with quantifiable terms that the arrangement has been mutually beneficial and non-  
nuisance/non-negative aesthetics:

- **2.0 acres PIN 06-617-0500, Lot 2, Block 3 Cloquet Business Park: \$31,034.48**
- **2.2 acres PIN 06-617-0480, Lot 1, Block 3 Cloquet Business Park: \$34,137.93**

Within one year of purchase of each lot sold, 5,000 sqft of building must be constructed. If project terms are not met and if the City has not agreed to any unforeseen project extensions, right of reverter language is contained within the agreement in the City's favor on the land.

### **Policy Objectives**

At their January 2018 meeting, the EDA established the Business Park as the #2 annual goal.

#### **Goal #2 - Develop the Cloquet Business Park**

Strategy: To increase sustainable business and employment opportunities within the Cloquet Business Park while broadening the commercial/industrial sector and tax base.

#### **Implementation Steps:**

1. Launch a new standalone EDA website working with Granicus featuring Ady prepared brochures, other Cloquet EDA programs, and an updated Business Park brochure (listing acceptable exterior finishes and removing pricing).
2. Engage in business lead generation activity work with Ady Advantage.
3. Conduct BRE (Business Retention Expansion visits) with regional economic development partners to leverage incentives and share marketing information on Cloquet EDA programs and sites such as the Business Park.
4. Outreach to past leads and site selectors.
5. Consider the Marketing Study recommendation to hire a Twin Cities based broker to generate more statewide exposure on the site.
6. Stay apprised of FDL and NESC broadband fiber opportunities for the Business Park.
7. At this time the EDA is not interested in expending additional dollars on required alta survey work to pursue DEED's Shovel Ready Certification.
8. Hold an informational business resources meeting for Cloquet businesses with regional ED partners, marketing Cloquet EDA programs.

### **Financial/Budget/Grant Considerations**

The project will provide the City of Cloquet immediate proceeds from the sale of Lot 3 in the amount of \$24,827.59, and an additional \$65,172.41 within 5 years of closing (Option agreement on Lots 2 and 1). The project will pay property taxes, which preliminarily have been estimated by the Carlton County

To Mayor and Council  
Toy Barn Storage  
March 14, 2018  
Page 4

Assessor at: \$9,600 - 1<sup>st</sup> building; \$16,600 - 2<sup>nd</sup> building; \$23,000 - 3<sup>rd</sup> building, etc. When complete, the total number of buildings is as follows: Eight 40' x 180' buildings and Three 40' x 150' buildings.

**Advisory Committee/Commission Action**  
**Cloquet Economic Development Authority:**

January 3<sup>rd</sup> EDA Meeting

At the January EDA meeting, staff distributed a proposal from the business owners of Toy Barn Storage LLC and the EDA discussed. At that meeting, EDA members stated they were looking for positive forward local energy in the Business Park, wanted to be sure to promote the quality of life and business friendly partners on a common vision as an EDA. Commissioner Schultz stated a Business Park is not what makes a City unique, it is its downtown, riverfront, places like the West End architecturally and the need to make a draw, to connect regional trails into it such as the Munger Trail etc. Commissioner Schultz stated that the EDA is lowering their standards too soon after becoming more proactive with regional partners and firms in marketing, even though it's in the rear corner, the mix may not be advantageous to future commercial/industrial buyers.

*Motion: Commissioner Shelly Peterson moved, and Commissioner Smith seconded, that the EDA prepare a purchase agreement for the sale of one lot in the Cloquet Business Park with the option to purchase two more within 5 years of the closing date for mini storage. (Motion passed 5-1, nay Commissioner Schultz).*

March 13<sup>th</sup> EDA Meeting

Business owners attended the EDA meeting and introduced their business plans for the Cloquet Business Park. EDA members discussed that storage is present in other business parks in the state and Midwest and while they are not creating jobs in the Park, they are also not asking the City for business assistance and will work to support residents in the area. The business noted in their assessment that many of Cloquet's mini storage facilities are aging and perhaps overtime some of the locations along South Hwy 33 will become more valuable for redevelopment instead of long term mini storage. Members asked questions about site layout and outdoor storage associated with the business. Commissioners expressed the hope that activity will lead to more activity within the Park.

*Motion: EDA President Ross Peterson moved, and Commissioner Russ Smith seconded, that the EDA recommend approval to Cloquet City Council of the Purchase Agreement for the sale of Lot 3, Block 3, Cloquet Business Park with the option to purchase Lot 1, Block 3 and Lot 2, Block 3 within 5 years of the closing date on Lot 3 for mini storage. (Motion passed 4-1, nay Commissioner Schultz).*

**Cloquet Planning Commission:**

March 13<sup>th</sup> PC Meeting

The Cloquet Planning Commission approved a resolution determining that the sale of the land in the Cloquet Business Park for the purpose of storage/warehousing was in compliance with the Cloquet Comprehensive Plan.

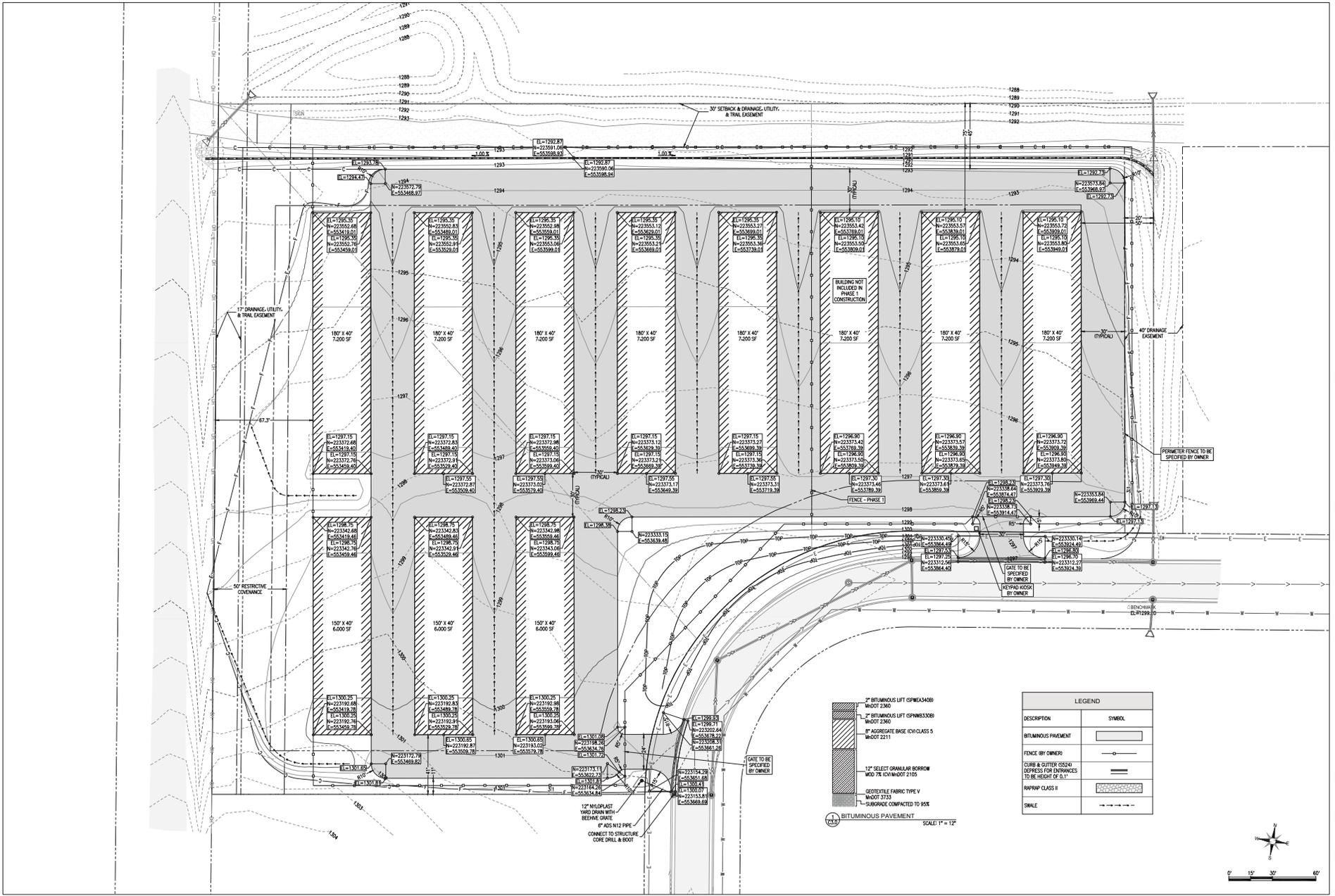
To Mayor and Council  
Toy Barn Storage, LLC  
March 14, 2018  
Page 5

*RESOLUTION NO. 18 – 01 Cloquet Business Park Land Sale, A RESOLUTION OF THE CITY OF CLOQUET PLANNING COMMISSION FINDINGS THAT A MINI STORAGE DEVELOPMENT CONFORMS TO THE GENERAL PLANS FOR THE DEVELOPMENT OF THE CITY.*

If the land sale is approved by the Cloquet City Council on March 20<sup>th</sup>, the Cloquet Planning Commission will add to its April 10<sup>th</sup> agenda the formal Site Plan review and approval which will then be placed on the Cloquet City Council's April 17<sup>th</sup> agenda and will finalize the project approvals. The Council should be aware that both the City Planner and Assistant Engineer have reviewed the project in detail and have been working with the applicant, however, at this time, the Planning Commission has not formally seen nor reviewed the Site Plan, therefore those detailed project items will be covered with the Council at the April 17<sup>th</sup> meeting.

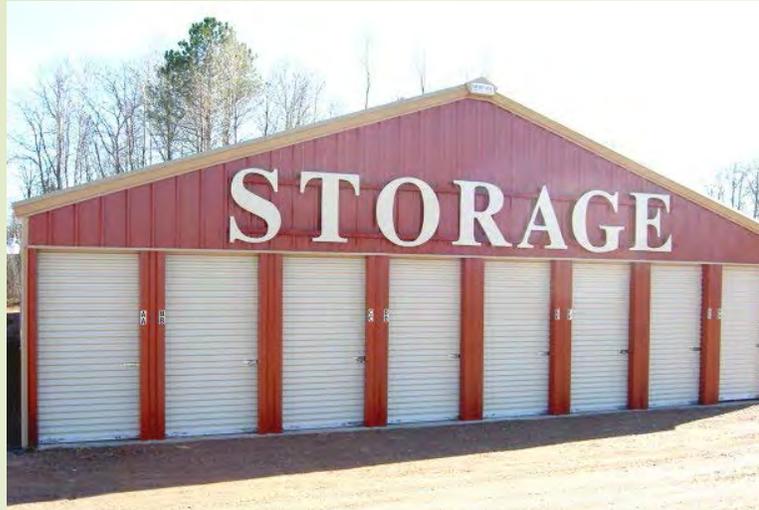
**Supporting Documentation**

- Draft Project Site Plan
- Power Point Project Overview of the Project
- Draft Purchase Agreement



REVISIONS:

NO.	DATE	DESCRIPTION



# Toy Barn Storage, LLC



# Toy Barn Storage, LLC

- Self-storage is an essential and expected service for a growing community
- 9.4% (1 in 11) of US households rent storage units
- Average national demand for self-storage is 7.06 sq ft per capita
- Self-storage customers represent many socioeconomic demographics
- Cloquet is a growing community:
  - 8% growth since 2000
  - Residents are underserved by the current inventory of self-storage.



# Security fence, gate, and modest landscaping



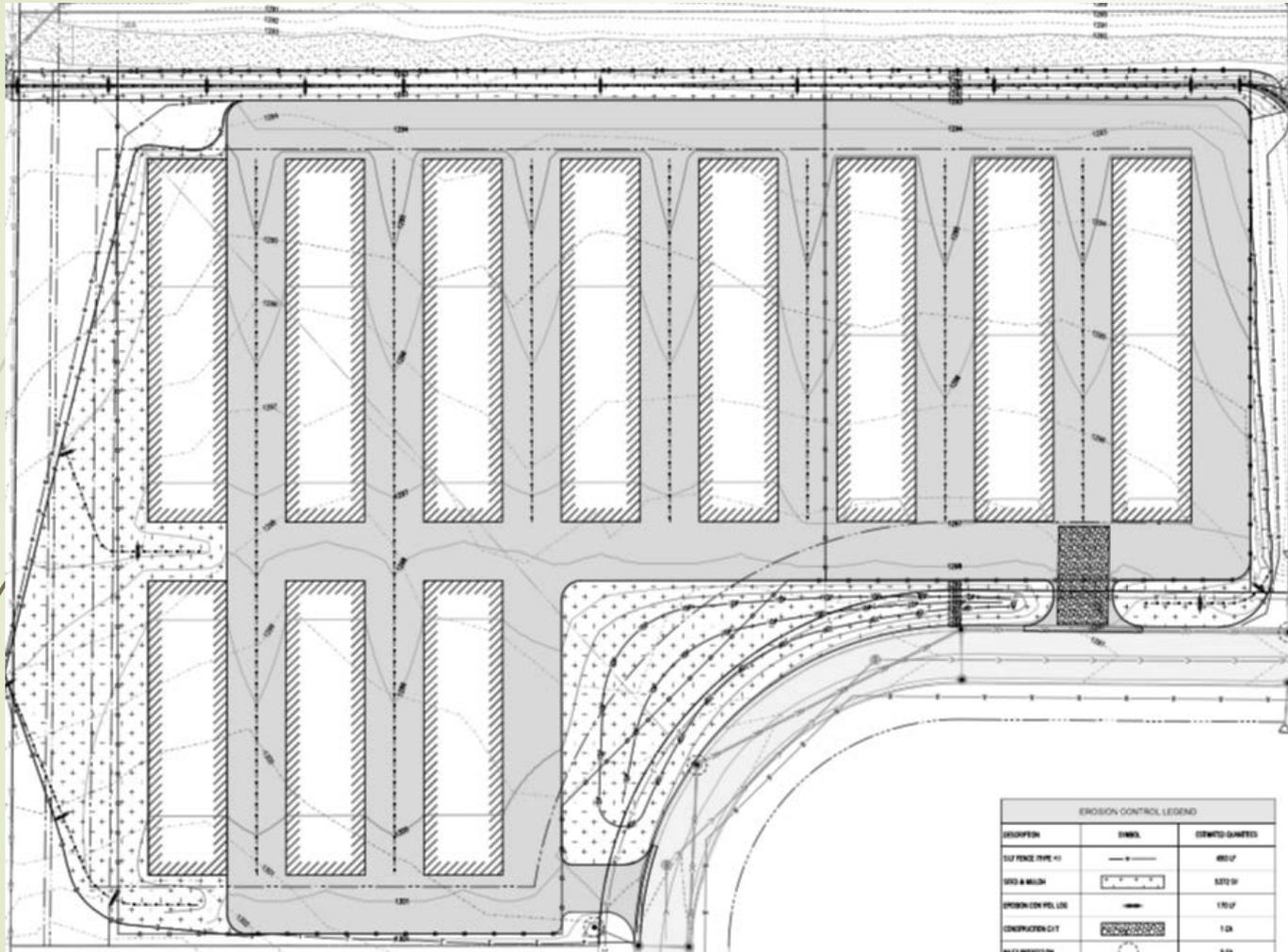
# ADA Compliant



# Development Plan

- ▶ Purchase lot 3 with options on lots 1 and 2
  - ▶ Cloquet Business Park Parcels: 06-617-0480, 06-617-0500, & 06-617-0520
- ▶ Permit approval for entire project
  - ▶ **Site plan has been completed and is in review process**
  - ▶ **Civil engineer plans completed**
- ▶ Phased in construction as the occupancy / market demand increases
  - ▶ Option for climate controlled building
  - ▶ Option for various sized unit widths and heights
  - ▶ Open storage for boats, campers, cars ect.
- ▶ All steel buildings - Built to code

# Proposed Site Lay-out



- 30' wide drives
- Locked gate / key pad entrance
- Unit sizes range
  - 5' x 10' to 12' x 40'
  - larger units if market demands
- 30% min. green space
- Property line off-sets and trail easement
- Phased-in construction
- Outdoor storage for boats, campers, cars ect.

\*Parcels: 06-617-0480, 06-617-0500, & 06-617-0520

# Investment in Cloquet

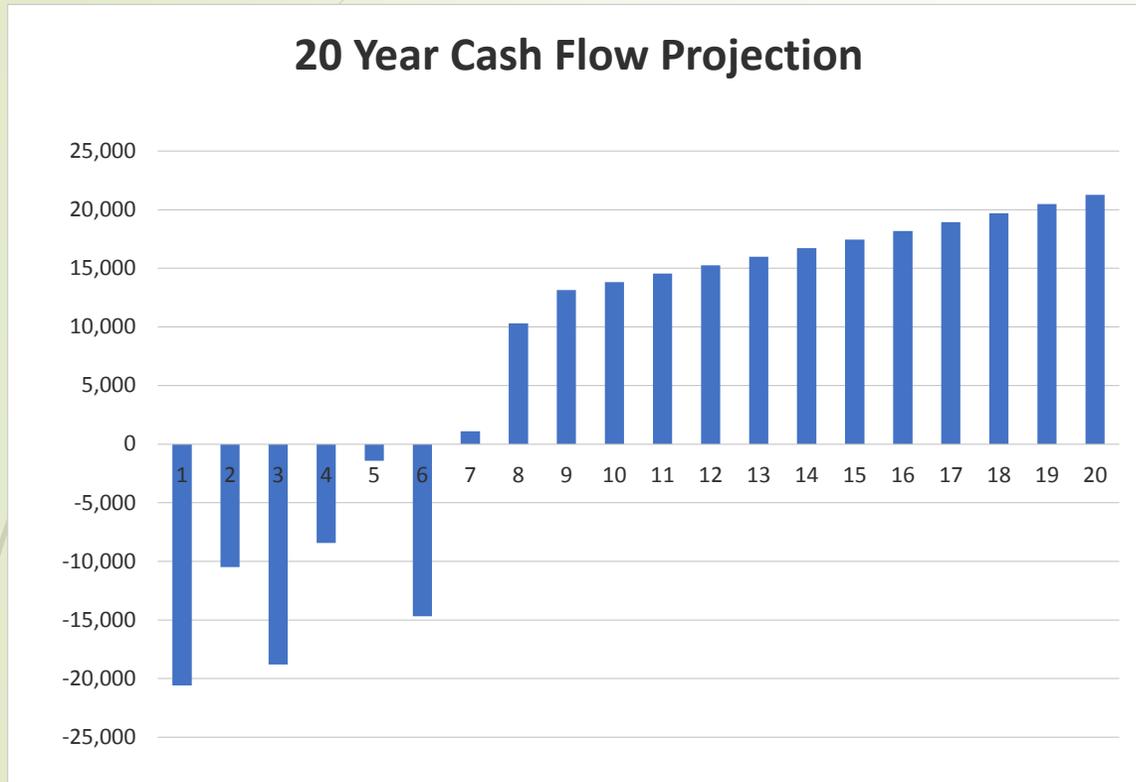
## ➤ Construction Costs for Each New Building

- Land: Lot 3 / Option to purchase lots 1 & 2
- Design / Civil engineer - \$10,000
- Surveyor - \$2,000
- Asphalt/ / Gravel / Dirt work - \$43,000
- Concrete pad \$30,000
- Building materials - \$62,650
- Construction crew - \$18,000
- Fence - \$15,000
- Gate - \$30,000
- Electric, security cameras - \$10,000
- Lighting - \$5,000
- Financing origination costs - \$9,000

## ➤ Reoccurring Expenses

- Property Tax Estimate - Cumulative
  - \$ 9,000 -1<sup>st</sup> Building
  - \$15,700 -2<sup>nd</sup> Building
  - \$21,700 -3<sup>rd</sup> Building
- Office Manager
- Grounds keeper / Snow removal services
- Office equipment & Supplies
- Marketing
- Interest expence
- Insurance
- Electricity

# Projected Revenue



- Phase 1: (Year 1)
  - Purchase lot 3
  - 1st building - 180' x 40'
- Phase 2: (Year 3)
  - Purchase lot 2
  - 2<sup>nd</sup> building - 180' x 40'
- Phase 3: (Year 5 & 6)
  - Purchase lot 1
  - 3<sup>rd</sup> building - 180' x 40'
- Phase 4:
  - Continued build-out

# Thank You

## Contact Information:

Amie & Michael Roberson  
(206) 799-5065  
amie\_roberson@yahoo.com  
robeyville@yahoo.com  
<http://www.toy-barnstorage.com>



**PURCHASE AGREEMENT**

**RELATING TO**

**THE SALE OF COMMERCIAL PROPERTY**

**FROM THE CITY OF CLOQUET TO TOY BARN STORAGE, LLC**

**Dated: March \_\_, 2018** (the "Effective Date")

1. **Parties.** The parties to this Purchase Agreement (this "Agreement") are:

a. City of Cloquet, Minnesota, a statutory city under the laws of the state of Minnesota, Attention: Holly Hansen, Community Development Director; telephone: (218) 879-2507; email: hhansen@cloquetmn.gov ("Seller"); and

b. Toy Barn Storage LLC, a Minnesota limited liability company, Attention: Amie Roberson and Michael Roberson; telephone: (206) 799-5065; (206) 799-3306; email: [amie\\_roberson@yahoo.com](mailto:amie_roberson@yahoo.com); robeyville@yahoo.com ("Buyer").

This Agreement sometimes refers to Seller and Buyer individually as a "Party" and collectively as the "Parties".

2. **Property.** The real property that is the subject of this Agreement is described as Lot 3, Block 3, Cloquet Business Park, Carlton County, Minnesota and has been assigned the property identification number 06-617-0520 (the "Property"). The term "Property", as used in this Agreement, will include all hereditaments and appurtenances to the Property. The Property consists of vacant, unimproved land and no conveyance of personal property is contemplated by this Agreement.

3. **Purchase and Sale.** Seller agrees to sell the Property to Buyer pursuant to the terms of this Agreement, and Buyer agrees to purchase the Property from Seller pursuant to the terms of this Agreement.

4. **Purchase Price.** The purchase price for the Property is TWENTY FOUR THOUSAND EIGHT HUNDRED TWENTY-SEVEN AND 59/100 DOLLARS (\$24,827.59) (the "Purchase Price").

5. **Payment Terms.** At Closing, Buyer will tender the balance of the Purchase Price to Seller in certified funds or wire transferred funds;

6. **Conveyance Terms.** At Closing, Seller will execute and deliver to Buyer a Limited Warranty Deed conveying fee title to the Property to Buyer subject only to:

a. Building, zoning and subdivision statutes, laws, ordinances and regulations;

b. Reservations of minerals or of mineral rights in favor of the State of Minnesota, if any;

c. The lien of real estate taxes and special assessments not yet due and payable;

d. A reservation of a right of reverter in favor of Seller for breach of the following condition subsequent: Within one year of the Date of Closing (the "Reversion Date"), Buyer must complete construction of storage facility building with a usable square foot area of at least 5,000 square feet on the Property in accordance with the plan submitted to and approved by City of Colquet and attached hereto as Exhibit A. Seller may, in its sole discretion, extend such period if Buyer requests such an extension no later than 60 days prior to the Reversion Date; and

e. Any defects in the marketability of Seller's actual or record title to the Property which exist as of the Effective Date and which Seller does not elect to cure pursuant to the provisions of **Section 9** below.

(hereinafter, collectively, the "Permitted Encumbrances").

7. **Buyer's Inspection.** At all times prior to the Date of Closing, Buyer and its agents will have the right, upon reasonable notice to Seller, to go upon the Property to inspect the Property and to determine the condition of the Property; including, specifically, the presence or absence of hazardous substances, petroleum products and asbestos in, on, or about the Property. Buyer agrees to indemnify and defend Seller from and to hold Seller harmless against any and all claims, causes of action or expenses, including attorneys' fees, relating to or arising from Buyer's presence on the Property prior to the Date of Closing. Buyer agrees to repair any damage to the Property caused by such inspections and to return the Property to substantially the same condition as existed prior to Buyer's inspection. Buyer agrees to promptly provide Seller with copies of any environmental or geotechnical reports along with any test results related thereto. **Buyer acknowledges that Buyer is purchasing the Property in reliance on Buyer's inspection of**

**the Property pursuant to this Section 7 and on Buyer's judgment regarding the sufficiency of such inspections. Buyer is not relying on any written or oral representations or statements that Seller has made. Subject to Buyer's right to terminate this Agreement pursuant to Section 9, Buyer is purchasing the Property in "AS IS" condition.**

**8. Evidence of Title.**

a. Seller has provided or will promptly provide to Buyer a copy of Seller's existing title insurance policy for the Property (which policy also includes other land). Within fifteen (15) days after the Effective Date, Buyer will obtain a commitment from a title insurance provider selected by Buyer and reasonably acceptable to Seller ("Title") to issue an ALTA 2006 Owner's Policy of Title Insurance in the amount of the Purchase Price insuring Buyer's title to the Property (the "Title Commitment").

b. Buyer may, at its option and cost, obtain a survey of the Property ("Survey" and together with the Title Commitment the "Evidence of Title").

**9. Examination of Title.** On or before the earlier of the date ten (10) days after Buyer's receipt of all of the Evidence of Title or the date thirty (30) days after the Effective Date, Buyer may give Seller written notice of alleged defect(s) in the marketability of Seller's actual and record title to the Property and state the curative actions Buyer requests of Seller ("Objections"). Any defects in the marketability of Seller's title to the Property which Buyer does not object to, in writing, within the time period set forth above, will be deemed Permitted Encumbrances; provided, however, Seller must satisfy all liens on the Property on or before the Date of Closing whether or not such liens are the subject of a timely Objection. Within ten (10) days after Seller's receipt of Buyer's Objections, Seller will notify Buyer, in writing, of the curative actions, if any, which Seller will undertake to address Buyer's Objections. Except for Seller's obligation to satisfy liens, Seller is not obligated to take any curative actions with respect to Buyer's Objections, but if Seller notifies Buyer that Seller will undertake one or more curative actions, Seller must use commercially reasonable efforts to complete those actions before the Date of Closing. If Seller cures Buyer's Objections on or before the Date of Closing, Seller will notify Buyer, in writing, and the Parties will close pursuant to the terms of this Agreement. Notwithstanding any provisions herein, If Seller notifies Buyer that Seller does not intend to cure Buyer's Objections or if Seller notifies Buyer that Seller intends to cure Buyer's Objections but is unable to do so before Closing, Buyer must either:

a. terminate this Agreement pursuant to the procedures set forth in **Section 19** below; or

b. notify Seller, in writing, that Buyer waives Buyer's Objections. If Buyer waives Buyer's Objections, the matters giving rise to such Objections will be deemed Permitted Encumbrances and the Parties will fully perform their obligations under this Agreement.

If Buyer does not notify Seller of Buyer's election to terminate this Agreement pursuant to subsection (a) above or waive Buyer's Objections pursuant to subsection (b) above, Buyer will be deemed to have waived Buyer's Objections pursuant to subsection (b).

#### 10. **Buyer and Seller Contingencies.**

a. **Buyer Contingencies.** In addition to Buyer's right to terminate this Agreement pursuant to **Section 9** and **14**, Buyer's obligations under this Agreement are contingent on Buyer satisfying itself as to the following matters by the dates or within the time periods set forth in each subsection below. Failure of Buyer to give written notice of Buyer's exercise of a contingency by such date or within such time period constitutes waiver of such contingency. If Buyer gives notice of the exercise of a contingency, then the Parties will proceed pursuant to **Section 11**:

(i) Buyer's determination, on or before the date of closing, that the condition of the Property, including, but not limited to, environmental and soil conditions are acceptable to Buyer in Buyer's reasonable discretion; and

(ii) Buyer's determination, on or before the Date of Closing, that Buyer will be able to obtain financing for Buyer's acquisition and development of the Property on terms and conditions reasonably acceptable to Buyer; and

(iii) Buyer's determination, on or before the Date of Closing, that Buyer will be able to obtain any and all federal, state or local approvals or permits necessary for Buyer's intended use of the Property as a storage facility zoning, ("Permits") As soon as reasonably possible after Buyer and Seller's execution of this Agreement, Buyer will apply to the Seller and any other appropriate governmental agencies for all Permits necessary for Buyer's intended use of the Property, and Buyer will diligently pursue the acquisition of all such Permits at Buyer's sole cost and expense.

If any of Buyer's contingencies are not satisfied within the respective time periods set forth above, Buyer may, on or before the date which is the end of the relevant contingency period, terminate this Agreement by providing Seller with written notice of such termination, as provided in **Section 18** hereof. Failure to give such notice within the time period specified above constitutes a waiver of the contingency.

b. **Seller Contingencies.** In addition to Seller's right to terminate this Agreement pursuant to **Section 17**, Seller's obligations under this Agreement are contingent on Seller satisfying itself as to the following matters by the dates of within the

time period set forth in each subsection below. Failure of Seller to give written notice of exercise of the contingency as of such date constitutes waiver of such contingency. If Seller gives notice of the exercise of such contingency, the Parties will proceed pursuant to **Section 11**.

(i) On or before Date of Closing, Buyer will have provided Seller with evidence, reasonably acceptable to Seller, that Buyer has obtained financing sufficient to acquire the Property and develop it for its intended use as a storage facility; and

(ii) On or before the Date of Closing, Buyer will have provided Seller with evidence, reasonably acceptable to Seller, that Buyer has or will be able to obtain the Permits necessary for Buyer's intended use of the Property as a storage facility.

11. **Closing.** The Parties will meet at the offices of \_\_\_\_\_ on \_\_\_\_\_, 2018, or such later date as the Parties may establish pursuant to the provisions of **Sections 9 and Section 10** (the "Date of Closing"), at which time the closing of the purchase and sale (the "Closing") will take place, subject to the terms and conditions contained herein, including the fulfillment of the following:

a. Seller will:

(i) execute and deliver to Buyer the deed described in **Section 6** above. The deed will include the statement "Seller certifies that Seller does not know of any wells on the described real property.";

(ii) execute and deliver to Buyer and Title, a Minnesota Uniform Conveyancing Form Affidavit Regarding Business Entity (Form 50.1.3) evidencing the absence of bankruptcies, judgments, or tax liens involving parties with the same or similar names as Seller and evidencing the absence of mechanic's lien rights affecting the Property, unrecorded interests affecting the Property, persons in possession of the Property and known encroachments or boundary line questions affecting the Property;

(iii) deliver to Buyer minutes of a meeting of Seller's City Council and Economic Development Authority reflecting such body's adoption of a resolution authorizing Seller's conveyance of the Property to Buyer;

(iv) execute and deliver to Buyer a non-foreign affidavit containing such information as is required under Section 1445(b)(2) of the Internal Revenue Code and any regulations relating thereto;

(v) pay or provide evidence of payment of the State Deed Tax due upon the execution of the conveyance described in **Section 6**; and

(vi) deliver to Buyer and the Title a copy of a signed settlement statement prepared by Title and reasonably acceptable to Buyer and Seller (the "Settlement Statement");

(vii) Execute the purchase option agreements for the properties located at Lot 1, Block 3, Cloquet Business Park and Lot 2, Block 3, Cloquet Business Park attached hereto as Exhibit B and Exhibit C respectively (the "Option Documents")

(viii) provide Buyer with all information regarding Seller necessary for Buyer to complete and file an electronic certificate of real estate value; and

b. Buyer will:

(i) tender the Purchase Price to Seller pursuant to the provisions of **Section 5** above;

(ii) Execute the Option Documents.

(iii) pay or provide evidence of payment of the following: the portion of Buyer's pro-rata share of real estate taxes, if any, which Seller has previously paid; pursuant to **Section 3**; all costs associated with Buyer's financing, if any, including mortgagee's title insurance policy costs and premiums, if any; the premium for Buyer's owner's policy of title insurance, if any; the fees due upon the recording the deed from Seller to Buyer; and one-half of Title's fee to conduct and insure the closing of this transaction.

(iv) Deliver to Seller and Title a signed copy of the Settlement Statement.

12. **Real Estate Taxes and Special Assessments.** The Parties will pay the real estate taxes ("Real Estate Taxes"), service charges (including service charges assessed against real property on an annual basis pursuant to Minnesota Statutes, § 429.101, as amended) ("Service Charges") and special assessments ("Special Assessments") as follows:

a. The Purchase Price includes all levied or pending Special Assessments on the Property in the current year; and

b. Buyer will pay all Real Estate Taxes, Service Charges and Special Assessments due and payable in the years following the year of Closing.

13. **Seller's Representations.** Seller represents to Buyer the following:

a. Seller is a municipal corporation duly organized and validly existing in good standing under the laws of Minnesota. Seller has the requisite power and authority

to enter into and perform this Agreement and to transfer all of the Property in accordance with this Agreement and without further consent or approval.

b. To the best of Seller's actual knowledge, there has been no labor or materials furnished to the Property at the request of Seller for which payment has not been paid.

c. To the best of Seller's actual knowledge, there are no unrecorded mortgages, contracts, purchase agreements, options, leases, easements or other agreements or interest relating to the Property.

d. To the best of Seller's actual knowledge, there are no persons in possession of any portion of the Property other than pursuant to a recorded document.

e. To the best of Seller's actual knowledge, that there are no encroachments or boundary line questions affecting the Property.

f. To the best of Seller's actual knowledge there is no action, litigation, governmental investigation, condemnation or administrative proceeding of any kind pending against Seller or involving any portion of the Property, and no third party has threatened Seller with commencement of any such action, litigation, investigation, condemnation or administrative proceeding.

g. Seller is not in default in the performance of any of Seller's obligations under any mortgage, contract for deed, easement agreement, covenant, condition, restriction or other instrument relating to the Property.

h. Seller has not engaged a real estate agent to represent Seller and assist in the transaction.

i. **Minnesota Required Statutory Disclosures.** As required by statute, Seller represents as follows:

(i) Seller does not know of any wells or individual sewage treatment systems, whether in use or abandoned, at the Property.

(ii) To the best of Seller's knowledge, methamphetamine production has not occurred on the Property.

(iii) If airport zoning regulations affect the Property, a copy of those airport zoning regulations as adopted can be viewed or obtained at city hall where the Property is located.

If, prior to Closing, Seller learns of facts or circumstances that render one or more of the representations set forth in this **Section 13** inaccurate in any material respect, Seller will notify Buyer of those facts or circumstances. If one or more of the representations set forth in this **Section 13** are inaccurate as of the Effective Date and Buyer discovers the inaccuracy prior to Closing, Buyer may terminate this Agreement by written notice to Seller in accordance with

**Section 18**, and, if Buyer so terminates this Agreement, Seller is also liable to Buyer for any out-of-pocket costs Buyer incurred in reliance on the inaccurate representation between the date of this Agreement and the date Buyer discovers the inaccuracy. Buyer's acceptance of the Deed from Seller and payment of the Purchase Price to Seller with knowledge that one or more of the representations set forth in this **Section 13** was inaccurate as of the Effective Date constitutes Buyer's waiver and release of any claims Buyer may have against Seller based upon that representation or for the breach of any related warranty. If one or more of the representations set forth in this **Section 13** are inaccurate as of the Effective Date and Buyer does not discover the inaccuracy until after the Date of Closing, either because Seller fails to notify Buyer as required by this **Section 13** or otherwise, Buyer's sole and exclusive remedy is to give Seller written notice of the claim or potential claim within one (1) year after the actual Date of Closing and to commence an action against Seller in Carlton County District Court on or before the date eighteen (18) months after the actual date of Closing to recover from Seller any damages Buyer incurs as a result of Buyer's reliance on such misrepresentation or as a result of the breach of a related warranty. Any claim or potential claim for misrepresentation or breach of warranty, whether known to Buyer or not, is deemed waived and released unless Buyer gives Seller written notice of the claim or potential claim within one (1) year after the actual Date of Closing and commences an action based on such claim or potential claim within eighteen (18) months after the actual date of Closing.

14. **Buyer's Representations.** Buyer hereby represents to Seller as follows:

a. Buyer represents that Buyer has the full and complete authority to enter into this Agreement and to purchase the Property. The individuals executing this Agreement on behalf of Buyer have the legal authority and the legal capacity to execute this Agreement on behalf of Buyer and to bind Buyer.

b. Buyer has not engaged a real estate agent in connection with this transaction.

15. **Condemnation.** If a public or private entity with the power of eminent domain commences condemnation proceedings against all or any part of the Property, Seller will immediately notify Buyer, and Buyer may, at Buyer's sole option, terminate this Agreement pursuant to **Section 19** below. Notwithstanding the foregoing, Buyer will have no right to terminate this Agreement if the condemnation is for a right-of-way or utility and such condemnation does not materially affect Buyer's intended use of the Property. Buyer will have twenty (20) days from Buyer's receipt of Seller's notice to Buyer to exercise Buyer's termination right. If Buyer does not terminate this Agreement within said twenty (20) day period, the Parties will fully perform their obligations under this Agreement, with no reduction in the Purchase Price, and Seller will assign to Buyer, on the Date of Closing, all of Seller's right, title and interest in any award made or to be made in the condemnation proceedings.

Seller will not designate counsel, appear or otherwise act with respect to any such condemnation proceedings without Buyer's prior written consent unless Buyer fails to respond within seven (7) days to a request for such written consent.

16. **Assignment.** Buyer may not assign Buyer's rights and obligations under this Agreement to a third party without the written consent of Seller. Seller may grant or withhold Seller's consent to an Assignment at Seller's sole discretion

17. **Default.** If either Party defaults in the performance of any of such Party's obligations under this Agreement, the non-defaulting Party may, after written notice to the defaulting Party, suspend performance of its obligations under this Agreement, and the rights of the non-defaulting Party are as follows:

a. **Buyer's Default.** If Buyer defaults in the obligation to close under this Agreement, Seller will have the right to either:

(i) Terminate this Agreement pursuant to Minnesota Statutes, § 559.21; or

(ii) Commence an action in a court of competent jurisdiction seeking a judgment terminating this Agreement and awarding damages to Seller. In any such action for damages, Seller may also recover Seller's attorneys' fees and costs; and

The remedies set forth in this **Section 17.a** are Seller's sole and exclusive remedies in the event of Buyer's default.

b. **Seller's Default.** If Seller defaults in the performance of any of Seller's obligations under this Agreement, Buyer may:

(i) terminate this Agreement pursuant to **Section 18**, below; or

(ii) initiate a civil action to compel Seller's specific performance of Seller's obligations under this Agreement provided that Buyer commences such action within six (6) months of the date of Seller's default. In any such action for specific performance, Buyer may also recover Buyer's attorneys' fees and costs.

The remedies set forth in this **Section 17.b** are Buyer's sole and exclusive remedies in the event of Seller's default.

18. **Termination of this Agreement.** Various sections of this Agreement allow Buyer and Seller to terminate this Agreement under certain conditions. The following

procedures will govern the Parties' exercise of their termination rights:

a. A Party intending to terminate this Agreement (the "Terminating Party") will notify the non-terminating Party (the "Non-Terminating Party"), in writing, of the Terminating Party's intent to terminate this Agreement.

b. The Terminating Party's notice will recite the Section of this Agreement that authorizes the Terminating Party's termination of this Agreement and will describe the facts and circumstances which the Terminating Party asserts justify termination under the referenced Section.

c. The Terminating Party's notice of termination will be effective as of the date the Terminating Party deposits the notice of termination with the United States Postal Service, with all necessary postage paid, for delivery to the Non-Terminating Party via certified mail, return receipt requested at the address set forth in **Section 1** above. If the Terminating Party delivers a notice of termination in a different manner than described in the preceding sentence, the notice of termination will be effective as of the date the Non-Terminating Party actually receives the notice of termination. The Terminating Party will also mail a copy of the notice of termination to the Parties respective attorneys, if applicable, as provided for in **Section 21** below.

d. If the Non-Terminating Party disputes the Terminating Party's right to terminate this Agreement, the Non-Terminating Party will so notify the Terminating Party, in writing, within three (3) business days of the Non-Terminating Party's receipt of the Terminating Party's notice of termination.

e. If the Non-Terminating Party does not dispute the Terminating Party's right to terminate this Agreement, Buyer will execute and deliver to Seller a recordable quit claim deed conveying the Property to Seller.

f. If the Parties dispute the validity of an attempted termination of this Agreement, either Party may initiate a civil action in a court of competent jurisdiction to determine the status of this Agreement, and the Party that prevails in any such action will be entitled to recover the costs and reasonable attorneys' fees which such Party incurs in the action from the non-prevailing Party.

19. **Time.** Time is of the essence for all provisions of this Agreement.

20. **Survival of Terms.** The Parties' obligations under this Agreement and the representations and warranties which the Parties have recited in this Agreement will survive Closing and Seller's delivery of a deed to Buyer.

21. **Notices.** All notices provided for in this Agreement will be in writing. The notice will be effective as of the date two (2) days after the Party sending such notice deposits

the notice with the United States Postal Service with all necessary postage paid, for delivery to the other Party via certified mail, return receipt requested, at the address set forth in **Section 1** above. If Party delivers a notice provided for in this Agreement in a different manner than described in the preceding sentence, notice will be effective as of the date the other Party actually receives the notice. The Party sending the notice will also mail a copy of the notice to the Parties' respective attorneys via first class United States mail at the addresses set forth below:

Attorney for Seller:

Briggs and Morgan, P.A  
2200 IDS Center  
80 South 8<sup>th</sup> Street  
Minneapolis, Minnesota 55402  
Attention: Mary Ippel  
Phone: (612) 977-8058  
Fax: (612) 977-8650  
Email: mippel@briggs.com

Attorney for Buyer:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Phone: ( ) \_\_\_\_\_  
Fax: ( ) \_\_\_\_\_  
Email: \_\_\_\_\_

22. **Full Agreement.** The Parties acknowledge that this instrument and any and all attachments or exhibits hereto represents the full and complete agreement of the Parties relating to the purchase and sale of the Property and all matters related to the purchase and sale of the Property. This Agreement supersedes and replaces any prior agreements, either oral or written, and any amendments or modifications to this Agreement must be in writing and executed by both Parties to be effective.

23. **Governing Law.** This Agreement has been made under the laws of the State of Minnesota and such laws will control its interpretation.

24. **Offer Only.** This Agreement constitutes an offer to sell only until executed by both Parties and such offer will be deemed withdrawn unless accepted by Buyer by executing this Agreement within ten (10) days of receipt thereof.

25. **Confidentiality.** Prior to the Date of Closing, the Parties to this Agreement will protect and keep confidential this Agreement and all non-public information disclosed to each other,

whether or not it is marked or identified as "Confidential Information."

26. **Calendar**. In the event that any contingency date or the Date of Closing falls on Saturday, Sunday or legal holiday, the date will be considered to be on the next business day immediately following such date.

*(Signatures appear on following pages)*

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the day and year first written above.

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

**SELLER:**

**CITY OF CLOQUET**

By \_\_\_\_\_  
Its \_\_\_\_\_

By \_\_\_\_\_  
Its \_\_\_\_\_

**Signature Page to Purchase Agreement (Seller)**

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

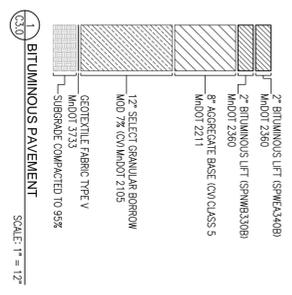
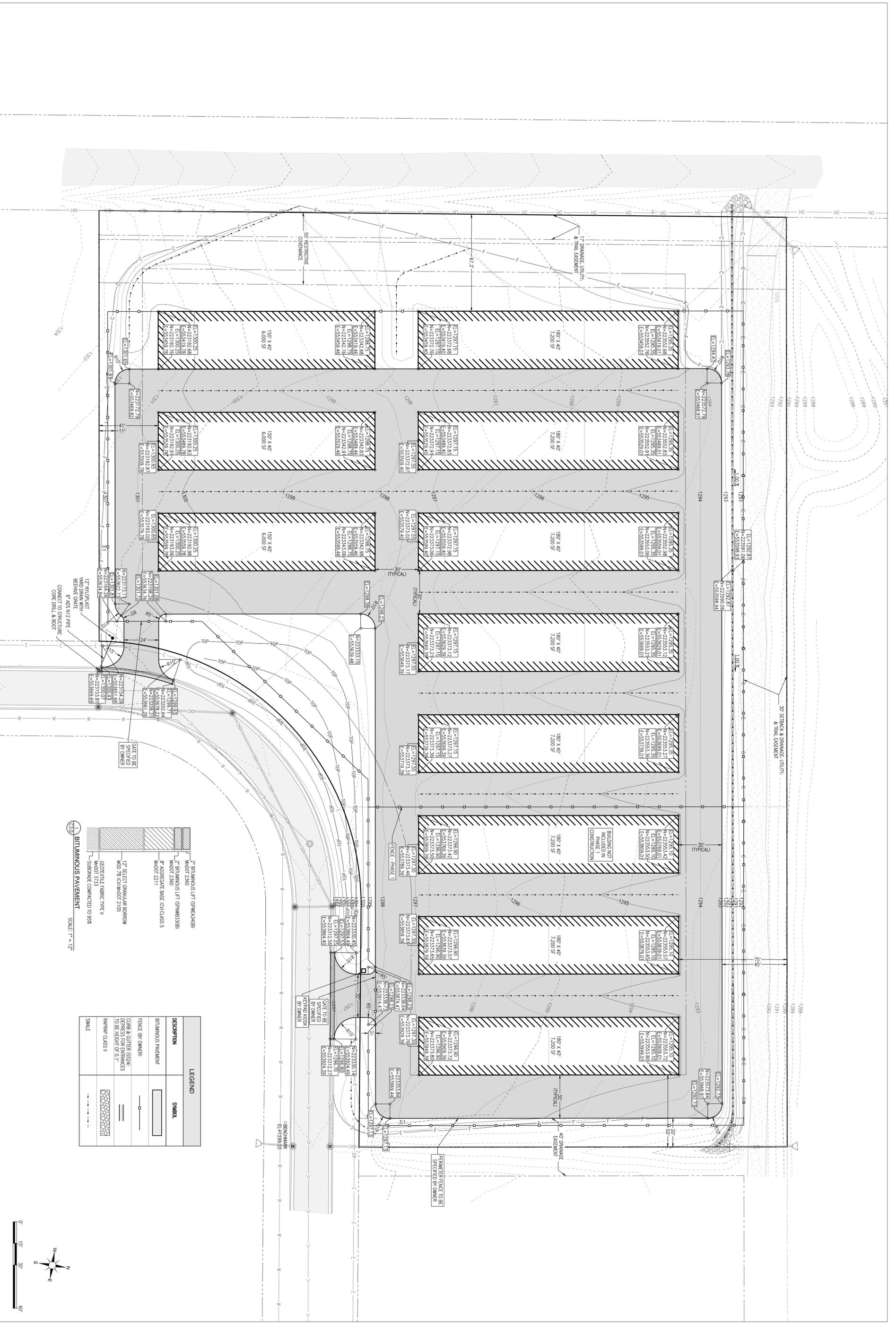
**BUYER:**

**TOY BARN STORAGE LLC**

By \_\_\_\_\_  
Its \_\_\_\_\_

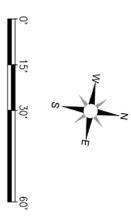
By \_\_\_\_\_  
Its \_\_\_\_\_

**Signature Page to Purchase Agreement (Buyer)**



SCALE: 1" = 12'

DESCRIPTION	SYMBOL
BITUMINOUS PAVEMENT	[Hatched pattern]
FENCE (BY OWNER)	[Dashed line]
CURB & CUTTER (5524) TO BE HEIGHT OF 0.1'	[Solid line]
REPAIR CLASS II	[Dotted pattern]
SMILE	[Wavy line]



Sheet Title  
**C3.0**  
 Sheet Number

PROJECT: 18-035  
 CHECKED: TPD  
 DRAWN: AHD  
 DATE: 2-28-18

REVISIONS:

I hereby certify that this plan, specification, or report was prepared by me or under my direct supervision and that I am a duly licensed Professional Engineer under the laws of the State of Minnesota.

Tom [Signature]  
 Engineer: Thomas P. DesMarais P.E. Lic. No: 53121  
 U2/26/2018

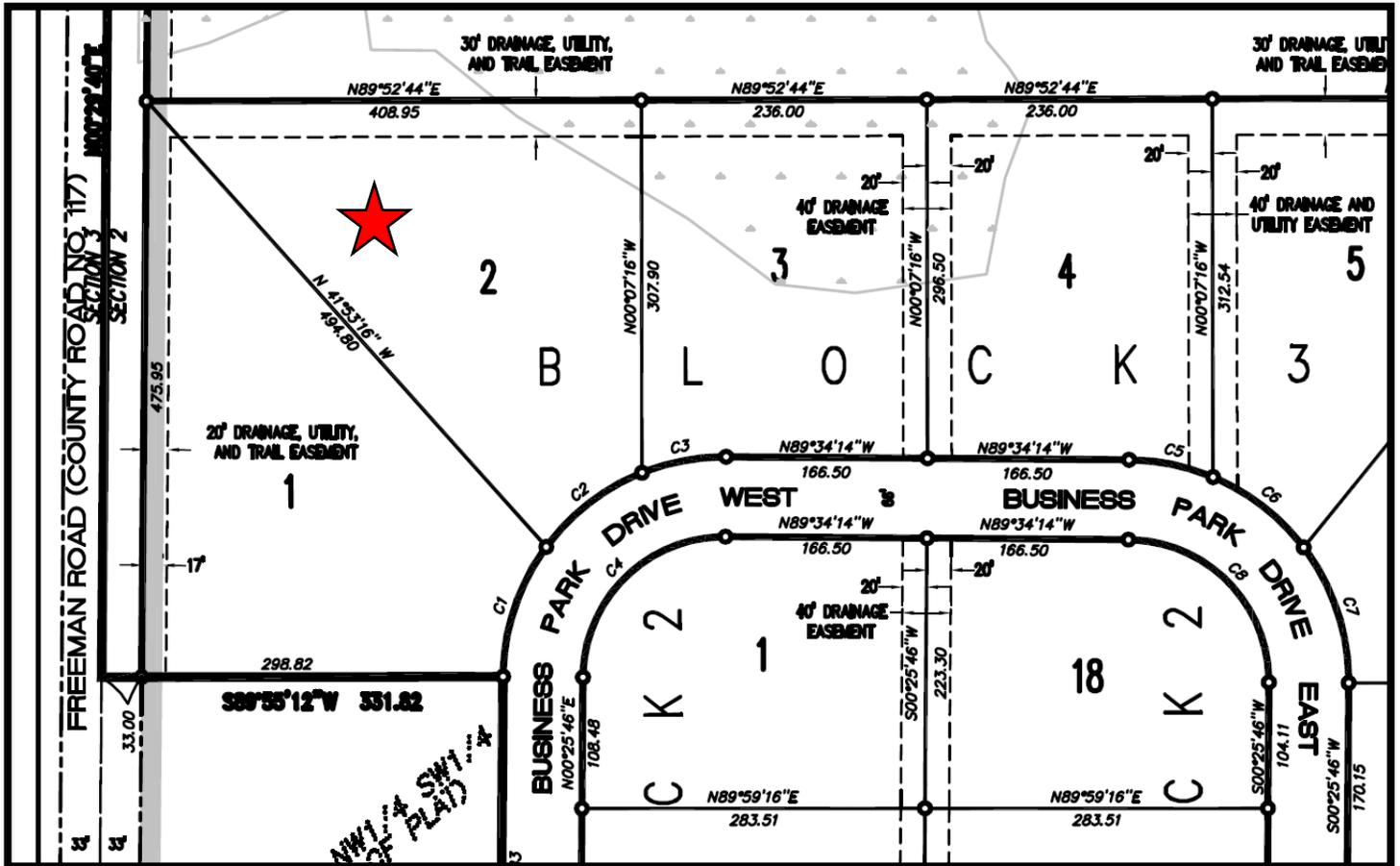
Sheet Title  
**SITE & GRADING PLAN**

**CLOQUET MINI STORAGE**  
 COMMERCIAL DEVELOPMENT  
 CLOQUET BUSINESS PARK  
 LOTS 1, 2, & 3

**Northland**  
 Consulting Engineers L.L.P.  
 1025 South 21st. Ave. West Suite #1  
 Duluth, Minnesota 55806  
 Tele: 218.727.5995  
 Fax: 218.727.7179  
 www.nce-engineers.com

**EXHIBIT B  
OPTION AGREEMENT  
LOT 2 BLOCK 3  
CLOQUET BUSINESS PARK**

Being a portion of the southwest quarter of Section 2, Township 49 North, Range 17 West, 4<sup>th</sup>  
Principle meridian City of Cloquet, Carlton County, MN (PIN 06-617-0500)



## **REAL ESTATE OPTION AND PURCHASE AND SALE AGREEMENT**

Dated: March \_\_, 2018 (the "Effective Date")

1. **Parties.** The parties to this Real Estate Option and Purchase and Sale Agreement (this "Agreement") are:
  - a. City of Cloquet, Minnesota, a statutory city under the laws of the state of Minnesota, Attention: Holly Hansen, Community Development Director; telephone: (218) 879-2507; email: hhansen@cloquetmn.gov ("Seller"); and
  - b. Toy Barn Storage LLC, a Minnesota limited liability company, Attention: Amie Roberson and Michael Roberson; telephone: (206) 799-5065; (206) 799-3306; email: [amie\\_roberson@yahoo.com](mailto:amie_roberson@yahoo.com); robeyville@yahoo.com ("Buyer").

This Agreement sometimes refers to Seller and Buyer individually as a "Party" and collectively as the "Parties".

2. **Property.** The real property that is the subject of this Agreement is described as Lot 2, Block 3, Cloquet Business Park, Carlton County, Minnesota and has been assigned the property identification number 06-617-0500 (the "Property"). The term "Property", as used in this Agreement, will include all hereditaments and appurtenances to the Property. The Property consists of vacant, unimproved land and no conveyance of personal property is contemplated by this Agreement.

3. **Grant and Purchase of Option.** Seller grants to Buyer the exclusive right and option to purchase the Property ("Option") for a term commencing on the Effective Date and expiring on the date that is five (5) years after the Effective Date, unless otherwise extended by the Parties in writing ("Option Term"). As consideration for the grant of the Option, Buyer has paid Seller the sum of \$1.00, the receipt and sufficiency of which Seller hereby acknowledges. If the Option Term expires on a day that is not a business day, then the expiration date of the Option Term is extended to the next business day. A "business day" is any day that is not a Saturday, Sunday or legal holiday in Minnesota.

4. **Seller's Acquisition/Preservation of Title.** So long as a Default has not occurred hereunder, Seller agrees that from and after the Effective Date until the date the Option Term expires, Seller will not, without Buyer's prior written consent, convey any right, title or interest to all or any portion of the Option Property or encumber Seller's title to the Option Property unless Buyer has consented to the conveyance or the

encumbrance or, the conveyance or encumbrance, by its express terms, is made subject and subordinate to Buyer's rights under this Agreement

5. **Exercise of Option to Purchase.** To exercise the Option, Buyer must notify Seller, in writing, that Buyer is exercising the Option. Buyer's exercise of the Option is effective when Seller actually receives the notice (the "Exercise Date"). If Buyer does not exercise the Option before the Option Term expires, the Option expires without the need for further notice of any kind.

6. **Purchase and Sale.** If Buyer provides Seller with an Option Notice, Seller agrees to sell the Property to Buyer pursuant to the terms of this Agreement, and Buyer agrees to purchase the Property from Seller pursuant to the terms of this Agreement.

7. **Purchase Price.** The purchase price for the Property is THIRTY ONE THOUSAND THIRTY-FOUR 48/100 DOLLARS (\$31,034.48) (the "Purchase Price").

8. **Payment Terms.** On the Date of Closing, Buyer will tender the balance of the Purchase Price to Seller in certified funds or wire transferred funds;

9. **Conveyance Terms.** On the Date of Closing, Seller will execute and deliver to Buyer a Limited Warranty Deed conveying fee title to the Property to Buyer subject only to:

- a. Building, zoning and subdivision statutes, laws, ordinances and regulations;
- b. Reservations of minerals or of mineral rights in favor of the State of Minnesota, if any;
- c. The lien of real estate taxes and special assessments not yet due and payable;
- d. A reservation of a right of reverter in favor of Seller for breach of the following condition subsequent: On or before the date that is one year following the Date of Closing, Seller must complete construction of storage facility building with a usable square foot area of at least 5,000 square feet on the Property in accordance with the plans submitted to and approved by Seller;
- e. Covenants, conditions, restrictions and easements of record as of the Effective Date, if any; and

f. Any defects in the marketability of Seller's actual or record title to the Property which exist as of the Date of Closing (defined below) and which Buyer does not object to pursuant to the provisions of **Section 9** below.

(hereinafter, collectively, the "Permitted Encumbrances").

10. **Buyer's Inspection.** At all times prior to the expiration of the Option Term, Buyer and its agents will have the right, upon reasonable notice to Seller, to go upon the Property to inspect the Property and to determine the condition of the Property; including, specifically, the presence or absence of hazardous substances, petroleum products and asbestos in, on, or about the Property. Buyer agrees to indemnify and defend Seller from and to hold Seller harmless against any and all claims, causes of action or expenses, including attorneys' fees, relating to or arising from Buyer's presence on the Property prior to the Date of Closing. Buyer agrees to repair any damage to the Property caused by such inspections and to return the Property to substantially the same condition as existed prior to Buyer's inspection. Buyer agrees to promptly provide Seller with copies of any environmental or geotechnical reports along with any test results related thereto. **By its exercise of the Option, Buyer acknowledges that Buyer is purchasing the Property in reliance on Buyer's inspection of the Property pursuant to this Section 7 and on Buyer's judgment regarding the sufficiency of such inspections. Buyer is not relying on any written or oral representations or statements that Seller has made. Subject to Buyer's right to terminate this Agreement pursuant to Section 10, Buyer is purchasing the Property in "AS IS" condition.**

11. **Evidence and Examination of Title.** Buyer may, at Buyer's cost and expense, obtain such evidence of title and undertake such examination of title to the Property as Buyer deems necessary and appropriate. At any time but at least 30 days prior to the earlier of the Exercise Date or the last day of the Option Term, Buyer may give written notice of alleged defect(s) in or encumbrances on the marketability of Seller's actual and record title to the Property and state the curative actions Buyer requests that Seller undertake to address such defects ("Objections"), but if Buyer exercises the Option, Seller must satisfy all liens on the Property on or before the Date of Closing whether or not such liens are the subject of a timely Objection. Within ten (10) days after Seller's receipt of Buyer's Objections, Seller will notify Buyer, in writing, of the curative actions, if any, which Seller will undertake to address Buyer's Objections and the time frame in which Seller will undertake those actions. If Buyer

exercises the Option, all covenants, conditions, easements and other encumbrances (other than liens) affecting the Property, other than covenants, conditions, easements and other encumbrances that Seller has agreed to cure as provided above, shall be deemed permitted encumbrances.

12. **Seller Contingencies.** Seller's obligations under this Agreement are contingent on Buyer satisfying itself as to the following matters by the dates of within the time period set forth in each subsection below. Failure of Seller to give written notice of exercise of the contingency as of such date constitutes waiver of such contingency. If Seller gives no notice of the exercise of such contingency, the Parties will proceed pursuant to **Section 14.**

(i) Prior to the Date of Closing, as defined herein, Buyer shall not have defaulted in the performance of any of Buyer's obligations under that certain Purchase Agreement dated March \_\_\_\_, 2018 by and between Seller and Buyer for the property located at Lot 3, Block 3, Cloquet Business Park (the "Original Property"), and Buyer will have satisfied the condition subsequent described in **Section 6.d** of the Purchase Agreement;

(ii) As of the Date of Closing, none of the following conditions exist at the Original Property:

1. Any unresolved or recurring violations of the Cloquet City Code including but not limited to: Chapter 7 nuisance violations; Chapter 10 building code violations; or Chapter 17 zoning code violations;
2. Delinquent in real estate tax payments or other state or federal tax payments; and
3. Delinquent in city water/sewer payments, or other utility payments such as heat, electricity, or broadband services;

(iii) On or before Date of Closing, Buyer will have provided Seller with evidence, reasonable acceptable to Seller, that Buyer has obtained financing sufficient to acquire the Property and develop it for Buyer's intended use as a storage facility; and

(iv) On or before the Date of Closing, Buyer will have provided Seller with evidence, reasonably acceptable to Seller, that Buyer has or will be able to obtain the Permits necessary for Buyer's development and use of the Property as a storage facility.

13. **Closing.** The closing of the purchase and sale (the "Closing") will take place 60 days after the Exercise Date, or such earlier or later date as the Parties may establish pursuant to a written agreement amending this Agreement (the "Date of

Closing") and subject to the terms and conditions contained herein, including the fulfillment of the following:

a. Seller will:

(i) execute and deliver to Buyer the deed described in **Section 9** above. Such deed will include the statement "Seller certifies that Seller does not know of any wells on the described real property;

(ii) execute and deliver to Buyer and Buyer's title insurer, if any, a Minnesota Uniform Conveyancing Form Affidavit Regarding Business Entity (Form 50.1.3) evidencing the absence of bankruptcies, judgments, or tax liens involving parties with the same or similar names as Seller and evidencing the absence of mechanic's lien rights affecting the Property, unrecorded interests affecting the Property, persons in possession of the Property and known encroachments or boundary line questions affecting the Property;

(iii) deliver to Buyer minutes of a meeting of Seller's City Council reflecting the City Council's adoption of a resolution authorizing Seller's conveyance of the Property to Buyer;

(iv) execute and deliver to Buyer a non-foreign affidavit containing such information as is required under Section 1445(b)(2) of the Internal Revenue Code and any regulations relating thereto;

(v) pay or provide evidence of payment of the following: the State Deed Tax due upon the execution of the conveyance described in **Section 9**; and one-half of Title's fee to conduct and insure the closing of this transaction; and

(vi) deliver to Buyer and the Title a copy of a signed settlement statement prepared by Title and in form and substance reasonably acceptable to Buyer and Seller (the "Settlement Statement");

(vii) provide Buyer with all information regarding Seller necessary for Buyer to complete an electronic certificate of real estate value; and

b. Buyer will:

(i) tender the Purchase Price to Seller pursuant to the provisions of **Section 5** above;

(ii) pay or provide evidence of payment of all costs associated with Buyer's financing, if any, including mortgagee's title insurance policy costs and premiums, if any; the premium for Buyer's owner's policy of title insurance, if any; the fees due upon the recording the deed from Seller to Buyer; and one-half of Title's fee to conduct and insure the closing of this transaction.

(iii) Deliver to Seller and Title a signed Settlement Statement.

14. **Real Estate Taxes and Special Assessments.** The Parties will pay the real estate taxes ("Real Estate Taxes"), service charges (including service charges assessed against real property on an annual basis pursuant to Minnesota Statutes, § 429.101, as amended) ("Service Charges") and special assessments ("Special Assessments") as follows:

- a. The Purchase Price includes all levied or pending Special Assessments on the Property in the current year; and
- b. Buyer will pay all Real Estate Taxes, Service Charges and Special Assessments due and payable in the years following the year of Closing.

15. **Seller's Representations.** Seller represents to Buyer that, as of the Effective Date:

- a. Seller is a municipal corporation duly organized and validly existing in good standing under the laws of Minnesota. Seller has the requisite power and authority to enter into and perform this Agreement and to transfer all of the Property in accordance with this Agreement and without further consent or approval.
- b. To the best of Seller's actual knowledge, there has been no labor or materials furnished to the Property at the request of Seller for which payment has not been paid.
- c. To the best of Seller's actual knowledge, there are no unrecorded mortgages, contracts, purchase agreements, options, leases, easements or other agreements or interest relating to the Property.
- d. To the best of Seller's actual knowledge, there are no persons in possession of any portion of the Property other than pursuant to a recorded document.
- e. To the best of Seller's actual knowledge, that there are no encroachments or boundary line questions affecting the Property.
- f. To the best of Seller's actual knowledge there is no action, litigation, governmental investigation, condemnation or administrative proceeding of any kind pending against Seller or involving any portion of the Property, and no third party has threatened Seller with commencement of any such action, litigation, investigation, condemnation or administrative proceeding.
- g. Seller is not in default in the performance of any of Seller's obligations under any mortgage, contract for deed, easement agreement, covenant, condition, restriction or other instrument relating to the Property.
- h. Seller has not engaged a real estate agent to represent Seller and assist in the transaction.

i. **Minnesota Required Statutory Disclosures.** As of the date of this Agreement, as required by statute, Seller represents as follows:

(i) Seller does not know of any wells or individual sewage treatment systems, whether in use or abandoned, at the Property.

(ii) To the best of Seller's knowledge, methamphetamine production has not occurred on the Property.

(iii) If airport zoning regulations affect the Property, a copy of those airport zoning regulations as adopted can be viewed or obtained at the city hall where the Property is located.

If, at any time prior to the earlier of the Date of Closing or the expiration of the Option Term, Seller acquires actual knowledge of events or circumstances which render the representations set forth in this **Section 16** materially inaccurate in any respect, Seller will notify Buyer and the representation is deemed modified accordingly. Buyer may take such steps as Buyer deems necessary and appropriate to confirm the accuracy of the representations set forth in this Section 15 prior to Buyer's exercise of the Option. If Buyer exercises the Option, Buyer will be deemed to have waived any claims that Buyer may have against Seller based on any inaccuracies in any of the representations set forth in this Agreement.

16. **Buyer's Representations.** Buyer hereby represents to Seller as follows:

a. Buyer represents that Buyer has the full and complete authority to enter into this Agreement and to purchase the Property. The individuals executing this Agreement on behalf of Buyer have the legal authority and the legal capacity to execute this Agreement on behalf of Buyer and to bind Buyer.

b. Buyer has not engaged a real estate agent in connection with this transaction.

Such representations are provided as of the Effective Date of this Agreement.

17. **Condemnation.** If a public or private entity with the power of eminent domain commences condemnation proceedings against all or any part of the Property, Seller will notify the Buyer and Buyer will have ten (10) days from Buyer's receipt of such notice to exercise the Option and appoint legal counsel to represent the Parties' interests prior to Closing and Buyer's interests after Closing. If Buyer does not exercise the Option within said ten (10) day period, the Option shall terminate and be of no further force or effect without further notice from Seller. If Buyer exercises the Option and closes, Seller will, at Closing, assign to Buyer any interest Seller may have in any award resulting from such condemnation proceedings. If a public or private entity with the power of eminent domain commences

condemnation proceedings against all of any part of the Property after the Exercise Date and prior to Closing Seller will immediately notify Buyer, and Buyer may, at Buyer's sole option, terminate this Agreement pursuant to **Section 20** below. Notwithstanding the foregoing, Buyer will have no right to terminate this Agreement if the condemnation is for a right-of-way or utility and such condemnation does not materially affect Buyer's intended use of the Property. Buyer will have twenty (20) days from Buyer's receipt of Seller's notice to Buyer to exercise Buyer's termination right. If Buyer does not terminate this Agreement within said twenty (20) day period, the Parties will fully perform their obligations under this Agreement with no reduction in the Purchase Price, and Seller will assign to Buyer, on the Date of Closing, all of Seller's right, title and interest in any award made or to be made in the condemnation proceedings. Seller will not designate counsel, appear or otherwise act with respect to any such condemnation proceedings without Buyer's prior written consent unless Buyer fails to respond within seven (7) days to a request for such written consent.

18. **Assignment.** Buyer may not assign Buyer's rights and obligations under this Agreement to a third party without the written consent of Seller. Seller may grant or withhold Seller's consent to an Assignment at Seller's sole discretion

19. **Default.** If either Party defaults in the performance of any of such Party's obligations under this Agreement, the non-defaulting Party may, after written notice to the defaulting Party, suspend performance of its obligations under this Agreement, and the rights of the non-defaulting Party are as follows:

a. **Buyer's Default Prior to Exercise Date.** If Buyer defaults in its obligations under this Agreement prior to Buyer's exercise of the Option, Seller will have the right to terminate this Agreement with written notice to Buyer and commence an action in a court of competent jurisdiction seeking to recover damages resulting from the Buyer's default. In any such action for damages, Seller may also recover Seller's attorneys' fees and costs.

b. **Buyer's Default after Exercise Date.** If Buyer defaults in the obligation to close under this Agreement, Seller will have the right to:

(i) Terminate this Agreement pursuant to Minnesota Statutes, § 559.21; or

(ii) Commence an action in a court of competent jurisdiction seeking a judgment terminating this Agreement and awarding damages to Seller. In any such action for damages, Seller may also recover Seller's attorneys' fees and costs.

The remedies set forth in these **Sections 20.a** and **20.b** are Seller's sole and exclusive remedies in the event of Buyer's default.

c. Seller's Default. If Seller defaults in the performance of any of Seller's obligations under this Agreement, Buyer may:

(i) terminate this Agreement pursuant to **Section 20**, below; or

(ii) initiate a civil action to compel Seller's specific performance of Seller's obligations under this Agreement provided that Buyer commences such action within six (6) months of the date of Seller's default. In any such action for specific performance, Buyer may also recover Buyer's attorneys' fees and costs.

The remedies set forth in this **Section 20.c** are Buyer's sole and exclusive remedies in the event of Seller's default.

20. **Termination of this Agreement.** Various sections of this Agreement allow Buyer and Seller to terminate this Agreement under certain conditions. The following procedures will govern the Parties' exercise of their termination rights:

a. A Party intending to terminate this Agreement (the "Terminating Party") will notify the non-terminating Party (the "Non-Terminating Party"), in writing, of the Terminating Party's intent to terminate this Agreement.

b. The Terminating Party's notice will recite the Section of this Agreement that authorizes the Terminating Party's termination of this Agreement and will describe the facts and circumstances which the Terminating Party asserts justify termination under the referenced Section.

c. The Terminating Party's notice of termination will be effective as of the date the Terminating Party deposits the notice of termination with the United States Postal Service, with all necessary postage paid, for delivery to the Non-Terminating Party via certified mail, return receipt requested at the address set forth in **Section 1** above. If the Terminating Party delivers a notice of termination in a different manner than described in the preceding sentence, the notice of termination will be effective as of the date the Non-Terminating Party actually receives the notice of termination. The Terminating Party will also mail a copy of the notice of termination to the Parties respective attorneys, if applicable, as provided for in **Section 24** below.

d. If the Non-Terminating Party disputes the Terminating Party's right to terminate this Agreement, the Non-Terminating Party will so notify the Terminating Party, in writing, within three (3) business days of the Non-Terminating Party's receipt of the Terminating Party's notice of termination.

e. If the Non-Terminating Party does not dispute the Terminating Party's right to terminate this Agreement, Buyer will execute and deliver to Seller a recordable quit claim deed conveying the Property to Seller.

f. If the Parties dispute the validity of an attempted termination of this Agreement, either Party may initiate a civil action in a court of competent jurisdiction to determine the status of this Agreement, and the Party that prevails in any such action will be entitled to recover the costs and reasonable attorneys' fees which such Party incurs in the action from the non-prevailing Party.

21. **Time.** Time is of the essence for all provisions of this Agreement.

22. **Survival of Terms.** The Parties' obligations under this Agreement and the representations and warranties which the Parties have recited in this Agreement will survive Closing and Seller's delivery of a deed to Buyer.

23. **Notices.** All notices provided for in this Agreement will be in writing. The notice will be effective as of the date two (2) days after the Party sending such notice deposits the notice with the United States Postal Service with all necessary postage paid, for delivery to the other Party via certified mail, return receipt requested, at the address set forth in **Section 1** above. If Party delivers a notice provided for in this Agreement in a different manner than described in the preceding sentence, notice will be effective as of the date the other Party actually receives the notice. The Party sending the notice will also mail a copy of the notice to the Parties' respective attorneys via first class United States mail at the addresses set forth below:

Attorney for Seller:

Briggs and Morgan, P.A  
2200 IDS Center  
80 South 8<sup>th</sup> Street  
Minneapolis, Minnesota 55402  
Attention: Mary Ippel  
Phone: (612) 977-8058  
Fax: (612) 977-8650  
Email: mippel@briggs.com

Attorney for Buyer:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Phone: ( ) \_\_\_\_\_  
Fax: ( ) \_\_\_\_\_  
Email: \_\_\_\_\_

24. **Full Agreement.** The Parties acknowledge that this instrument and any and all attachments or exhibits hereto represents the full and complete agreement of the Parties relating to the purchase and sale of the Property and all matters related to the purchase and sale of the Property. This Agreement supersedes and replaces any prior agreements, either oral or written, and any amendments or modifications to this Agreement must be in writing and executed by both Parties to be effective.

25. **Governing Law.** This Agreement has been made under the laws of the State of Minnesota and such laws will control its interpretation.

26. **Confidentiality.** Prior to the Date of Closing, the Parties to this Agreement will protect and keep confidential this Agreement and all non-public information disclosed to each other, whether or not it is marked or identified as "Confidential Information."

27. **Calendar.** In the event that any contingency date or the Date of Closing falls on Saturday, Sunday or legal holiday, the date will be considered to be on the next business day immediately following such date.

*(Signatures appear on following pages)*

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the day and year first written above.

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

**SELLER:**

**CITY OF CLOQUET**

By \_\_\_\_\_  
Its \_\_\_\_\_

By \_\_\_\_\_  
Its \_\_\_\_\_

**Signature Page to Purchase Agreement (Seller)**

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

**BUYER:**

**TOY BARN STORAGE LLC**

By \_\_\_\_\_  
Its \_\_\_\_\_

By \_\_\_\_\_  
Its \_\_\_\_\_

**Signature Page to Purchase Agreement (Buyer)**



## **REAL ESTATE OPTION AND PURCHASE AND SALE AGREEMENT**

Dated: March \_\_, 2018 (the "Effective Date")

1. **Parties.** The parties to this Real Estate Option and Purchase and Sale Agreement (this "Agreement") are:
  - a. City of Cloquet, Minnesota, a statutory city under the laws of the state of Minnesota, Attention: Holly Hansen, Community Development Director; telephone: (218) 879-2507; email: hhansen@cloquetmn.gov ("Seller"); and
  - b. Toy Barn Storage LLC, a Minnesota limited liability company, Attention: Amie Roberson and Michael Roberson; telephone: (206) 799-5065; (206) 799-3306; email: [amie\\_roberson@yahoo.com](mailto:amie_roberson@yahoo.com); robeyville@yahoo.com ("Buyer").

This Agreement sometimes refers to Seller and Buyer individually as a "Party" and collectively as the "Parties".

2. **Property.** The real property that is the subject of this Agreement is described as Lot 1, Block 3, Cloquet Business Park, Carlton County, Minnesota and has been assigned the property identification number 06-617-0500 (the "Property"). The term "Property", as used in this Agreement, will include all hereditaments and appurtenances to the Property. The Property consists of vacant, unimproved land and no conveyance of personal property is contemplated by this Agreement.

3. **Grant and Purchase of Option.** Seller grants to Buyer the exclusive right and option to purchase the Property ("Option") for a term commencing on the Effective Date and expiring at 11:59 p.m. on the date that is five (5) years after the Effective Date, unless otherwise extended by the parties in writing ("Option Term"). As consideration for the grant of the Option, Buyer has paid Seller the sum of \$1.00, the receipt and sufficiency of which Seller hereby acknowledges. If the Option Term expires on a day that is not a business day, then the expiration date of the Option Term is extended to the next business day. A "business day" is any day that is not a Saturday, Sunday or legal holiday in Minnesota.

4. **Seller's Acquisition/Preservation of Title.** So long as a Default has not occurred hereunder, Seller agrees that from and after the Effective Date until the date the Option Term expires, Seller will not, without Buyer's prior written consent, convey any right, title or interest to all or any portion of the Option Property or encumber Seller's title to the Option Property unless Buyer has consented to the conveyance or the

encumbrance or, the conveyance or encumbrance, by its express terms, is made subject and subordinate to Buyer's rights under this Agreement

5. **Exercise of Option to Purchase.** To exercise the Option, Buyer must notify Seller, in writing, that Buyer is exercising the Option. Buyer's exercise of the Option is effective when Seller actually receives the notice (the "Exercise Date"). If Buyer does not exercise the Option before the Option Term expires, the Option expires without the need for further notice of any kind.

6. **Purchase and Sale.** If Buyer provides Seller with an Option Notice, Seller agrees to sell the Property to Buyer pursuant to the terms of this Agreement, and Buyer agrees to purchase the Property from Seller pursuant to the terms of this Agreement.

7. **Purchase Price.** The purchase price for the Property is THIRTY FOUR THOUSAND ONE HUNDRED THIRTY-SEVEN 93/100 DOLLARS (\$34,137.93) (the "Purchase Price").

8. **Payment Terms.** On the Date of Closing, Buyer will tender the balance of the Purchase Price to Seller in certified funds or wire transferred funds;

9. **Conveyance Terms.** On the Date of Closing, Seller will execute and deliver to Buyer a Limited Warranty Deed conveying fee title to the Property to Buyer subject only to:

- a. Building, zoning and subdivision statutes, laws, ordinances and regulations;
- b. Reservations of minerals or of mineral rights in favor of the State of Minnesota, if any;
- c. The lien of real estate taxes and special assessments not yet due and payable;
- d. A reservation of a right of reverter in favor of Seller for breach of the following condition subsequent: On or before the date that is one year following the Date of Closing, Buyer must complete construction of storage facility building with a usable square foot area of at least 5,000 square feet on the Property in accordance with the plans submitted to and approved by Seller;
- e. Covenants, conditions, restrictions and easements of record as of the Effective Date, if any; and

f. Any defects in the marketability of Seller's actual or record title to the Property which exist as of the Date of Closing (defined below) and which Buyer does not object to pursuant to the provisions of **Section 9** below.

(hereinafter, collectively, the "Permitted Encumbrances").

10. **Buyer's Inspection.** At all times prior to the expiration of the Option Term, Buyer and its agents will have the right, upon reasonable notice to Seller, to go upon the Property to inspect the Property and to determine the condition of the Property; including, specifically, the presence or absence of hazardous substances, petroleum products and asbestos in, on, or about the Property. Buyer agrees to indemnify and defend Seller from and to hold Seller harmless against any and all claims, causes of action or expenses, including attorneys' fees, relating to or arising from Buyer's presence on the Property prior to the Date of Closing. Buyer agrees to repair any damage to the Property caused by such inspections and to return the Property to substantially the same condition as existed prior to Buyer's inspection. Buyer agrees to promptly provide Seller with copies of any environmental or geotechnical reports along with any test results related thereto. **By its exercise of the Option, Buyer acknowledges that Buyer is purchasing the Property in reliance on Buyer's inspection of the Property pursuant to this Section 7 and on Buyer's judgment regarding the sufficiency of such inspections. Buyer is not relying on any written or oral representations or statements that Seller has made. Subject to Buyer's right to terminate this Agreement pursuant to Section 10, Buyer is purchasing the Property in "AS IS" condition.**

11. **Evidence and Examination of Title.** Buyer may, at Buyer's cost and expense, obtain such evidence of title and undertake such examination of title to the Property as Buyer deems necessary and appropriate. At any time but at least 30 days prior to the earlier of the Exercise Date or the last day of the Option Term, Buyer may give written notice of alleged defect(s) in or encumbrances on the marketability of Seller's actual and record title to the Property and state the curative actions Buyer requests that Seller undertake to address such defects ("Objections"), but if Buyer exercises the Option, Seller must satisfy all liens on the Property on or before the Date of Closing whether or not such liens are the subject of a timely Objection. Within ten (10) days after Seller's receipt of Buyer's Objections, Seller will notify Buyer, in writing, of the curative actions, if any, which Seller will undertake to address Buyer's Objections and the time frame in which Seller will undertake those actions. If Buyer

exercises the Option, all covenants, conditions, easements and other encumbrances (other than liens) affecting the Property, other than covenants, conditions, easements and other encumbrances that Seller has agreed to cure as provided above, shall be deemed permitted encumbrances.

12. **Seller Contingencies.** Seller's obligations under this Agreement are contingent on Buyer satisfying itself as to the following matters by the dates of within the time period set forth in each subsection below. Failure of Seller to give written notice of exercise of the contingency as of such date constitutes waiver of such contingency. If Seller gives no notice of the exercise of such contingency, the Parties will proceed pursuant to **Section 14.**

(i) Prior to the Date of Closing, as defined herein, Buyer shall not have defaulted in the performance of any of Buyer's obligations under that certain Purchase Agreement dated March \_\_\_\_, 2018 by and between Seller and Buyer for the property located at Lot 3, Block 3, Cloquet Business Park (the "Original Property"), and Buyer will have satisfied the condition subsequent described in **Section 6.d** of the Purchase Agreement;

(ii) As of the Date of Closing, none of the following conditions exist at the Original Property:

1. Any unresolved or recurring violations of the Cloquet City Code including but not limited to: Chapter 7 nuisance violations; Chapter 10 building code violations; or Chapter 17 zoning code violations;
2. Delinquent in real estate tax payments or other state or federal tax payments; and
3. Delinquent in city water/sewer payments, or other utility payments such as heat, electricity, or broadband services;

(iii) On or before Date of Closing, Buyer will have provided Seller with evidence, reasonable acceptable to Seller, that Buyer has obtained financing sufficient to acquire the Property and develop it for Buyer's intended use as a storage facility; and

(iv) On or before the Date of Closing, Buyer will have provided Seller with evidence, reasonably acceptable to Seller, that Buyer has or will be able to obtain the Permits necessary for Buyer's development and use of the Property as a storage facility.

13. **Closing.** The closing of the purchase and sale (the "Closing") will take place 60 days after the Exercise Date, or such earlier or later date as the Parties may establish pursuant to a written agreement amending this Agreement (the "Date of

Closing") and subject to the terms and conditions contained herein, including the fulfillment of the following:

a. Seller will:

(i) execute and deliver to Buyer the deed described in **Section 9** above. Such deed will include the statement "Seller certifies that Seller does not know of any wells on the described real property;

(ii) execute and deliver to Buyer and Buyer's title insurer, if any, a Minnesota Uniform Conveyancing Form Affidavit Regarding Business Entity (Form 50.1.3) evidencing the absence of bankruptcies, judgments, or tax liens involving parties with the same or similar names as Seller and evidencing the absence of mechanic's lien rights affecting the Property, unrecorded interests affecting the Property, persons in possession of the Property and known encroachments or boundary line questions affecting the Property;

(iii) deliver to Buyer minutes of a meeting of Seller's City Council reflecting the City Council's adoption of a resolution authorizing Seller's conveyance of the Property to Buyer;

(iv) execute and deliver to Buyer a non-foreign affidavit containing such information as is required under Section 1445(b)(2) of the Internal Revenue Code and any regulations relating thereto;

(v) pay or provide evidence of payment of the following: the State Deed Tax due upon the execution of the conveyance described in **Section 9**; and one-half of Title's fee to conduct and insure the closing of this transaction; and

(vi) deliver to Buyer and the Title a copy of a signed settlement statement prepared by Title and in form and substance reasonably acceptable to Buyer and Seller (the "Settlement Statement");

(vii) provide Buyer with all information regarding Seller necessary for Buyer to complete an electronic certificate of real estate value; and

b. Buyer will:

(i) tender the Purchase Price to Seller pursuant to the provisions of **Section 5** above;

(ii) Deliver to Seller and Title a signed Settlement Statement.

14. **Real Estate Taxes and Special Assessments.** The Parties will pay the real estate taxes ("Real Estate Taxes"), service charges (including service charges assessed against real property on an annual basis pursuant to Minnesota Statutes, § 429.101, as

amended) ("Service Charges") and special assessments ("Special Assessments") as follows:

a. The Purchase Price includes all levied or pending Special Assessments on the Property in the current year; and

b. Buyer will pay all Real Estate Taxes, Service Charges and Special Assessments due and payable in the years following the year of Closing.

15. **Seller's Representations.** Seller represents to Buyer that, as of the Effective Date:

a. Seller is a municipal corporation duly organized and validly existing in good standing under the laws of Minnesota. Seller has the requisite power and authority to enter into and perform this Agreement and to transfer all of the Property in accordance with this Agreement and without further consent or approval.

b. To the best of Seller's actual knowledge, there has been no labor or materials furnished to the Property at the request of Seller for which payment has not been paid.

c. To the best of Seller's actual knowledge, there are no unrecorded mortgages, contracts, purchase agreements, options, leases, easements or other agreements or interest relating to the Property.

d. To the best of Seller's actual knowledge, there are no persons in possession of any portion of the Property other than pursuant to a recorded document.

e. To the best of Seller's actual knowledge, that there are no encroachments or boundary line questions affecting the Property.

f. To the best of Seller's actual knowledge there is no action, litigation, governmental investigation, condemnation or administrative proceeding of any kind pending against Seller or involving any portion of the Property, and no third party has threatened Seller with commencement of any such action, litigation, investigation, condemnation or administrative proceeding.

g. Seller is not in default in the performance of any of Seller's obligations under any mortgage, contract for deed, easement agreement, covenant, condition, restriction or other instrument relating to the Property.

h. Seller has not engaged a real estate agent to represent Seller and assist in the transaction.

i. **Minnesota Required Statutory Disclosures.** As of the date of this Agreement, as required by statute, Seller represents as follows:

(i) Seller does not know of any wells or individual sewage treatment systems, whether in use or abandoned, at the Property.

(ii) To the best of Seller's knowledge, methamphetamine production has not occurred on the Property.

(iii) If airport zoning regulations affect the Property, a copy of those airport zoning regulations as adopted can be viewed or obtained at the office of the county recorder where the Property is located.

If, at any time prior to the earlier of the Date of Closing or the expiration of the Option Term, Seller acquires actual knowledge of events or circumstances which render the representations set forth in this **Section 16** materially inaccurate in any respect, Seller will notify Buyer and the representation is deemed modified accordingly. Buyer may take such steps as Buyer deems necessary and appropriate to confirm the accuracy of the representations set forth in this Section 15 prior to Buyer's exercise of the Option. If Buyer exercises the Option, Buyer will be deemed to have waived any claims that Buyer may have against Seller based on any inaccuracies in any of the representations set forth in this Agreement.

16. **Buyer's Representations.** Buyer hereby represents to Seller as follows:

a. Buyer represents that Buyer has the full and complete authority to enter into this Agreement and to purchase the Property. The individuals executing this Agreement on behalf of Buyer have the legal authority and the legal capacity to execute this Agreement on behalf of Buyer and to bind Buyer.

b. Buyer has not engaged a real estate agent in connection with this transaction.

Such representations are provided as of the Effective Date of this Agreement.

17. **Condemnation.** If a public or private entity with the power of eminent domain commences condemnation proceedings against all of any part of the Property, Seller will notify the Buyer and Buyer will have ten (10) days from Buyer's receipt of such notice to exercise the Option and appoint legal counsel to represent the Parties' interests prior to Closing and Buyer's interests after Closing. If Buyer does not exercise the Option within said ten (10) day period, the Option shall terminate and be of no further force or effect without further notice from Seller. If Buyer exercises the Option and closes, Seller will, at Closing, assign to Buyer any interest Seller may have in any award resulting from such condemnation proceedings. If a public or private entity with the power of eminent domain commences condemnation proceedings against all of any part of the Property after the Exercise Date and prior to Closing Seller will

immediately notify Buyer, and Buyer may, at Buyer's sole option, terminate this Agreement pursuant to **Section 20** below. Notwithstanding the foregoing, Buyer will have no right to terminate this Agreement if the condemnation is for a right-of-way or utility and such condemnation does not materially affect Buyer's intended use of the Property. Buyer will have twenty (20) days from Buyer's receipt of Seller's notice to Buyer to exercise Buyer's termination right. If Buyer does not terminate this Agreement within said twenty (20) day period, the Parties will fully perform their obligations under this Agreement with no reduction in the Purchase Price, and Seller will assign to Buyer, on the Date of Closing, all of Seller's right, title and interest in any award made or to be made in the condemnation proceedings. Seller will not designate counsel, appear or otherwise act with respect to any such condemnation proceedings without Buyer's prior written consent unless Buyer fails to respond within seven (7) days to a request for such written consent.

18. **Assignment.** Buyer may not assign Buyer's rights and obligations under this Agreement to a third party without the written consent of Seller. Seller may grant or withhold Seller's consent to an Assignment at Seller's sole discretion

19. **Default.** If either Party defaults in the performance of any of such Party's obligations under this Agreement, the non-defaulting Party may, after written notice to the defaulting Party, suspend performance of its obligations under this Agreement, and the rights of the non-defaulting Party are as follows:

a. **Buyer's Default Prior to Exercise Date.** If Buyer defaults in its obligations under this Agreement prior to Buyer's exercise of the Option, Seller will have the right to terminate this Agreement with written notice to Buyer and commence an action in a court of competent jurisdiction seeking to recover damages resulting from the Buyer's default. In any such action for damages, Seller may also recover Seller's attorneys' fees and costs.

b. **Buyer's Default after Exercise Date.** If Buyer defaults in the obligation to close under this Agreement, Seller will have the right to:

(i) Terminate this Agreement pursuant to Minnesota Statutes, § 559.21; or

(ii) Commence an action in a court of competent jurisdiction seeking a judgment terminating this Agreement and awarding damages to Seller. In any such action for damages, Seller may also recover Seller's attorneys' fees and costs.

The remedies set forth in these **Sections 20.a** and **20.b** are Seller's sole and exclusive remedies in the event of Buyer's default.

c. Seller's Default. If Seller defaults in the performance of any of Seller's obligations under this Agreement, Buyer may:

(i) terminate this Agreement pursuant to **Section 20**, below; or

(ii) initiate a civil action to compel Seller's specific performance of Seller's obligations under this Agreement provided that Buyer commences such action within six (6) months of the date of Seller's default. In any such action for specific performance, Buyer may also recover Buyer's attorneys' fees and costs.

The remedies set forth in this **Section 20.c** are Buyer's sole and exclusive remedies in the event of Seller's default.

20. **Termination of this Agreement.** Various sections of this Agreement allow Buyer and Seller to terminate this Agreement under certain conditions. The following procedures will govern the Parties' exercise of their termination rights:

a. A Party intending to terminate this Agreement (the "Terminating Party") will notify the non-terminating Party (the "Non-Terminating Party"), in writing, of the Terminating Party's intent to terminate this Agreement.

b. The Terminating Party's notice will recite the Section of this Agreement that authorizes the Terminating Party's termination of this Agreement and will describe the facts and circumstances which the Terminating Party asserts justify termination under the referenced Section.

c. The Terminating Party's notice of termination will be effective as of the date the Terminating Party deposits the notice of termination with the United States Postal Service, with all necessary postage paid, for delivery to the Non-Terminating Party via certified mail, return receipt requested at the address set forth in **Section 1** above. If the Terminating Party delivers a notice of termination in a different manner than described in the preceding sentence, the notice of termination will be effective as of the date the Non-Terminating Party actually receives the notice of termination. The Terminating Party will also mail a copy of the notice of termination to the Parties respective attorneys, if applicable, as provided for in **Section 24** below.

d. If the Non-Terminating Party disputes the Terminating Party's right to terminate this Agreement, the Non-Terminating Party will so notify the Terminating Party, in writing, within three (3) business days of the Non-Terminating Party's receipt of the Terminating Party's notice of termination.

e. If the Non-Terminating Party does not dispute the Terminating Party's right to terminate this Agreement, Buyer will execute and deliver to Seller a recordable quit claim deed conveying the Property to Seller.

f. If the Parties dispute the validity of an attempted termination of this Agreement, either Party may initiate a civil action in a court of competent jurisdiction to determine the status of this Agreement, and the Party that prevails in any such action will be entitled to recover the costs and reasonable attorneys' fees which such Party incurs in the action from the non-prevailing Party.

21. **Time.** Time is of the essence for all provisions of this Agreement.

22. **Survival of Terms.** The Parties' obligations under this Agreement and the representations and warranties which the Parties have recited in this Agreement will survive Closing and Seller's delivery of a deed to Buyer.

23. **Notices.** All notices provided for in this Agreement will be in writing. The notice will be effective as of the date two (2) days after the Party sending such notice deposits the notice with the United States Postal Service with all necessary postage paid, for delivery to the other Party via certified mail, return receipt requested, at the address set forth in **Section 1** above. If Party delivers a notice provided for in this Agreement in a different manner than described in the preceding sentence, notice will be effective as of the date the other Party actually receives the notice. The Party sending the notice will also mail a copy of the notice to the Parties' respective attorneys via first class United States mail at the addresses set forth below:

Attorney for Seller:

Briggs and Morgan, P.A  
2200 IDS Center  
80 South 8<sup>th</sup> Street  
Minneapolis, Minnesota 55402  
Attention: Mary Ippel  
Phone: (612) 977-8058  
Fax: (612) 977-8650  
Email: mippel@briggs.com

Attorney for Buyer:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Phone: ( ) \_\_\_\_\_  
Fax: ( ) \_\_\_\_\_  
Email: \_\_\_\_\_

24. **Full Agreement.** The Parties acknowledge that this instrument and any and all attachments or exhibits hereto represents the full and complete agreement of the Parties relating to the purchase and sale of the Property and all matters related to the purchase and sale of the Property. This Agreement supersedes and replaces any prior agreements, either oral or written, and any amendments or modifications to this Agreement must be in writing and executed by both Parties to be effective.

25. **Governing Law.** This Agreement has been made under the laws of the State of Minnesota and such laws will control its interpretation.

26. **Confidentiality.** Prior to the Date of Closing, the Parties to this Agreement will protect and keep confidential this Agreement and all non-public information disclosed to each other, whether or not it is marked or identified as "Confidential Information."

27. **Calendar.** In the event that any contingency date or the Date of Closing falls on Saturday, Sunday or legal holiday, the date will be considered to be on the next business day immediately following such date.

*(Signatures appear on following pages)*

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the day and year first written above.

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

**SELLER:**

**CITY OF CLOQUET**

By \_\_\_\_\_  
Its \_\_\_\_\_

By \_\_\_\_\_  
Its \_\_\_\_\_

**Signature Page to Purchase Agreement (Seller)**

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

**BUYER:**

**TOY BARN STORAGE LLC**

By \_\_\_\_\_  
Its \_\_\_\_\_

By \_\_\_\_\_  
Its \_\_\_\_\_

**Signature Page to Purchase Agreement (Buyer)**