



CITY OF CLOQUET
City Council Agenda - AMENDED
Tuesday, December 20, 2016
7:00 p.m.
City Hall Council Chambers

CITY COUNCIL WORK SESSION

5:30 p.m. Community Education Update/Contract
6:00 p.m. Joint Parks Commission/Dunlap Island Plan Design

1. **Roll Call.**
2. **Pledge of Allegiance.**
3. **Approval of Agenda.**
 - a. Approval of December 20, 2016 Council Agenda
4. **Approval of Council Minutes.**
 - a. Work Session Minutes from the December 6, 2016 meeting
 - b. Regular Council Minutes from the December 6, 2016 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. 16-97, Authorizing the Payment of Bills
 - b. 2017 Business License Renewals
 - c. New Therapeutic Massage License – Hope Weber
 - d. Approval of Raffle Permit – Queen of Peace Church
6. **Public Hearings.**

None.



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7. **Presentations.**

None.

8. **Council Business.**

- a. Resolution No. 16-91, A Resolution Honoring Lara Wilkinson for her Service as City Councilor
- b. Maintenance Agreement with Carlton County
- c. 2017 Minnesota City Participation Program (MCP) Application
- d. Resolution No. 16-95, A Resolution Approving the Vacation of the Utility Easement Lying East of Arthur Street and South of Slate Street
- e. Lake Superior Waterline Motor Rebuild
- f. Lake Superior Waterline Electrical Upgrades
- g. Braun Park Lease Agreement
- h. Disposal of 2012 Police Vehicle

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.**

12. **Closed Meeting**

- a. Pending Litigation – Teamster's Local No. 346 Labor Contract Grievances Pursuant to Minn. Stat. 13d.05, Subd. 3(b).

**Work Session
December 6, 2016**

Present: D. Bjerkness, K. Kolodge, S. Langley, R. Maki, J. Rock, L. Wilkinson, Mayor Hallback

Absent: None.

Staff: J. Barclay, N. Klassen

Other: F. Yetka; J. Lund, Pine Journal; A. Bailey

Special Assessment Policy Interest Rate Legal Review

- Mr. Fritsinger reviewed previous discussion on the Assessment Policy and the recommendation for the 2016 assessment rate. Council had discussed rates being more in line with current rates, not the historic 8%, and possibly looking at past interest rates and changing retrospectively. The rate for 2016 assessments was adjusted to reflect the current bond rate plus 2%, which reduced rates from 8-4% for the current assessments. Mr. Yetka's legal review concerning adjusting outstanding prior assessments and based on statute findings, strongly advises not to change past interest rates. The current policy amendments the Council adopted aligns with other cities in the state and was a good move to adopt a floating rate policy. The City Council reached consensus that with this legal opinion, no further discussion on the topic was necessary.

City Council Goals Update

- Mr. Fritsinger provided the status of the various goals from the 2015 retreat. The discussion tonight is to make sure Council and staff are on the same page. A number of the projects needed to be amended due to scheduling and priority changes. Items ongoing were highlighted.
- Discussion on LGA and budget/CIP. Mr. Fritsinger suggested tweaking this goal and the strategy to match ongoing efforts and changes in LGA.
- Budget monitoring with department heads is continuing and is critical component to the success of this particular goal. This is more of an internal process than a Council driven process and it is important to continue.
- Economic Development goals are ongoing. Challenge currently is the other agencies that are a part of the success of the goal. No changes recommended at this time.
- Hwy 33 corridor activities related to business growth has been on hold due to the DNR pulling out of the contract. The business park plan is still tied to the marketing plan and is an important goal that needs to be maintained. Discussion of EDA goals not going anywhere. The EDA does a similar type of exercise to identify goals each December. 2017 goals identified are the same as 2016 but priorities have changed, the downtown project is moving up.
- 2017 retreat will be tentatively scheduled for April. Discussion on options for facilitators and the possibility of having mini retreats in preparation for the retreat. The Council preferred to start with a mini session with Mr. Fritsinger facilitating but concern was expressed about the amount of work and time that goes into preparing for mini sessions if he were to facilitate. Mr. Fritsinger will come up with a plan from the information shared and will bring it back to Council for feedback.

Future Work Session Items

- In addition to department heads giving updates, it was suggested that WLSSD come in and give a presentation. Another suggestion is to have the chamber give an annual update.
- Discussion on the Home for the Holidays success. Feedback on Christmas Lights on Dunlap have been positive.

There being no further business, the meeting adjourned at 6:55 p.m.

Respectfully Submitted,

Brian Fritsinger
City Administrator

Regular Meeting

Roll Call

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

Councilors Absent: None

Pledge of Allegiance

AGENDA

MOTION: Councilor Langley moved and Councilor Maki seconded the motion to approve the December 6, 2016 agenda. The motion carried unanimously (7-0).

MINUTES

MOTION: Councilor Langley moved and Councilor Rock seconded the motion to approve the minutes of the Work Session and Regular Meeting of November 15, 2016. The motion carried unanimously (7-0).

CONSENT AGENDA

MOTION: Councilor Bjerkness moved and Councilor Rock seconded the motion to adopt the consent agenda of December 6, 2016 approving the necessary motions and resolutions. The motion carried unanimously (7-0).

- a. Resolution No. 16-95, Authorizing the Payment of Bills and Payroll
- b. 2017 Business License Renewals
- c. Approval of Raffle Permit – Knights of Columbus
- d. Optional 2 A.M. Liquor License – Northeastern Saloon & Grille
- e. Approval of New Liquor License – Rivdogg, LLC., dba Ave. C
- f. Approval of New Massage Therapist License – Karen Langness

PUBLIC HEARING

There were none.

PRESENTATIONS

There were none.

2017-2021 CIP, 2017 BUDGET AND 2017 PROPERTY TAX LEVY

MOTION: Councilor Bjerkness moved and Councilor Kolodge seconded the motion to approve the 2017-2021 Capital Improvement Plan. The motion carried unanimously (7-0).

MOTION: Councilor Bjerkness moved and Councilor Rock seconded the motion to adopt **RESOLUTION NO. 16-84, RESOLUTION ADOPTING THE 2017 BUDGET**. The motion carried unanimously (7-0)

WHEREAS, The City Administrator has prepared an annual budget and the City Council has reviewed the 2017 budget; and

WHEREAS, Chapter 275, Section 065 of Minnesota Statutes requires that the City adopt a 2017 levy and budget.

NOW, THEREFORE, BE IT RESOLVED, BY THE CITY COUNCIL OF THE CITY OF CLOQUET, MINNESOTA, That there be and is hereby to be set aside for the year 2017 for the following departments and funds:

<u>Fund</u>	<u>Revenues</u>	<u>Expenditures</u>
General	\$5,380,750	\$5,466,350
LDO Loan (EDA)	57,700	202,200
Federal CDGB Loan (EDA)	15,000	158,500
Economic Development Loan (City)	6,800	1,350
State SCDG/MIF (EDA)	3,000	2,650
Community Development Operating (City)	149,900	161,200

Small Cities Development (EDA)	17,000	-
Small Cities Development (City)	817,000	817,000
Library	628,000	572,600
Tax Increment – Woodward/Daqota	30,000	30,000
Tax Increment – 14 th Street Apartments	25,000	25,000
Tax Increment – Oakwood Estates	55,000	55,000
Park	550,000	599,570
Senior Center	11,400	11,400
Landfill Host Fee	64,000	-
Cable Television	120,450	165,950
Business Park Bonds	7,000	243,150
Swimming Pond Bonds	115,000	107,000
Permanent Improvement	390,000	735,500
Facilities Planning	4,000	145,000
Public Works Reserve	330,000	454,500
City Sales Tax Projects	9,015,000	4,613,000
Employee Severance Benefits	45,000	50,000
Water – Lake Superior Waterline	4,050,000	3,960,850
Water – In-Town System	1,192,500	1,338,750
Sewer Utility	1,574,000	1,755,400
Stormwater Utility	332,000	226,850
TOTAL:	\$24,985,500	\$21,898,770

MOTION: Councilor Bjerkness moved and Councilor Wilkinson seconded the motion to adopt **RESOLUTION NO. 16-85, RESOLUTION ADOPTING SUMS OF MONEY TO BE LEVIED FOR LEVY YEAR 2016, PAYABLE IN 2017.** The motion carried unanimously (7-0).

BE IT RESOLVED, By the City Council of the City of Cloquet, Minnesota, that the following sums of money be levied for the levy year 2016, payable in 2017, upon taxable property in the City of Cloquet, for the following purposes:

<u>Fund</u>	<u>Levy</u>
General	\$1,600,000
District Wide Allocation - WLSSD	30,000
Park	350,000
Public Works Reserve	100,000
Library	400,000
Permanent Improvement	250,000
GO Swimming Pond Debt	115,000
Community Development	125,000
TOTAL LEVY	\$2,970,000

2017 EMPLOYEE PAY PLAN

MOTION: Councilor Bjerkness moved and Councilor Wilkinson seconded the motion to approve the 2017 Pay Plan effective 01/01/2017. The motion carried unanimously (7-0).

ADOPTION OF PERSONNEL POLICIES HANDBOOK

MOTION: Councilor Langley moved and Councilor Rock seconded the motion to table **RESOLUTION NO. 16-94, A RESOLUTION ESTABLISHING PERSONNEL POLICIES HANDBOOK** until further discussion at a future Work Session. The motion carried (5-2), Councilors Kolodge and Bjerkness opposed.

CITY CODE SECTION 6.2 -- ALCOHOLIC BEVERAGAE LICENSING AMENDMENTS

MOTION: Councilor Kolodge moved and Councilor Bjerkness seconded the motion to adopt **ORDINANCE NO. 460A, AN ORDINANCE TO DELETE AND REPLACE SECTION 6.2 OF THE MUNICIPAL CODE PERTAINING TO ALCOHOLIC BEVERAGE LICENSING**, including the amendment to Section 6.2.22, subd. 3(4) regarding reimbursement for police coverage. The motion carried unanimously (7-0).

The City Council of the City of Cloquet does hereby ordain as follows:

Section 1. That Section 6.2 of the City Code be deleted in its entirety and replaced with the following:

6.2.01 Adoption of State Law by Reference. The provisions of Minnesota Statutes, Chapter 340A, as they may be amended from time to time, with reference to the definition of terms, conditions of operation, restrictions on consumption, provisions relating to sales, hours of sale, and all other matters pertaining to the retail sale, distribution, and consumption of intoxicating liquor and 3.2 percent malt liquor are hereby adopted by reference and are made a part of this Code as if set out in full. It is the intention of the City Council that all future amendments to Minnesota Statutes, Chapter 340A are hereby adopted by reference or referenced as if they had been in existence at the time this Code is adopted.

6.2.02 City May Be More Restrictive Than State Law. The Council is authorized by the provisions of Minnesota Statutes, Chapter 340A.509, as it may be amended from time to time, to impose, and has imposed in this Code, additional restrictions on the sale and possession of alcoholic beverages within its limits beyond those contained in Minnesota Statutes, Chapter 340A, as it may be amended from time to time.

6.2.03 Definitions. In addition to the definitions contained in Minnesota Statutes, Chapter 340A.101, as it may be amended from time to time, the following terms are defined for purposes of this ordinance:

- A. **Brewer.** Means a person who manufactures malt liquor for sale and who holds a Brewers License issued by the State of Minnesota.
- B. **Brewery Taproom (also known as a microbrewery).** Means a facility on the premises of or adjacent to the premises owned by a Brewer, licensed under Minn. Stat. 340A.301, intended for the on-sale consumption and limited off-sale of beer produced on site by the brewer as authorized by Minn. Stat. 340A.26.
- C. **Brew Pub.** Means a brewer who also holds one or more retail on-sale license(s) and who manufactures fewer than 3,500 barrels of malt liquor in a year, at any one licensed premises, the entire production of which is solely for consumption on tap on any licensed premises owned by the brewer, or for off-sale from those licensed premises as permitted in Minn. Stat. 340A.24.
- D. **Caterer's Permit.** Means a permit issued by the Commissioner of Public Safety and the City of Cloquet to a restaurant that holds an on-sale intoxicating liquor license issued by the City. The holder of a caterer's permit may sell intoxicating liquor as an incidental part of a food service that serves prepared meals at a place other than the premises for which the holder's on-sale intoxicating liquor license is issued.
- E. **Club.** Means an incorporated organization organized under the laws of the state for civic, fraternal, social, or business purposes, for intellectual improvement, or for the promotion of sports or a congressionally chartered veterans' organization. In addition, the club must meet the following criteria:
 - 1. Has more than 30 members;
 - 2. Own or rent a building or space in a building for more than one year that is suitable and adequate for the accommodation of its members;
 - 3. Is directed by a board of directors, executive committee, or other similar body chosen by the members at a meeting held for that purpose. No member, officer, agent, or employee shall receive any profit from the distribution or sale of beverages to the members of the club, or their guests, beyond a reasonable salary or wages fixed and voted each year by the governing body.
- F. **Cocktail Room.** Means a facility on or adjacent to the premises of a micro distillery licensed under Minn. Stat. 340A.22, which has been issued a cocktail room license for the on-sale of distilled liquor produced by the distiller for consumption on the premises of or adjacent to one distillery location owned by the distiller.
- G. **Distilled Spirits.** Means ethyl alcohol, hydrated oxide of ethyl, spirits of wine, whiskey, rum, brandy, gin, and other distilled spirits, including all dilutions and mixtures thereof, or non-industrial use.
- H. **Growler.** Means a 64-ounce container of malt liquor brewed and sold to an individual on the site of a licensed Brewery Taproom for consumption off the licensed premises as prescribed for in MS 340A.301.

- I. **Exclusive Liquor Store.** An "Exclusive Liquor Store" is an establishment used exclusively for the sale of:
1. alcoholic beverages;
 2. tobacco products;
 3. ice;
 4. beverages, either liquid or powder, specifically designated for mixing with intoxicating liquor;
 5. soft drinks;
 6. liqueur-filled candies;
 7. food products that contain more than one-half of one percent alcohol by volume;
 8. cork extraction devices;
 9. books and videos on the use of alcoholic beverages;
 10. magazines and other publications published primarily for information and education on alcoholic beverages;
 11. multiple-use bags designed to carry purchased items;
 12. devices designed to ensure safe storage and monitoring of alcohol in the home, to prevent access by underage drinkers; and
 13. home brewing equipment.
 14. clothing marked with the specific name, brand, or identifying logo of the exclusive liquor store, and bearing no other name, brand, or identifying logo.
- J. **Licensed Premises.** Means the premises described in the approved license application, subject to the provisions of Section 340A.410, Subd. 7. In the case of a restaurant, club, or exclusive liquor stores licensed for on-sales of alcoholic beverages and located on a golf course, "licensed premises" means the entire golf course except for areas where motor vehicles are regularly parked or operated.
- K. **Liquor.** Means 3.2 Malt Liquor, Intoxicating Liquor, Strong Beer/Malt Liquor, and Wine.
- L. **Intoxicating Liquor.** Means ethyl alcohol and includes distilled, fermented, spirituous, vinous and malt beverages containing in excess of 3.2 percent of alcohol by weight.
- M. **3.2 Malt Liquor.** (Often referred to as 3.2 beer) Means any potable malt beverage with an alcoholic content of more than one-half percent (½%) by volume and not more than three point two percent (3.2%) by weight.
- N. **Micro Distillery.** Means a distillery operated within the State producing premium, distilled spirits in total quantity not to exceed 40,000 proof gallons in a calendar year and licensed under Minn. Stat. 340A.22.
- O. **Off-Sale.** Means the sale of liquor in the original package in retail stores for consumption off or away from the premises where sold.
- P. **On-Sale.** Means the sale of liquor by the glass, or by the drink for consumption on the premises only.
- Q. **On-Sale Wine License.** Means a license authorizing the sale of wine not to exceed 14 percent alcohol by volume, for consumption on the licensed premises only, in conjunction with the sale of food unless otherwise permitted by State Law.
- R. **Original Package.** Means the bottle or container in which the liquor is placed at the place of manufacture.
- S. **Restaurant.** Means an eating facility, other than a hotel, under the control of a single proprietor or manager, where meals are regularly prepared on the premises, where full waitress/waiter table service is provided, where a customer orders food from printed menus and where the main food course is served and consumed while seated at a single location. To be a Restaurant as defined by this section, an establishment shall have a license from the state as required by M.S. § 157.16, as it may be amended from time to time, and meet the definition of either a "small establishment," "medium establishment" or "large establishment" as defined in M.S. § 157.16, subd. 3d, as it may be amended from time to time. An establishment which serves prepackaged food that receives heat treatment and is served in the package or frozen pizza that is heated and

served, shall not be considered to be a restaurant for purposes of this Code unless it meets the definitions of a "small establishment", "medium establishment" or "large Establishment".

The term "restaurant," when used in connection with "on-sale wine" or "on-sale 3.2 malt liquor" licenses, shall mean an establishment under the control of a single proprietor or manager, having appropriate facilities for serving meals and seating not fewer than 25 guests at one time, and where, in consideration of payment thereof, meals are regularly served at table to the general public and which employs an adequate staff to provide the usual and suitable service to its guests.

- T. **Theater.** Means a building containing an auditorium in which live dramatic, musical, dance, or literary performances are regularly presented to holders of tickets for those performances.

6.2.04 Types of Liquor Licenses. The City Council is authorized to issue the following licenses and permits:

- A. On-sale intoxicating liquor
- B. On-sale wine
- C. Off-sale intoxicating liquor
- D. 3.2% on-sale intoxicating liquor
- E. 3.2% off-sale intoxicating liquor
- F. Sunday on-sale intoxicating liquor and 3.2% malt liquor
- G. Optional 2am liquor
- H. Temporary on-sale intoxicating liquor
- I. Temporary 3.2% malt liquor
- J. Brew Pub on-sale intoxicating liquor
- L. Brew Pub on-sale 3.2% malt liquor
- M. Brewer taproom off-sale malt liquor
- N. Brewer temporary on-sale intoxicating liquor
- O. Brewer taproom (microbrewery)
- P. Cocktail room
- Q. Micro-distiller off-sale
- R. Micro-distiller temporary on-sale intoxicating liquor

6.2.05 On-Sale Intoxicating Liquor.

- A. On-sale intoxicating liquor licenses may be issued to the following establishments as defined by M.S. § 340A.101, as it may be amended from time to time, and this Code:
 - 1. hotel,
 - 2. restaurant,
 - 3. bowling center,
 - 4. theater,
 - 5. exclusive liquor store,
 - 6. club or congressionally chartered veterans organizations, with the approval of the commissioner, provided that the organization has been in existence for at least three (3) years and liquor sales will only be to members and bona fide guests.
 - 7. brewery taprooms
 - 8. cocktail rooms
- B. **Number of On-Sale Intoxicating Liquor Licenses Which May be Issued.** "On-Sale Intoxicating Liquor" licenses may be granted in such number and to such persons as qualify under State Liquor Laws, but shall permit consumption of liquor on the licensed premises only. No more than thirteen (13) licenses may be issued without voter approval by City referendum. [M.S. §340A.413] Licenses issued to bowling centers, restaurants, hotels, clubs or congressionally chartered veterans organizations, and establishments that are issued licenses to sell wine under M.S. §340A.404, Subd. 5 are excluded from the license limits.
- C. ~~**On-Sale Club License.** An on-sale intoxicating liquor club license requires approval by the City. After approval by the City, the Commissioner of Public Safety's final approval must be obtained. Without the Commissioner's approval, the license will not be effective.~~
- D. The Council may in its sound discretion authorize a retail on-sale licensee to dispense intoxicating liquor off the licensed premises at a community festival held within the city under the provisions of M.S. § 340A.404.

subd. 4(b), as it may be amended from time to time. The Council may in its sound discretion authorize a retail on-sale licensee to dispense intoxicating liquor off the licensed premises at any convention, banquet, conference, meeting, or social affair conducted on the premises of a sports, convention, or cultural facility owned by the city, under the provisions of M.S. § 340A.404, subd. 4(a), as it may be amended from time to time; however, the licensee is prohibited from dispensing intoxicating liquor to any person attending or participating in a youth amateur athletic event being held for persons 18 years of age or younger being held on the premises.

The authorization shall specify the area in which intoxicating liquor must be dispensed and consumed, and shall not be issued unless the licensee demonstrates that it has liability insurance as required under M.S. 340A.409 to cover the event.

6.2.06 On-Sale Wine Licenses.

- A. On-sale wine licenses may be issued to:
1. theaters,
 2. restaurants that have facilities for seating at least 25 guests at one time and meet the criteria of M.S. §340A.404, subd. 5, as it may be amended from time to time, and which meet the definition of restaurant in Section 6.2.03, Subd. 6 of this Code,
 - a. Seating for 25 guests at one time must meet all City Zoning and Fire Code laws;
 3. licensed bed and breakfast facilities which meet the criteria in M.S. § 340A.401, subd. 1, as it may be amended from time to time.
- B. On-sale wine licenses shall permit the sale of wine of up to 24% alcohol by volume for consumption on the licensed premises
- C. After approval by the City, the Commissioner of Public Safety's final approval must be obtained. Without the Commissioner's approval, the license will not be effective.
- D. The holder of an on-sale wine license who also holds an on-sale 3.2 percent malt liquor license is authorized to sell malt liquor with a content over 3.2 percent (strong beer) without an additional license.
- E. The license shall permit the sale of wine on all days of the week unless the City Council restricts the sale of wine on all days except Sunday.

6.2.07 3.2 Percent On-Sale Malt Liquor Licenses.

- A. 3.2% on-sale malt liquor licenses may be issued only to:
1. golf courses,
 2. restaurants,
 3. hotels,
 4. clubs,
 5. bowling centers,
 6. establishments used exclusively for the sale of 3.2 percent malt liquor with the incidental sale of tobacco and soft drinks.

6.2.08 Intoxicating Liquor, On-Sale; Sunday Sales.

- A. Sunday on-sale intoxicating liquor licenses may be issued only to:
1. restaurant that has an on-sale intoxicating liquor license and a minimum seating capacity of 30 persons;
 2. club;
 3. bowling center; or
 4. hotel which has a seating capacity of at least 30 persons, which holds an on-sale intoxicating liquor license, and which serves liquor only in conjunction with the sale of food.

6.2.09 Optional 2 A.M. Permit.

- A. No licensee may sell intoxicating liquor or 3.2 percent malt liquor on-sale between the hours of 1:00 a.m. and 2:00 a.m. unless the licensee has obtained a permit from the Commissioner.
- B. After approval by the City, the Commissioner of Public Safety's final approval must be obtained and license will be issued by the Commissioner.

6.2.10 Off-Sale Intoxicating Liquor License.

- A. Off-sale intoxicating liquor licenses may be issued only to:
 - 1. exclusive liquor stores.
- B. Off-sale intoxicating liquor licenses shall allow for the sale of intoxicating liquor in its original container for consumption off the licenses premises only. An off-sale intoxicating liquor licensee may sell off-sale wine and 3.2 percent malt liquor without an additional license.
- C. After approval by the City, the Commissioner of Public Safety's final approval must be obtained. Without the Commissioner's approval, the license will not be effective.
- D. The number of "Off-Sale" licenses available at any one time will be determined by the City Council but not more than twelve (12) will be issued at any one time.

6.2.11 3.2 Percent Off-Sale Malt Liquor Licenses.

- A. 3.2% malt liquor off-sale licenses shall permit the sale of 3.2 percent malt liquor at retail in the original package for consumption off the premises only. An off-sale intoxicating liquor license cannot be issued to a place where 3.2 percent malt liquor is sold for consumption on the premises.

6.2.12 Temporary On-Sale Intoxicating Liquor Licenses.

- A. Temporary on-sale intoxicating liquor licenses may be issued:
 - 1. Only in connection with a social event sponsored by a club, charitable, religious, or other nonprofit corporation that has existed for at least three years.
- B. After approval by the City, the Commissioner of Public Safety's final approval must be obtained. Without the Commissioner's approval, the license will not be effective.
- C. No license shall be for longer than four consecutive days and the City shall issue no more than 12 days worth of temporary licenses to any one organization in one calendar year.

6.2.13 Temporary 3.2 Percent Malt Liquor Licenses.

- A. Temporary 3.2% malt liquor licenses may be issued:
 - 1. Only to a club, charitable, religious, or nonprofit organization.

6.2.14 Consumption and Display Permits.

- A. **Permit Required.** No business establishment or club which does not hold an on-sale intoxicating liquor license may directly or indirectly allow the consumption and display of alcoholic beverages or knowingly serve any liquid for the purpose of mixing with intoxicating liquor without first having obtained a permit from the Commissioner of Public Safety under Minnesota Statutes, Section 340A.414.
- B. **Local consent required.** A Consumption and Display permit issued under this section is not effective until approved by the City Council. After approval by the City, the Commissioner of Public Safety's final approval must be obtained. Without the Commissioner's approval, the license will not be effective. All permits issued under this section expire on March 31 of each year.

- C. **One day consumption and display permits.** The City Council may issue a one day permit for the consumption and display of intoxicating liquor to a nonprofit organization in conjunction with a social activity in the city sponsored by the organization. The permit must be approved by the Commissioner of Public Safety and is valid only for the day indicated on the permit. The City may not issue more than ten permits under this section in any one year.

6.2.15 Brew Pub On-Sale Intoxicating Liquor or On-Sale 3.2 Percent Malt Liquor Licenses.

- A. With the approval of the Commissioner of Public Safety, the City Council may issue to brewers who operate a restaurant in their place of manufacture and who meet the criteria established under M.S. §340A.24, as it may be amended from time to time. Sales under these licenses at an on-sale may not exceed 3,500 barrels per year. If a brew pub licensed under this section possesses a license for off-sale under Section 6.2.16 below, the brew pub's total combined retail sales at on-sale or off-sale may not exceed 3,500 barrels per year, provided that off-sales may not total more than 500 barrels.

6.2.16 Brewer Off-Sale Malt Liquor Licenses.

- A. With the approval of the Commissioner of Public Safety, the City Council may issue to a brewer that is a licensee under Section 6.2.15 above and otherwise meets the criteria established at M.S. §340A.24, as it is amended from time to time. Off-sale of malt liquor shall be limited to the legal hours for off-sale at exclusive liquor stores in the City. Malt liquor sold off-sale must be removed from the premises before the applicable off-sale closing time at exclusive liquor stores. All malt liquor sold under this license shall be packaged in the manner required by M.S. §340A.285 as it may be amended from time to time. Sales under this license may not exceed 500 barrels per year. If a brewer licensed under this section possesses a license under Section 6.2.15 above, the brewers total retail sales at on-sale or off-sale may not exceed 3,500 barrels per year, provided that off-sales may not total more than 500 barrels.
- B. Brewer off-sale malt liquor licenses may also be issued, with approval of the Commissioner, to a holder of a brewer's license under M.S. §340A.301, subd 6(c), (i), or (j) and meeting the criteria established by M.S. §340A.28 as may be amended from time to time. The amount of malt liquor sold at off-sale may not exceed 500 barrels annually. Off-sale of malt liquor shall be limited to the legal hours for off-sale at exclusive liquor stores and the malt liquor sold off-sale must be removed from the premises before the applicable off-sale closing time at exclusive liquor stores. Packaging of malt liquor for off-sale under this license must comply with M.S. §340A.285.

6.2.17 Brewer Temporary On-Sale Intoxicating Liquor.

- A. With the approval of the Commissioner of Public Safety, the City Council may issue to a brewer who manufactures fewer than 3,500 barrels of malt liquor in a year a temporary on-sale intoxicating liquor license in connection with a social event within the City sponsored by the brewer.

6.2.18 Brewer Taproom License.

- A. The City Council may issue to the holder of a brewer's license under M.S. §340A.301, Subd 6(c), (i) or (j) as it may be amended from time to time. A brewer's taproom license authorizes on-sale of malt liquor produced by the brewer for consumption on the premises of or adjacent to one brewery location owned by the brewer. A brewer may have only one taproom license and may not have an ownership interest in a brewer licensed under M.S. §340A.301, Subd 6(d) as it may be amended from time to time. A brewer taproom license may not be issued to a brewer that brews more than 250,000 barrels of malt liquor annually or a winery that produces more than 250,000 gallons of wine annually. Within ten days of issuing a brewer taproom license the City Clerk will inform the Commissioner of Public Safety of the licensee's name, address, trade name and the effective date and expiration date of the license. The City Clerk will inform the Commissioner of Public Safety of a license transfer, cancellation, suspension, or revocation during the license period.

6.2.19 Cocktail Room License.

- A. The City Council may issue a holder of a state micro-distillery license a cocktail room license. A micro-distillery cocktail room license authorizes on-sale of distilled liquor produced by the distiller for consumption on the premises of or adjacent to one distillery location owned by the distiller. The holder of a micro-distillery cocktail room license may also hold a license to operate a restaurant at the distillery. No more than one cocktail room license may be issued to any distiller and a micro-distillery cocktail room license may not be issued to any person having an ownership interest in a distillery licensed under M.S. §340A.301 Subd 6(a). No single entity may hold both a micro-distillery cocktail room and taproom license and a micro-distillery cocktail room and taproom license may not be co-located. Within ten days of the issuance of a micro-distillery cocktail room license, the City shall inform the Commissioner of Public Safety of the licensee's name and address and trade name, and the effective date and expiration date of the license. The City shall also inform the Commissioner of Public Safety of a micro-distillery cocktail room license transfer, cancellation, suspension or revocation during the licensing period.

6.2.20 Micro-Distiller Off-Sale License.

- A. The City Council may also issue a micro-distiller license to a holder of a state micro-distillery license. A micro-distiller off-sale license authorizes of sale of one 375 milliliter bottle per customer per day of product manufactured on-site provided the product is also available for distribution to wholesalers.

6.2.21 Micro-Distiller Temporary On-Sale Intoxicating License.

- A. The City Council may issue a micro-distiller temporary on-sale intoxicating license but only to the holder of a state micro-distillery license. A micro-distiller temporary on-sale intoxicating liquor license authorizes on-sale of intoxicating liquor in connection with a social event within the City sponsored by the micro-distillery.

6.2.22 Temporary Licenses.

Subd. 1. Temporary On-Sale Liquor Licenses. Consistent with Minn. Stat. 340A.404 Subd. 10, and as limited by Minn. Stat. 340A.410 subd. 10, hereinafter the City Council will determine on a case-by-case basis the number of clubs, political committees registered under Minn. Stat. 10A.14 (charitable, religious or nonprofit organizations in existence for three (3) years) that will be issued a temporary on-sale license to sell intoxicating liquor within the City.

1. Consistent with the provisions of Minn. Stat. 340A.404 Subd. 10, the City Council will determine the duration of any such licenses granted (not to exceed 1 day per year for any one licensee). The Council shall not award more than one temporary license to any one organization or registered political committee annually unless the license is issued in connection with an event officially designated as a community festival by the City Council.
2. Location. A temporary license authorized by this section may authorize the on-sale of intoxicating liquor on premises other than the premises owned or permanently occupied by the licensee provided the site is approved and located within the City limits.

Subd. 2 Temporary On-Sale 3.2% Beer Sales. The City hereby adopts the provisions of Minn. Stat. 340A.404 Subd. 10 as a guideline for the issuance of 3.2% beer sales temporary licenses and hereinafter the City Council will determine on a case-by-case basis the number of clubs, political committees registered under Minn. Stat. 10A.14 (charitable, religious or nonprofit organizations in existence for three years) that will be issued a temporary on-sale license to sell 3.2% beer within the City. Temporary on-sale licenses may be issued in the discretion of the Council, subject to the limits of this Section, to clubs, or charitable, religious, or non-profit organizations listed as 501(c) corporations for tax purposes.

1. Location. A temporary license authorized by this section may authorize the on-sale of 3.2% beer on premises other than the

premises owned or permanently occupied by the licensee provided the site is approved by the City Council and located within the City limits.

2. Conditions of Temporary License. Any license issue under this provision may provide that the licensee may contract for intoxicating liquor catering services with the holder of a full year on-sale intoxicating liquor license issued by the municipality. Any license issued under this ordinance is subject to all of the laws governing the sale of intoxicating liquor and all such licenses are not valid unless first approved by the Commissioner of Public Safety or designated representative.
3. License Fees and Insurance. All licensees issued a license pursuant to this section will pay the City a fee of \$50 for each day the license is requested for at the time of application. In addition, as a condition of receiving said license, all licensees will provide the City Administrator a certificate of insurance providing proof of liability and dram shop insurance in an amount of Five Hundred Thousand Dollars (\$500,000) per claim and One Million Dollars (\$1,000,000) in aggregate. The City will be added as a named insured on any such certificate and will be given ten (10) days written notice prior to termination of any such policy.
4. Conditions of Temporary License. Any license issue under this provision may provide that the licensee may contract for intoxicating liquor catering services with the holder of a full year on-sale intoxicating liquor license issued by the municipality. Any license issued under this ordinance is subject to all of the laws governing the sale of intoxicating liquor and all such licenses are not valid unless first approved by the Commissioner of Public Safety or designated representative.
5. License Fees and Insurance. All licensees issued a license pursuant to this section will pay the City a fee of \$50 at the time of application. In addition, as a condition of receiving said license, all licensees will provide the City Administrator a certificate of insurance providing proof of liability and dram shop insurance in an amount of Five Hundred Thousand Dollars (\$500,000) per claim and One Million Dollars (\$1,000,000) in aggregate. The City will be added as a named insured on any such certificate and will be given Ten (10) days written notice prior to termination of any such policy.

Subd. 3. Temporary On-Sale License. With regard to all temporary on-sale licenses approved the City pursuant to Minn. Stat. 340A.403, the licenses shall be issued subject to the following restrictions and conditions:

1. Eligible Licenses. Licenses shall be issued only to clubs or charitable, religious or non-profit organizations having an Internal Revenue Service Determination Letter pursuant to the provisions of Section 501(c) of the Internal Revenue Code as amended.
2. Limit on Number. Consistent with the provisions and limitations of Minn. Stat. 340A.410 Subd. 10, the City Council will determine the number and duration of any such temporary licenses granted to any one organization or political committee annually not to exceed twelve (12) days per year. The Council shall not award more than one temporary license to any one organization or registered political committee annually unless the license is issued in connection with an event officially designated as a community festival by the City Council. A series of temporary licenses may be issued under this provision in any combination not to exceed a total of twelve (12) days per year in any combination of the following:
 - a) No more than three (3) four-day licenses;
 - b) No more than four (4) three-day licenses;
 - c) No more than six (6) two-day licenses;
 - d) No more than twelve (12) one-day licenses.

3. One-Day On-Sale Licenses. One-day On-Sale licenses to sell liquor in a parking lot are required to be fenced in. One-Day On-Sale licenses to sell liquor in a park does not need to be fenced in.
4. Police. The applicant shall deposit with the City Administrator at the time of applying for the license sufficient funds to reimburse the City for all costs for two (2) police officers who shall be on the location for which the temporary license for the sale of 3.2 percent malt liquor is issued during all times when 3.2 percent malt liquor is sold, unless otherwise determined by the Council that either fewer or additional officers are needed of which the applicant shall reimburse the City as identified by the Council.
5. Restrictions. The licensee shall not permit any person under the legal drinking age to remain or be in the area where the 3.2 percent malt liquor is being sold and consumed, which area shall be enclosed by a fence or other enclosure.
6. Special Application Requirements. An applicant for a temporary license for the sale of 3.2 percent malt liquor shall apply on forms provided by the City to the City Administrator not less than sixty (60) days prior to the date for which the temporary license for the sale of 3.2 percent malt liquor is sought. In addition, all applicants shall also provide the City Administrator with a certificate of liability insurance covering the event for which the license is sought in the minimum amount of \$500,000 per claim and a \$1,000,000 in aggregate. It shall be a requirement that the City of Cloquet be named as an additional insured on the policy and that the City of Cloquet be provided with a minimum of ten (10) days written notice prior to termination of any insurance policy so obtained.
7. Compliance. All applicants for a temporary "On-Sale" license for the sale of 3.2 percent malt liquor shall comply with all provisions of Minnesota Law and Cloquet Code or Ordinances including Minn. Stat. Sections 340A.402 and 340A.412. Evidence of compliance with this subdivision shall be submitted to the City Administrator by the applicant not less than twenty-four (24) hours prior to the event for which the temporary license for the sale of 3.2 percent malt liquor is sought.

6.2.23 Council Discretion to Grant or Deny a License. The Council in its sound discretion may either grant or deny the application for any license or for the transfer or renewal of any license. No applicant has a right to a license under this Code.

6.2.24 Application for License.

Subd. 1. Form. Every application for a license issued under this Code shall be on a form provided by the city. Every application shall state the name of the applicant, the applicant's age, representations as to the applicant's character, with references as the Council may require, the type of license applied for, the business in connection with which the proposed license will operate and its location, a description of the premises, whether the applicant is owner and operator of the business, how long the applicant has been in that business at that place, and other information as the Council may require from time to time. No person shall make a false statement in an application.

Subd. 2. Description of Premises. An application for an On-Sale intoxicating liquor license shall specifically describe the compact and contiguous premises within which liquor may be dispensed and consumed. The description may not include any parking lot or sidewalk.

No license issued under the Chapter shall be effective beyond the building space and attached courtyards, patios or gardens as approved by the Council and as shown on the license application for such license.

6.2.25 License Fees.

Subd. 1. No license shall be issued under this section until the appropriate license fee shall be paid in full. The fee for license under this section shall be established by ordinance or resolution as adopted from

time to time by the City Council. No license or other fee established by the City shall exceed any limit established by M.S. Ch. 340A, as it may be amended from time to time, for a liquor license.

Subd. 2. In the event that the costs of investigation exceeds the fee established by Council, the applicant shall reimburse the City of Cloquet for the actual costs of the investigation, as determined by the City Council prior to the issuance of a liquor license to the applicant.

Subd. 3. No liquor license fee for 3.2 percent malt liquor, On-Sale intoxicating liquor and off-sale intoxicating liquor, shall be increased without providing mailed notice of a hearing on the proposed increase to all affected licensees at least 30 days before the hearing. [M.S. 340A.408, Subd. 3a]

Subd. 4. The fee for all licenses issued by the City, except temporary licenses, granted after the commencement of the license year shall be prorated on a monthly basis. In computing such fee, any unexpired fraction of a month shall be counted as one month.

Subd. 5. The annual fee for an off-sale intoxicating liquor license shall be reduced by \$100 if at the time of initial application or renewal the following conditions are met:

1. The licensee agrees to have a private vendor train all employees within 60 days of hire and annually thereafter in laws pertaining to the sale of alcohol, the rules for identification checks, and the responsibilities of establishments serving intoxicating liquors; and
2. The licensee agrees to post a policy requiring identification checks for all persons appearing to be 30 years old or less; and
3. A cash award and incentive program is established by the licensee, to award employees who catch underage drinkers, and a penalty program is established to punish employees in the event of a failed compliance check.
4. Failure to abide by the provisions of this paragraph may result in suspension of the license until the conditions of the fee reduction are met and may result in suspension and/or revocation of the license pursuant to Section 6.2.39 of this Code.

6.2.26 Term and Expiration of Licenses. Each license shall be issued for a maximum period of one year. All licenses, except temporary licenses, shall expire on June 30 of each year. All licenses shall expire on the same date. Temporary licenses expire according to their terms. Consumption and display permits issued by the Commissioner of Public Safety and the accompanying City consent to the permit, shall expire on March 31 of each year.

6.2.27 Refunds. A refund of a pro rata share of an annual license fee for a retail license to sell intoxicating or 3.2 percent malt liquor may occur only if authorized by Minn. Stat. 340A.408 Subd. 5, as it may be amended from time to time, less the investigation fee.

6.2.28 Applications for Renewal. At least 90 days before a license issued under this Code is to be renewed, an application for renewal shall be filed with the city. The decision whether or not to renew a license rests within the sound discretion of the Council. No licensee has a right to have the license renewed.

6.2.29 Transfer of License. No license issued under this Code may be transferred without the approval of the Council. Any transfer of stock of a corporate licensee is deemed to be a transfer of the license, and a transfer of stock without prior Council approval is a ground for revocation of the license. An application to transfer a license shall be treated the same as an application for a new license, and all of the provisions of this code applying to applications for a license shall apply.

6.2.30 Financial Responsibility. Prior to the issuance of any license under this Code, the applicant shall demonstrate proof of financial responsibility as defined in M.S. § 340A.409, as it may be amended from time to time, with regard to liability under M.S. § 340A.801, as it may be amended from time to time. This proof will be filed with the City and the Commissioner of Public Safety as a condition of issuance or renewal of his or her license. Applicant shall file a duplicate copy of all filing with the City Administrator prior to issuance of a license. Any lapse in insurance coverage or other evidence of financial

responsibility as set forth within this Section shall automatically suspend the licensee's license to operate. Notice of cancellation of current liquor liability policy to licensee of impending suspension or revocation shall result in suspension or revocation instantly upon lapse unless evidence of compliance of financial responsibility requirements is presented to the City Administrator and other licensing authority before termination shall be effective. Compliance with financial responsibility requirements of state law and of this ordinance is a continuing condition of any license.

Subd. 1. Exempt Licensees. Those licensees that are exempt from the liability insurance provisions of Minn. Stat. 340A.409 and 340A.801 shall file with the City Administrator an affidavit prepared by the licensee and duly notarized containing at least the following:

A. On-Sale 3.2 percent malt liquor licensees:

1. That the licensee-affiant's on-sales of the preceding licensing period were less than \$25,000.00.
2. That licensee-affiant expects the sales to be less than \$25,000.00 for the period of license being applied for.
3. That the licensee-affiant shall notify the City Administrator within twenty-four (24) hours of the sales of the licensee reaching \$24,000.00.
4. That the licensee-affiant shall, during the license period, obtain certificate of insurance or bond during the licensing period if his or her sales reach \$25,000.00
5. That the licensee-affiant shall have the security required pursuant to Minn. Stat. 340A.409 and 340A.801 in effect prior to the sale of the \$25,000.00 in sales. Failure to file the affidavit required in this Section shall automatically suspend the licensee's license.

B. Off-Sale 3.2 percent malt liquor licensees:

1. That the licensee-affiant's on-sales of the preceding licensing period were less than \$50,000.00.
2. That licensee-affiant expects the sales to be less than \$50,000.00 for the period of license being applied for.
3. That the licensee-affiant shall notify the City Administrator within twenty-four (24) hours of the sales of the licensee reaching \$49,000.00.
4. That the licensee-affiant shall, during the license period, obtain certificate of insurance or bond during the licensing period if his or her sales reach \$50,000.00.
5. That the licensee-affiant shall have the security required pursuant to Minn. Stat. 340A.409 and 340A.801 in effect prior to the sale of the \$50,000.00 in sales. Failure to file the affidavit required in this Section shall automatically suspend the licensee's license.

C. On-Sale Wine licensees.

1. That the licensee-affiant's sales of the preceding licensing period were less than \$25,000.00.
2. That licensee-affiant expects the sales to be less than \$25,000.00 for the period of license being applied for.
3. That the licensee-affiant shall notify the City Administrator within twenty-four (24) hours of the sales of the licensee reaching \$24,000.00.
4. That the licensee-affiant shall, during the license period, obtain certificate of insurance or bond during the licensing period if his or her sales reach \$25,000.00
5. That the licensee-affiant shall have the security required pursuant to Minn. Stat. 340A.409 and 340A.801 in effect prior to the sale

of the \$25,000.00 in sales. Failure to file the affidavit required in this Section shall automatically suspend the licensee's license.

Subd. 2. The licensee shall obtain liability insurance, a bond surety or cash as provided under Minn. Stat. 340A.409 and 340A.801 in an amount not less than provided by statute when the licensee is not exempt pursuant to law.

Subd. 3. Any lapse in insurance coverage or other evidence of financial responsibility as set forth within this Section shall automatically suspend the licensee's license to operate. Notice of cancellation of current liquor liability policy to licensee of impending suspension or revocation shall result in suspension or revocation instantly upon lapse, unless evidence of compliance of financial responsibility requirements is presented to the City Administrator and other licensing authority before termination shall be effective.

6.2.31 Investigation.

Subd. 1. Preliminary background and financial investigation. On an initial application for a license, on an application for transfer of a license and, in the sound discretion of the Council that it is in the public interest to do so, on an application for renewal of a license, the city shall conduct a preliminary background and financial investigation of the applicant or it may contract with the Commissioner of Public Safety for the investigation. The applicant shall pay with the application a non-refundable investigation fee established by ordinance or resolution as adopted from time to time by the City Council, which shall be in addition to any license fee. The results of the preliminary investigation shall be sent to the Commissioner of Public Safety if the application is for an on-sale intoxicating liquor license or an on-sale wine license.

Subd. 2. Comprehensive background and financial investigation. If the results of a preliminary investigation warrant, in the sound discretion of the Council, a comprehensive background and financial investigation, the Council may either conduct the investigation itself or contract with the Commissioner of Public Safety for the investigation. The investigation fee for this comprehensive background and financial investigation to be paid by the applicant shall be \$500, less any amount paid for the initial investigation if the investigation is to be conducted within the state, and \$10,000, less any amount paid for the initial investigation, if the investigation is required outside the state. The unused balance of the fee shall be returned to the applicant whether or not the application is denied. The fee shall be paid in advance of any investigation and the amount actually expended on the investigation shall not be refundable in the event the application is denied. The results of the comprehensive investigation shall be sent to the Commissioner of Public Safety if the application is for an on-sale intoxicating liquor license or an on-sale wine license.

Subd. 3. Inspection of Premises. All premises where any license under this Chapter is granted shall be open to inspection by a licensed police officer or other properly designated officer or employee of the City at any time during which the place so licensed is open to the public for business.

Subd. 4. Inspection of Records. The business records of the licensee, including federal and state tax returns shall be available for inspection by the City Administrator, or other duly authorized representative of the City at all reasonable times.

6.2.32 Hearing and Issuance. The Council shall investigate all facts set out in the application and not investigated in the preliminary or comprehensive background and financial investigations. Opportunity shall be given to any person to be heard for or against the granting of the license. After the investigation and hearing, the Council shall in its sound discretion grant or deny the application. No license shall become effective until the proof of financial security has been approved by the Commissioner of Public Safety.

6.2.33 Hours and Days of Sale for Intoxicating Liquor and 3.2 Percent Malt Liquor.

Subd. 1. Off-Sale: No sale of intoxicating liquor or 3.2 percent malt liquor may be made:

1. on Sundays;
2. before 8:00 a.m. or after 10:00 p.m. on Monday through Saturday;
3. on Thanksgiving Day;
4. on Christmas Day, December 25; or
5. after 8:00 p.m. on Christmas Eve, December 24.

Subd. 2. On-Sale: No sale of intoxicating liquor or 3.2 percent malt liquor for consumption on the licensed premises may be made:

1. Between 2:00 a.m. and 8:00 a.m. on the days of Monday through Saturday;
2. After 2:00 a.m. on Sundays, except as provided in Subd.3 below.

Subd. 3. Intoxicating liquor; Sunday Sales; On-Sale

1. A restaurant, club, bowling center, or hotel with seating capacity for at least 30 persons and which holds an on-sale intoxicating liquor license may sell intoxicating liquor for consumption on the premises in conjunction with the sale of food between the hours of 10:00 a.m. on Sundays and 1:00 a.m. (2:00 a.m. if they have a state license) on Monday.
2. The establishment serving intoxicating liquors on Sundays must obtain a Sunday license. The license must be issued by the City Council for a period of one year, and the fee for the license will be set by the Council from time to time but may not exceed \$200 annually.

6.2.34 Samples. It shall be lawful for the holder of an "off-sale" intoxicating liquor license to provide on the premises of the retail licensee samples of wine, liqueurs, cordials and distilled spirits which the retail licensee currently has in stock and is offering for sale to the general public without obtaining an additional license, provided the wine, liqueur, cordial, and distilled spirits samples are dispensed at no charge and consumed on the licensed premises during the permitted hours of "off-sale" in a quantity less than 50 milliliters of wine per variety per customer, 100 milliliters of malt liquor, and 25 milliliters of liqueur or cordial, and 15 milliliters of distilled spirits per variety per customer. A brewer may furnish samples of malt liquor the brewer manufactures in a quantity of less than 100 milliliters of malt liquor per variety per customer.

6.2.35 Restrictions on Issuance.

Subd. 1. Each license shall be issued only to the applicant for the premises described in the application.

Subd. 2. Not more than one license shall be directly or indirectly issued within the City to any one person.

Subd. 3. No license shall be granted or renewed for operation on any premises on which taxes, assessments, utility charges, service charges, or other financial claims of the city are delinquent and unpaid.

Subd. 4. No license shall be issued for any place or any business ineligible for a license under state law.

Subd. 5. Distance from Schools and Churches. No license shall be granted for any place within 1,200 feet of any public school or within 600 feet of any church unless the entity pre-existed the location of the school or church in question or unless such a use is permitted under City Zoning and is approved by the City Council. In applying this restriction, the distance shall be measured between the main front entrance of each structure, following the route of ordinary pedestrian travel.

6.2.36 Conditions of License. The failure of a licensee to meet any one of the conditions of the license specified below shall result in a suspension of the license until the condition is met.

Subd. 1. All Intoxicating and 3.2 Percent Malt Liquor Licenses.

- A. Every licensee is responsible for the conduct of the place of business and the conditions of sobriety and order in it. The act of any employee on the licensed premises is deemed the act of the licensee as well, and the licensee shall be liable to all penalties provided by this ordinance and the law equally with the employee.
- B. Every licensee shall allow any peace officer, health officer, city employee, or any other person designated by the Council to conduct compliance checks and to otherwise enter, inspect, and search the premises of the licensee during business hours and after business hours during the time when customers remain on the premises without a warrant.
- C. No person shall consume intoxicating liquor or 3.2 percent malt liquor in a public park, on any public street, sidewalk, parking lot or alley, or in

any public place other than on the premises of an establishment licensed under this ordinance or where the consumption and display of liquor is lawfully permitted.

- D. Sale to Minors or Intoxicated Persons. No liquor shall be sold or served to any intoxicated person or to any person under 21 years of age.
- E. No person shall consume nor shall any on-sale licensee permit any consumption of intoxicating liquor or 3.2 percent malt liquor in an on-sale licensed premises more than 30 minutes after the time when a sale can legally occur.
- F. No on-sale licensee shall permit any glass, bottle, or other container containing intoxicating liquor or 3.2 percent malt liquor to remain upon any table, bar, stool, or other place where customers are served, more than 30 minutes after the time when a sale can legally occur.
- G. No person, other than the licensee and any employee, shall remain on the on-sale licensed premises more than 30 minutes after the time when a sale can legally occur.
- H. Any violation of any condition of this section may be grounds for revocation or suspension of the license.
- I. Nudity on the Premises of Licenses Establishments is Prohibited. The City Council finds that it is in the best interests of the public health, safety, and general welfare of the people of the City that nudity is prohibited as provided in this section on the premises of any establishment licensed under this ordinance. This is to protect and assist the owners, operators, and employees of the establishment, as well as patrons and the public in general, from harm stemming from the physical immediacy and combination of alcohol, nudity and sex. The Council especially intends to prevent any subliminal endorsement of sexual harassment or activities likely to lead to the possibility of various criminal conduct, including prostitution, sexual assault, and disorderly conduct. The Council also finds that the prohibition of nudity on the premises of any establishment licensed under this ordinance, as set forth in this section, reflects the prevailing community standards of the City.

It is unlawful for any licensee to permit or allow any person or persons on the licensed premises when the person does not have his or her buttocks, anus, breasts, and genitals covered with a non-transparent material. It is unlawful for any person to be on the licensed premises when the person does not have his or her buttocks, anus, breasts, and genitals covered with a non-transparent material. A violation of this section is a misdemeanor punishable as provided by law, and is justification for revocation or suspension of any liquor, wine, or 3.2 percent malt liquor license or any other license issued under this Code or the imposition of a civil penalty under the provisions of 6.2.40.

Subd. 2. On-Sale Licenses.

- A. No on-sale establishment shall display liquor to the public during hours when the sale of liquor is prohibited.
- B. Unlicensed Premise. It shall be unlawful for any licensee holding an "On-sale" license to sell or dispense intoxicating liquor except upon and within the premises or building for which the license was granted. No person shall consume liquor in any such unlicensed place.
- C. Illegal Sales. No "On-Sale" dealer shall sell liquor by the bottle or container for removal from the premises.
- D. Any licensee holding a retail on-sale license to sell alcoholic beverages shall not allow, suffer or permit any person under the age of twenty one (21) years of age to be, remain or loiter in or upon such premises.
- E. Six Months' Prior Eligibility. No regular on-sale license shall be granted for a business or club which has not been in operation and eligible to receive a license for a least six (6) months immediately preceding the application of a license.

- F. Banquet Room. A regular on-sale license shall entitle the holder to serve beer in a separate room of the licensed premises for banquets or dinners at which shall not be present fewer than twenty-five (25) persons.

Subd. 3. Off-Sale Licenses.

- A. Failure by on off-sale intoxicating liquor license who has received a fee reduction pursuant to section 6.2.08, Subd. 5 of this Code to abide with the provisions of section 6.2.08, Subd. 5.

Subd. 4. 3.2 Percent Malt Liquor Licenses.

- A. Age Misrepresentation. No minor shall misrepresent his or her age for the purpose of obtaining beer.
- B. Inducing Purchase. No person shall induce a minor to purchase or procure beer.
- C. Procurement. No person other than the parent or legal guardian shall procure beer for any minor, and then only for consumption on the premises of the parent or guardian.
- D. Possession. No minor shall have beer in his or her possession with the intent to consume it at a place other than the household of his or her parent or guardian.
- E. Consumption. No minor shall consume beer unless in the company of his or her parent or guardian on the premises of the parent or guardian.
- F. Interest of Manufacturers or Wholesalers. No manufacturer or wholesaler of beer shall have any ownership of or interest in an establishment licensed to sell at retail contrary to the provisions of Minnesota Statutes. No retail licensee and manufacturer or wholesaler of beer shall be parties to any exclusive purchase contract. No retail licensee shall receive any benefits contrary to law from a manufacturer or wholesaler of beer and no such manufacturer or wholesaler shall confer any benefits contrary to law upon a retail licensee.
- G. Liquor Dealer's Stamp. No licensee shall sell beer while holding or exhibiting in the licensed premises a Federal retail liquor dealer's special tax stamp unless he or she is licensed under the laws of Minnesota to sell intoxicating liquors.

Subd. 5. Club License.

- A. All sales of liquor or beer by the club shall be restricted to members of the licensed club or to bona fide guests as defined in this Section and no sale may be made to a non-member unless (1) he or she is a guest in the company of the member, or (2) a guest at a special event in the club sponsored by a member for which a reservation has been made by such member at least twenty-four (24) hours preceding the event, or (3) all guests shall sign a guest register which shall give his or her name, address and the name of the club of which he or she is a member; or the name of the member of whom he or she is a guest.
- B. All liquor and beer license restrictions, sale regulations and hours and days of sales, as stated in this Chapter and relating to the "on-sale" of liquor and beer, shall be binding upon all club licensees.
- C. It shall be unlawful for any person who is not a member of the licensed club to purchase liquor or beer from the club unless he or she is a guest of the member or at a social event as defined in Subparagraph A.

6.2.37 Minors.

~~Subd. 1.~~ No person under the age of 18 years shall be employed in any rooms constituting the place in which intoxicating liquors or 3.2 percent malt liquor are sold at retail on-sale, except that persons under the age of 18 may be employed as musicians or to perform the duties of a bus person, host or dishwashing services in places defined as a restaurant, hotel, or other multi-purpose building serving food in rooms in which intoxicating liquors or 3.2 percent malt liquor are sold at retail on-sale.

Subd. 2. No person under the age of 21 years may enter a licensed establishment except to work, consume meals on premises that qualify as a restaurant, or attend social functions that are held in a portion of the premises where liquor is not sold.

6.2.38 Sale of Liquor by Caterers.

Subd. 1. Illegal Sale. It shall be unlawful for the holder of a caterer's permit to sell alcoholic beverages off the holder's licensed premises in the City, except as an incidental part of the service of prepared meals at an event sponsored by a person with whom the holder has contracted for such prepared meal service.

Subd. 2. Illegal Interest. It shall be unlawful for the person who has contracted with the holder for prepared meal service to have any legal, equitable or pecuniary interest in the holder, or the holder's compensation from the catered event.

Subd. 3. Information Required. Except for holders who also hold an on-sale intoxicating liquor license issued by the City, it is unlawful for any person holding a caterer's permit to sell or otherwise provide alcohol to any individual or group located within the corporate boundaries of the City unless said person has first provided the Police Chief for the City with the following:

- A. A copy of their valid caterer's permit as issued by the State of Minnesota; and
- B. A copy of their valid on-sale liquor license as issued by the city where their primary on-sale liquor premise is located; and
- C. A copy of their dram shop insurance policy clearly indicating that dram shop coverage is currently in force; and
- D. A completed caterer's permit application form; and
- E. Payment of an application fee as set by resolution by the City Council.

Subd. 4. Aiding and Abetting. It is unlawful for any person to intentionally aid, advise, hire, counsel, or conspire with or otherwise procure another to commit the prohibited act.

Subd. 5. Enforcement. This section shall be enforced by the Chief of Police or his/her designee.

6.2.39 Suspension and Revocation.

- A. The Council shall either suspend for a period not to exceed 60 days or revoke any liquor license upon finding that the licensee has failed to comply with any applicable statute, regulation, or provision of this ordinance relating to liquor. Except in cases of lapse of proof of financial responsibility, no suspension or revocation shall take effect until the licensee has been afforded an opportunity for a hearing pursuant to the Administrative Procedures Act, M.S. §14.57 to 14.70, as it may be amended from time to time. The Council may act as the hearing body under that Act, or it may contract with the Office of Hearings Examiners for a hearing officer.
- B. The following are the minimum periods of suspension or revocation which shall be posed by the Council for violations of the provisions of this Code or M.S. §340A, as it may be amended from time to time or any rules promulgated under that Chapter as they may be amended from time to time:
 1. For commission of a felony related to the licensed activity, sale of alcoholic beverages while the license is under suspension, sale of intoxicating liquor where the only license is for 3.2 percent malt liquor, or violation of Section 6.2.35, Subd. 1 (1), the license shall be revoked.
 2. The license shall be suspended by the Council after a finding under this section, division A, that the licensee has failed to comply with any applicable statute, rule, or provision of this ordinance for at least the minimum period as follows:

- (a) For the first violation within any three-year period, at least one day suspension in addition to any criminal or civil penalties which may be imposed.
 - (b) For a second violation within any three-year period, at least three consecutive days suspension in addition to any criminal or civil penalties which may be imposed.
 - (c) For the third violation within any three-year period, at least seven consecutive days suspension in addition to any criminal or civil penalties which may be imposed.
 - (d) For a fourth violation within any three-year period, the license shall be revoked.
3. The Council shall select the day or days during which the license shall be suspended.
- C. Lapse of required proof of financial responsibility shall effect an immediate suspension of any license issued pursuant to this ordinance or state law without further action of the Council. Notice of cancellation or lapse of a current liquor liability policy shall also constitute notice to the licensee of the impending suspension of the license. The holder of a license who has received notice of lapse of required insurance or of suspension or revocation of a license may request a hearing thereon and, if a request is made in writing to the City Administrator, a hearing before the City Council shall be granted within ten days. Any suspension under this Division (B) shall continue until the City Council determines that the financial responsibility requirements of state law and this ordinance have again been met.
- D. The provisions of Section 6.2.40 (Penalties) pertaining to civil penalties may be imposed in addition to or in lieu of any suspension or revocation under this Code.

6.2.40 Penalties

Subd. 1. Any person violating the provisions of this Code or Minn. Stat. Ch. 340A as it may be amended from time to time or any rules promulgated under that chapter as they may be amended from time to time is guilty of a misdemeanor and upon conviction shall be punished as provided by law.

Subd. 2. The Council shall impose a civil penalty of up to \$2,000 for each violation of Minn. Stat. Ch. 340A, as it may be amended from time to time, and of this Code. Conviction of a violation in a court of law is not required in order for the Council to impose the civil penalty. A hearing under the Administrative Procedures Act, Minn. Stat. 14.57 to 14.70, as it may be amended from time to time, is not required before the penalty is imposed, but the Council shall hold a hearing on the proposed violation and the proposed penalty and hear any person who wishes to speak. Non-payment of the penalty is grounds for suspension or revocation of the license. The following is the minimum schedule of presumptive civil penalties which must be imposed in addition to any suspension unless the license is revoked:

- A. For the first violation within any three-year period, \$500.
- B. For the second violation within any three-year period, \$1,000.
- C. For the third and subsequent violations within any three-year period, \$2,000.

Subd. 3. The term "violation" as used in Section 23 includes any and all violations of the provisions in this section, or of Minn. Stat. Ch. 340A, as it may be amended from time to time or any rules promulgated under that chapter as they may be amended from time to time. The number of violations shall be determined on the basis of the history of violations for the proceeding three-year period. Revocation shall occur within 60 days following a violation for which revocation is imposed.

6.2.41 Temporary expansion of licensed premises; outdoor sales and services. The purpose of this section is to allow for the temporary expansion of the licensed premises of a liquor licensee, to temporarily include limited outdoor areas directly adjacent to and contiguous with the permanently licensed premises on City owned land or City public right-of-way, from time to time, subject to such conditions as the City Council determines will protect the public health, safety and welfare. The City Council finds that allowing outdoor sales and services in downtown commercial areas is

beneficial to the creation of a vibrant and prosperous business community so long as adequate review, controls, and accountability are in place. Accordingly, liquor licensees shall be entitled to apply for the benefits available under this section.

Therefore, the holder of any retail liquor license for premises located in the HC and CC zoning districts of the City may, on an annual basis, apply for a permit for temporary expansion of its licensed premises, for an area directly adjacent to and contiguous with the permanently licensed premises. The City Council may grant such a permit on the terms and conditions specified under this section and such other terms and conditions as the City Council may determine are necessary or advisable to protect the public health, safety and welfare. Such permit shall authorize use of any temporary expansion area on particular days, dates and times and shall be valid for a period of time as specified in the permit, not to exceed one year. If approved by the City Council, a temporary expansion area may include defined areas of public property including public sidewalks and/or parking lots. Application for a permit for temporary expansion of a licensed premises or other unlicensed premises shall be subject to the following requirements and procedures.

Subd. 1 Application. Application for a permit for temporary expansion of a licensed premises or other premises shall be made on a form provided by the City and shall contain the following information and such other information as the City may require from time to time:

- A. The names, addresses and telephone numbers of the license holder and of all managers of the licensed establishment or of the owner and manager of an unlicensed premises.
- B. A specific description and diagram of the area in which the temporary expansion activity is to occur. The description and diagram must include location, dimensions, barriers proposed to be used, ingress and egress arrangements, seating capacity, and other pertinent information.
- C. Written consent of the owner of the expansion area or of a person with lawful responsibility for the expansion area, if the owner is someone other than the licensee or business owner.
- D. The purpose for which the temporary expansion is sought, a description of planned activities, including food and beverage service, entertainment, if any, security plans (include lighting, sanitation, liquor control, etc.) and days and hours of operation including beginning and ending dates.
- E. Proof that any necessary auxiliary permits have been obtained.
- F. A detailed description of the planned staffing of the temporary expansion areas during hours of operation, and methods the licensee will use to ensure that consumption of alcoholic beverages are not removed from those areas.
- G. Such other information as the City may deem necessary for the protection of public health, safety and welfare.

Subd. 2 Fees. Each application shall be accompanied by an application fee in such amount as may be determined by the City Council from time to time.

Subd. 3 Review. Applications shall be submitted to the City Administrator's office and shall be reviewed by such staff persons as may be appropriate in the circumstances, including the Chief of Police in all applications which involve the outdoor sale of liquor. Review of applications shall include consideration of all pertinent building code, fire code, and other life safety issues, applicable zoning ordinances, history of licensee with regards to maintaining order on the licensed premises and complying with applicable laws, potential impact of proposed outdoor service on adjoining properties in terms of light, noise and liquor control, and other considerations.

Subd. 4 Conditions. Approval of an application may be made subject to any appropriate restrictions or conditions, which may vary from establishment to establishment depending upon the location and circumstances.

Section 2. Effective Date. This ordinance shall take effect and be in force from and after its passage and publication in accordance with law.

MOTION: Councilor Langley moved and Councilor Bjerkness seconded the motion to adopt **RESOLUTION NO. 16-87, A RESOLUTION AUTHORIZING PUBLICATION OF A SUMMARY OF ORDINANCE NO. 460A, AN ORDINANCE TO DELETE AND REPLACE SECTION 6.2 OF THE MUNICIPAL CODE PERTAINING TO ALCOHOLIC BEVERAGE LICENSING.** The motion carried unanimously (7-0).

MOTION: Councilor Bjerkness moved and Councilor Wilkinson seconded the motion to amend the City's fee schedule to include the following fees: micro-distillery - \$300, Caterer's Permit - \$100; Brew Pub - \$300; and, Brewer taproom - \$300; and Optional 2 a.m. - \$50.00. The motion carried unanimously (7-0).

SNOW AND ICE CONTROL POLICY

MOTION: Councilor Rock moved and Councilor Maki seconded the motion to approve the City of Cloquet Snow and Ice Control Policy. The motion carried unanimously (7-0).

STANTEC SKATE PARK DESIGN SERVICES PHASE II

MOTION: Councilor Langley moved and Councilor Wilkinson seconded the motion to enter into a contract with Stantec for design development, construction documents and construction documents and construction administration services for the proposed skate park. The motion carried unanimously (7-0).

PARK DEPARTMENT TRAILER PURCHASE

MOTION: Councilor Rock moved and Councilor Langley seconded the motion to authorize the purchase of a tandem axle flatbed trailer from pine River Sales in the amount of \$10,306.70. The motion carried unanimously (7-0).

PUBLIC COMMENTS

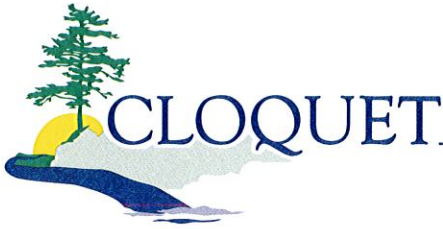
There were none.

COUNCIL COMMENTS, ANNOUNCEMENTS, AND UPDATES

Councilor Langley has received a complaint regarding the Sunnyside sidewalk plowing.

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


Brian Fritsinger, City Administrator



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

To: Mayor and City Council
From: Brian Fritsinger, City Administrator 
Date: December 14, 2016

ITEM DESCRIPTION: Approval of 2017 Business License Renewals

Proposed Action

Staff recommends the City Council move to approve the renewal of the various business licenses identified on the attached 2017 license renewal list subject to submittal of all licensing requirements.

Background/Overview

Attached the City Council will find the list of the various business license renewals received for 2017. These renewals include Pawnbroker and Therapeutic Massage.

Staff has solicited renewals from each of our current license holders. Most have completed the necessary paperwork and submitted the required information. Staff has found everything in order. Those licenses that are ready to be renewed by the Council are indicated on the attached list.

Policy Objectives

Approval of these various licenses is required under Chapter 6 of the Municipal Code. There is no limit on the number of licenses issued in any one year for any of these licenses.

Financial/Budget/Grant Considerations

The City's fee schedule varies for each of these licenses as set by the City Council. The applicants have all paid the required fees.

Advisory Committee/Commission Action

None.

Supporting Documentation Attached

- Business License Listing



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

To: Mayor and City Council
From: Brian Fritsinger, City Administrator
Date: December 12, 2016



ITEM DESCRIPTION: Approval of Raffle Permit at Queen of Peace Parish

Proposed Action

Staff recommends the City Council move to adopt **RESOLUTION NO. 16-96, A RESOLUTION APPROVING EXEMPT PERMIT TO CONDUCT A RAFFLE EVENT AT QUEEN OF PEACE PARISH.**

Background/Overview

The City has received an application from Queen of Peace Parish, 102 - 4th Street, for a raffle event to be held on February 25, 2017, at Queen of Peace Parish, 102 - 4th Street.

Policy Objectives

Approval of application by local community is required under MN Statutes.

Financial/Budget/Grant Considerations

There is no cost to the City regarding the approval of the application nor does the City retain any fees for its consideration.

Advisory Committee/Commission Action

None.

Supporting Documentation Attached

- Resolution 16-96
- LG220 Application for Exempt Permit

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

RESOLUTION NO. 16-96

**A RESOLUTION APPROVING EXEMPT PERMIT
TO CONDUCT A RAFFLE EVENT
AT QUEEN OF PEACE PARISH**

WHEREAS, The City of Cloquet received an application from Queen of Peace Parish, 102 - 4th Street, for an Exempt Permit to conduct a raffle event on February 25, 2017, at Queen of Peace Parish, 102 - 4th Street.

NOW, THEREFORE, BE IT RESOLVED, BY THE CITY COUNCIL OF THE CITY OF CLOQUET, MINNESOTA, That the City Council has reviewed the application of Queen of Peace Parish, 102 - 4th Street, for an Exempt Permit to conduct a bingo and raffle event on February 25, 2017 at Queen of Peace Parish, 102 - 4th Street, and has no objection to the Minnesota Gambling Control Board's issuance of such permit.

BE IT FURTHER RESOLVED, That the Cloquet City Council hereby waives the normally required thirty day waiting period for the issuance of said permit.

**PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF CLOQUET
THIS 20TH DAY OF DECEMBER, 2016.**

Dave Hallback, Mayor

ATTEST:

Brian Fritsinger, City Administrator

LG220 Application for Exempt Permit

An exempt permit may be issued to a nonprofit organization that:
 - conducts lawful gambling on five or fewer days, and
 - awards less than \$50,000 in prizes during a calendar year.

Application fee	
If application postmarked or received:	
less than 30 days before the event	more than 30 days before the event
\$100	\$50

ORGANIZATION INFORMATION

Check # _____ \$ _____

Organization name <i>Queen of Peace Parish</i>	Previous gambling permit number <i>X-04657-16-002</i>
Minnesota tax ID number, if any <i>2976131</i>	Federal employer ID number, if any <i>41-0721655</i>
Type of nonprofit organization. Check one. <input type="checkbox"/> Fraternal <input checked="" type="checkbox"/> Religious <input type="checkbox"/> Veterans <input type="checkbox"/> Other nonprofit organization	
Mailing address <i>102 4th St. Cloquet MN</i>	City State Zip Code County <i>Cloquet MN 55720 Carlton</i>
Name of chief executive officer (CEO) <i>FR Justin Fish</i>	Daytime phone number Email address

Attach a copy of ONE of the following for proof of nonprofit status.

Do not attach a sales tax exempt status or federal employer ID number as they are not proof of nonprofit status.

Nonprofit Articles of Incorporation OR a current Certificate of Good Standing .
 Don't have a copy? This certificate must be obtained each year from:
 Secretary of State, Business Services Div., 180 State Office Building, St. Paul, MN 55155
 Phone: 651-296-2803

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

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

GAMBLING PREMISES INFORMATION

Name of premises where the gambling event will be conducted. For raffles, list the site where the drawing will take place.
Queen of Peace Parish

Address (do not use PO box) <i>102 4th St</i>	City or township <i>Cloquet</i>	Zip Code <i>55720</i>	County <i>Carlton</i>
---	------------------------------------	--------------------------	--------------------------

Date(s) of activity (for raffles, indicate the date of the drawing)
2-25-16 Mardi Gras

Check the box or boxes that indicate the type of gambling activity your organization will conduct:

Bingo*	Raffles	Paddlewheels*	Pull-Tabs*	Tipboards*
<i>Yes</i>	<i>Yes</i>			

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

To find a licensed distributor, go to www.gcb.state.mn.us and click on List of Licensed Distributors, or call 651-639-4000.

LOCAL UNIT OF GOVERNMENT ACKNOWLEDGMENT

If the gambling premises is within city limits, a city official must check the action that the city is taking on this application and sign the application.

The application is acknowledged with no waiting period.

The application is acknowledged with a 30 day waiting period, and allows the Board to issue a permit after 30 days (60 days for a 1st class city).

The application is denied.

Print city name _____

On behalf of the city, I acknowledge this application.
Signature of city personnel receiving application

Title _____ Date _____

If the gambling premises is located in a township, a county official must check the action that the county is taking on this application and sign the application. **A township official is not required to sign the application.**

The application is acknowledged with no waiting period.

The application is acknowledged with a 30 day waiting period, and allows the Board to issue a permit after 30 days.

The application is denied.

Print county name _____

On behalf of the county, I acknowledge this application.
Signature of county personnel receiving application

Title _____ Date _____

(Optional) TOWNSHIP: *On behalf of the township, I acknowledge that the organization is applying for exempted gambling activity within the township limits. [A township has no statutory authority to approve or deny an application [Minnesota Statute 349.166]]*

Print township name _____

Signature of township official acknowledging application

Title _____ Date _____

CHIEF EXECUTIVE OFFICER'S SIGNATURE Print form and have CEO sign

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

Chief executive officer's signature Justin Fish Date 12-5-2016
FATHER JUSTIN FISH

Complete a separate application for each gambling event:

- one day of gambling activity
- two or more consecutive days of gambling activity
- each day a raffle drawing is held

Send application with:

- a copy of your proof of nonprofit status, and
- application fee for each event

Make check payable to "State of Minnesota."

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

Financial report and recordkeeping required

A financial report form and instructions will be sent with your permit, or use the online fill-in form available at www.gcb.state.mn.us. Within 30 days of the activity date, complete and return the financial report form to the Gambling Control Board.

Questions?
 Call the Licensing Section of the Gambling Control Board at 651-639-4000.

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

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

Your organization's name and address will be public information when received by the Board. All other information provided will be private data about your organization until the Board issues the permit. When the Board issues the permit, all information provided will become public. If the Board does not issue a permit, all information provided remains private, with the exception of your organization's name and address which will remain public.

Private data about your organization are available to: Board members, Board staff whose work requires access to the information; Minnesota's Department of Public Safety; Attorney General; Commissioners of Administration, Minnesota Management & Budget, and Revenue; Legislative Auditor, national and international gambling regulatory agencies; anyone pursuant to court order; other individuals and agencies specifically authorized by state or federal law to have access to the information; individuals and agencies for which law or legal order authorizes a new use or sharing of information after this notice was given; and anyone with your written consent.



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

RESOLUTION NO. 16-91

**HONORING LARA WILKINSON FOR HER
SERVICE AS CITY COUNCILOR**

WHEREAS, Lara Wilkinson was first elected to serve as an At-Large City Councilor in 2013; and

WHEREAS, Ms. Wilkinson also served on a variety of other community committees, commissions, and task forces during her tenure on the Council; and

WHEREAS, During her tenure as a representative of the City of Cloquet, Ms. Wilkinson dedicated herself in serving and representing not only the citizens of Cloquet and its business community but also the employees of the City.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CLOQUET, The City Council, City employees, and citizens of Cloquet wish to thank Ms. Wilkinson for her years of loyal service to the City of Cloquet and its people. It is service of public spirited citizens such as Ms. Wilkinson which cause a City to progress and to provide quality public services to the community.

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF CLOQUET THIS 20TH DAY OF DECEMBER, 2016.

Dave Hallback, Mayor

ATTEST:


Brian Fritsinger, City Administrator



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

To: Mayor and City Council
From: Brian Fritsinger, City Administrator 
Date: November 23, 2016

ITEM DESCRIPTION: Maintenance Agreement with Carlton County

Proposed Action

Staff recommends that the City Council move to approve the Maintenance Agreement between the City of Cloquet and Carlton County.

Background/Overview

The City of Cloquet has historically had a cooperative relationship with Carlton County regarding the shared maintenance of City and County State Aid streets. Attached is the Maintenance Agreement associated with the County's cost for snow removal of certain City streets.

Currently, the County performs snow removal on a variety of rural City streets including but not limited to: Laine Road, Nelson Road, Kallstrom Road, West Taylor, Wheaton Road, and Cartright Road. Historically, these more rural areas are adjacent to other County state aid roads of which the County is plowing. Under this cooperative arrangement, it reduces the duplication of travel by City vehicles and reduces the cost to the City.

The City Council could consider adding these routes to the existing City routes. The most significant impact of such a change would most likely be on the timing related to completion of the routes.

Policy Objectives

The agreement clarifies the expectations and fees associated with the County provision of snow plowing services. The cooperative agreement allows the City to try and provide these services in the most cost effective manner to its residents.

Financial/Budget/Grant Considerations

On an average year, the terms of this agreement cost the City approximately \$13,000.

Advisory Committee/Commission Action

None. The City Attorney has reviewed the agreement and has no proposed changes.

Supporting Documentation

- Maintenance Agreement

MAINTENANCE AGREEMENT

THIS AGREEMENT, made this _____ day of _____, 20____, by and between the County of Carlton, in the State of Minnesota, acting by and through its Board of County Commissioners (hereinafter referred to as the "County"), and the City of Cloquet located in said County and State (hereinafter referred to as the "City").

WHEREAS, pursuant to the Laws of Minnesota, the city council of any city may contract with the County Board of the County in which the city is situated for the use of the County equipment and operators for snow removal from and the blading of any or all city streets located within the city. The contract price therefore to be paid by the City to the County, shall be not less than the actual cost to the County of the use of such equipment, operator and materials. County employees performing such work on city streets shall be deemed County employees for all purposes while so engaged.

NOW THEN, IT IS AGREED, that the County will, until this Agreement is revoked in writing by either the City or the County, furnish equipment and operator for the maintenance blading of City streets, and the plowing of snow from City streets where the maintenance blading is done under the agreement, when requested by an officer of the City Council, provided however, that said equipment and operator are available, therefore, without impeding or affecting the need or use of the same on the County highway system.

The City hereby agrees to reimburse the County of Carlton Road and Bridge Fund for the cost of furnishing equipment and operator hereunder in accordance with the schedule hereinafter as set forth as follows, to-wit:

<u>SCHEDULE OF CHARGES</u>	<u>RATE PER HOUR</u> (Not including operator)
Motor Grader-Blading, Plowing Snow, etc.	\$40.00
Steamer	\$34.00
Sweeper	\$55.00
Tandem Axle Truck	\$45.00
Other rates available upon request.	
Rental Units & Material billed at cost.	
Operator labor will be billed at current rate paid plus Labor additive for employee benefits.	

The above rates are subject to change after annual review. The County will provide notice to the City of any changes.

IT IS AGREED that payments to be made at the rates set forth in the foregoing schedule shall be for the equipment and operators for the number of hours that said equipment and operators are engaged in performing the work provided for hereunder, which time shall include the time of both equipment operators in going from the place where stationed to the site of the work and the return to its or their station.

IT IS FURTHER AGREED that the County shall keep a record of the time of equipment and operators furnished hereunder and shall prepare and make an itemized statement thereof showing the amount due hereunder, and submit the same to the City on or about the 5th day of the month succeeding the month in which the work was done. The City agrees to pay the Road and Bridge Fund of the County of Carlton, of the State of Minnesota, all monies due hereunder and as shown by said invoice or statement within sixty (60) days of the receipt of the invoice.

IT IS FURTHER AGREED to by and between the parties that in the event any person, partnership, firm, corporation or person brings legal action for the recovery of damages as a result of the use of the said County equipment and operators that the City named in this agreement shall hold the County of Carlton harmless from all claims except to the extent caused by the negligence or the intentional act of the operator of said County equipment.

If work other than general maintenance of streets is desired, such as thawing or repairing culverts, pulling up shoulders, etc., this work must be requested in writing from the City Council and would be performed on a time available basis.

CITY OF _____	COUNTY OF CARLTON STATE OF MINNESOTA
BY _____ City Administrator	BY _____ County Board Chair
ATTEST _____ City Clerk	ATTEST _____ County Auditor
DATE _____	DATE _____



Carlton County, Minnesota

Transportation Department

Roads Bridges Airports Trails

1630 County Road 61, Carlton, Minnesota 55718

Office: 218-384-9150 Cloquet Airport: 218-879-4911

www.co.carlton.mn.us

October 24, 2016

City of Cloquet
1307 Cloquet Avenue
Cloquet, MN 55720

Re: Maintenance Agreement

Dear City Administrator:

Please review the enclosed Maintenance Agreement, complete, sign, date and return to us in the enclosed envelope.

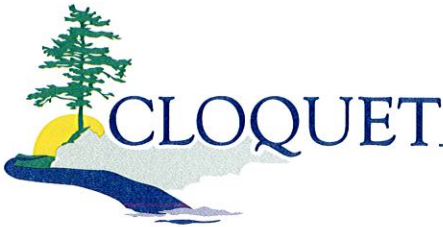
If you have any questions, please call us at (218)389-9150 and ask to speak to Rick Norrgard, Road Maintenance Superintendent.

Sincerely,

Betsy Anderson
Clerk

Cc: Rick Norrgard


Enc.



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

To: Mayor and Cloquet City Council
From: Holly Butcher, Community Development Director
Reviewed By: Brian Fritsinger, City Administrator 
Date: December 13, 2016

ITEM DESCRIPTION: Cloquet MCPP 2017 Application

Proposed Action

Staff recommends the Council move to approve the submission of the 2017 application for Cloquet for the Minnesota City Participation Program (MCPP) funding for first time homebuyer loans within the City.

Background/Overview

Minnesota Housing manages the Minnesota City Participation Program (MCPP), which uses the Tax Exempt Bond Housing Pool Allocation authorized by the Office of Minnesota Management and Budget (MMB) to enable cities to provide first-time homebuyer loans in their communities. Self-issuance of bonds may not be economically feasible for some communities, given economies of scale necessary for successful self-issuance. Under the MCPP Program, Minnesota Housing can sell bonds on behalf of local governments to assist them in meeting local housing goals pursuant to Minnesota Statutes 474A.061 Subd. 2a.

Minnesota's statute 474A.061, Manufacturing, Housing and Public Facilities Pools (aka the "Housing Pool"), allows Minnesota Housing to access additional bonding authority through an application process administered by Minnesota Housing from January 1 through January 15 annually. Historically, Minnesota Housing competed for the 31% of the available "Housing Pool" with other self-issuers such as the Dakota County CDA, the Southeast Multi-County HRA, Washington County, and the City of St. Cloud.

In accordance with that statute, cities apply to Minnesota Housing annually for such authority. Funding allocations are allocated to participating cities on a per capita basis (population), with each applicant allocated a minimum of \$100,000.

Participants will not be responsible for paying the application deposit or processing fee this year. This is subject to change; however, Minnesota Housing will provide notification in advance of future program years if there is a deposit or processing fee. There will be a minimum usage requirement of 50% of the allocation in order to participate the following year.

Policy Objectives

Housing is a key goal of the Cloquet Economic Development Authority (EDA). By participating in MCPD it can effectively and efficiently provide first-time homebuyer loans in Cloquet with minimal administrative burden (done by the state). By partnering with MHFA, eligible first-time home buyers in Cloquet will have access to affordable Start Up Loan Program and Down payment and Closing Cost Loans. Approved lenders in Cloquet (U.S. Bank, Woodlands National Bank, and North Shore Bank) and the City would have access to marketing materials on the program.

Financial/Budget/Grant Considerations

In the City of Cloquet MHFA has designated three financial institutions to use these first time homebuyer funds: U.S. Bank, Woodlands National Bank, and North Shore Bank. Staff has spoken with each institution to confirm the value of the program. There are no other costs to the City, however MHFA does require at least 50% of the allocation be used in order to participate the following year. There are no administrative fees to MHFA.

Advisory Committee/Commission Action

At their November 9th meeting the Cloquet EDA recommended approval to the City Council of this application.

Supporting Documentation Attached

- MHFA Contract
- MHFA Application
- MCPD Allocation History 2005-2014
- MCPD 2016 Awards

**MINNESOTA HOUSING FINANCE AGENCY
MINNESOTA CITIES PARTICIPATION PROGRAM**

**PROGRAM APPLICATION
COMMITMENT AGREEMENT**

THIS APPLICATION AND AGREEMENT (this "Agreement") is between the City of Cloquet (the "City"), with its office at 1307 Cloquet Ave. Cloquet MN 55720 and Minnesota Housing Finance Agency ("Minnesota Housing"), with its office at 400 Sibley Street, Suite 300, St. Paul, Minnesota 55101-1998.

RECITALS:

- A. Minnesota Housing, under the provisions of Minn. Stat. §474A.061, Subd. 2(a) is authorized to issue qualified mortgage bonds, as that term is used in the Internal Revenue Code of 1986, as amended (the "Code"), on behalf of the City, and it will issue bonds for that purpose (the "Bonds").
- B. The City applying to participate is a Minnesota city, county, city or county housing and redevelopment authority, economic development authority, port authority or a consortium of local government units, as defined by Minnesota Statutes §474A.061, Subd. 4(c).
- C. Minnesota Housing has implemented Minnesota Housing Finance Agency Minnesota Cities Participation Program (the "Program"), and will use the proceeds from the issuance of the Bonds to fund the Program.
- D. The City has requested and received a set-aside of funds from the Program.
- E. The City wishes to obtain a commitment by Minnesota Housing to direct Minnesota Housing's designated Master Servicer (the "Master Servicer") to purchase mortgage notes ("Mortgages") that will be originated by a lender or lenders that meet Minnesota Housing requirements for participation in programs funded by qualified mortgage bonds (collectively, the "Lender").
- F. Mortgages that the Master Servicer purchases pursuant to the commitment requested by the City must only be for residences located within a geographic area to be established and designated by the City.
- G. Minnesota Housing is willing to issue a commitment agreeing to purchase Mortgage-Backed Securities backed by Mortgages that are (i) originated by the Lender; (ii) purchased by the Master Servicer; (iii) in accordance with the terms and conditions of this Agreement, the Program, and the Start Up Procedural Manual to be supplied by Minnesota Housing (the "Procedural Manual"), the provisions of which are hereby incorporated by reference into this Agreement as if set forth in full herein; and (iv) made to borrowers with adjusted incomes not exceeding the greater of 80 percent of statewide or area median income as calculated by Minnesota Housing.

NOW, THEREFORE, in consideration of the covenants contained in this Agreement, Minnesota Housing and the City agree as follows:

- 1. **City Requirements.** All Mortgages submitted to Minnesota Housing for purchase under the Program must comply with all of the requirements of the Program, the Start Up Procedural Manual and this Agreement.
- 2. **Commitment and Commitment Amount.** The City, which applied in January 2017 for a commitment, hereby requests that Minnesota Housing cause its Master Servicer to purchase Mortgages that have been originated by the Lender and meet the requirements of, and are made in accordance with the provisions of, this Agreement, the Program, and the Procedural Manual. Minnesota Housing, by accepting this Agreement, commits to the purchase of those Mortgages in the aggregate principal amount (the "Commitment Amount") to be determined and allocated

by Minnesota Housing in accordance with Minnesota Statutes §474A.061, Subd. 4(d), and provided to the City.

The Master Servicer will only purchase Mortgages pursuant to this Agreement securing property that, and borrowers who, satisfy the requirements and provisions of this Agreement, the Program, and the Procedural Manual. The City acknowledges that the commitment is effective upon the approval thereof by Minnesota Housing and the delivery of a copy of this Agreement by Minnesota Housing to the City.

3. **Lender Qualifications.** Lenders must meet Minnesota Housing requirements for participation in programs funded by qualified mortgage bonds.

4. **Commitment Term.** The term of this Agreement and the City's participation in the Program (the "Commitment Term") will commence on January 16, 2017, and shall continue through November 30, 2017. This Agreement, and the City's participation in the Program, will automatically terminate, without the need for any action by either party hereto, at the end of the Commitment Term.

5. **Set-Aside Term.** The Commitment Amount will be set-aside and held by Minnesota Housing for the sole use by the City for a period of time to be established by Minnesota Housing, in its sole option and discretion, provided, however, that time period will not be less than six months (the "Set-Aside Term") commencing on a date to be selected and specified by Minnesota Housing. Minnesota Housing will notify the City in writing of the date on which the Set-Aside Term commences.

Any portion of the Commitment Amount not reserved for the purchase of qualifying Mortgages as of the end of the Set-Aside Term shall be canceled and returned to Minnesota Housing for redistribution under the Program. In addition, any portion of the Commitment Amount reserved for Mortgages that are not delivered to the Master Servicer for purchase within the time period delineated in the Procedural Manual for that purchase, will be canceled and Minnesota Housing will redistribute that amount under the Program. Minnesota Housing may make any funds available to the Program at the end of the Commitment Term for mortgage loans that are eligible to be financed with proceeds of the Bonds.

6. **Commitment Fees.** There is no commitment fee payable by the City for the commitment by Minnesota Housing to the purchase by the Master Servicer of qualifying Mortgages.

7. **Purchase Price.** The purchase price of each Mortgage to be purchased by the Master Servicer pursuant to this Agreement will be as set forth in the requirements of the Procedural Manual and posted on Minnesota Housing's website.

8. **Mortgage Terms.** The terms and conditions for all Mortgages, including but not limited to the interest rate, will be set from time to time by Minnesota Housing, at its sole option and discretion, and communicated to the Lender in accordance with the procedures set forth in the Procedural Manual.

9. **Area Limitation.** Minnesota Housing, pursuant to this Agreement, is required to purchase only those Mortgages that are for residences located within a geographic area to be established and designated by the City.

10. **Servicing.** The servicing of Mortgages shall be the sole responsibility of the Master Servicer or one or more other entities that Minnesota Housing may designate in its sole discretion.

11. **Remedies.** Time is of the essence hereof. In the event that the City defaults in the observance or performance of any covenant or condition in this Agreement, Minnesota Housing will be entitled to all remedies at law or in equity including, but not limited to: (i) the right to rescind acceptance of this Agreement, (ii) the right to seek equitable relief by way of injunction (mandatory or prohibitory) to prevent the breach or threatened breach of any of the provisions of this Agreement, or to enforce the performance thereof, (iii) the right to seek damages, including consequential damages, arising by virtue of Minnesota Housing's sale of its Bonds in reliance on

the City's observance and performance of the provisions of the this Agreement, and (iv) the right to terminate the this Agreement, and upon such termination the City shall have no further rights pursuant hereto, provided, however, that such termination will not diminish Minnesota Housing's rights specified in this Agreement. All remedies will be cumulative, and the exercise by Minnesota Housing of any one or more of them will not in any way alter or diminish Minnesota Housing's right to any other remedy provided herein or by law.

12. **Contract Documents.** The purchase by the Master Servicer of each Mortgage pursuant to Minnesota Housing's commitment is a contract consisting of this Agreement and the provisions and requirements contained in the Procedural Manual, with all amendments and supplements thereto in effect as of the date of Minnesota Housing's acceptance of this Agreement.

13. **Paragraph Captions and Program Headings.** The captions and headings of the paragraphs of this Agreement are for convenience only, and will not be used to interpret or define the provisions thereof.

14. **Applicable Law.** This Agreement is made and entered into in the State of Minnesota, and all questions relating to the validity, construction, performance and enforcement hereof will be governed by the laws of the State of Minnesota.

15. **Agreement Conditional Upon Minnesota Housing Approval.** This Agreement will be a binding obligation of Minnesota Housing upon its execution by Minnesota Housing and delivery of a copy of the same to the City; provided, however, Minnesota Housing may, in its sole option and discretion, any time on or after January 16, 2017 revoke such obligation and terminate this Agreement if the City has not fully executed and returned a fully executed original hereof to Minnesota Housing. That revocation and termination will be accomplished and evidenced by Minnesota Housing notifying the City thereof by way of a "Certified Letter - Return Receipt Requested" addressed and delivered to the City. Upon revocation and termination this Agreement will be null and void and of no force or effect.

16. **Issuance of Bonds.** The City hereby authorizes Minnesota Housing to issue, on behalf of the City, qualified mortgage bonds, as that term is used in the Code, in an amount equal to the Commitment Amount, and Minnesota Housing agrees to issue those bonds if and when federal law authorizes and Minnesota Housing deems it is economically feasible to do so.

(THE REMAINING PORTION OF THIS PAGE IS INTENTIONALLY LEFT BLANK)

IN WITNESS WHEREOF, the City has executed this Agreement this ____ day of _____, 2017.

CITY: City of Cloquet

By: _____
(Signature of Authorized Officer)

(Name of Authorized Officer)

Minnesota Housing APPROVAL

Minnesota Housing hereby accepts the above Program Application-Commitment Agreement and approves and grants participation in the program.

MINNESOTA HOUSING FINANCE AGENCY

By: _____
Kasey Kier

Its: Assistant Commissioner, Single-Family Division

Signed this ____ day of _____ 2017.



Minnesota Housing 2017 Minnesota City Participation Program (MCP) Application

Minnesota Housing must receive your application by email on January 13, 2017 at 5:00 p.m.

Please provide all the information below.

Agency Contact Information

Name: CITY OF CLOQUET

Contact Person: HOLLY HANSEN, COMMUNITY DEVELOPMENT DIRECTOR

Mailing Address: 1307 CLOQUET AVENUE Physical Address: SAME

City: CLOQUET State: MN Zip: 55720 Website: WWW.CI.CLOQUET.MN.US

Phone #: (218) 879-2507 X4 E-Mail: HHANSEN@CI.CLOQUET.MN.US

Administrative Information

1. Check agency type: City City HRA/CDA/EDA County HRA/CDA/EDA Port Authority
 Multi-County HRA: Receive single allocation for all counties within your jurisdiction
 Consortium of local government units applying jointly by agreement (please submit evidence of agreement with this application).

2. List the legal name(s) of all cities and counties where the funds will be utilized:
CITY OF CLOQUET, MN

3. Check the box below to confirm this statement:
 MCP helps the community meet an identified housing need and the program is economically viable.

4. Does your City (or County) offer a down payment program or other assistance? Yes No
 If yes, list program names (For informational purposes only; does not impact your application status):

Signature

Provide authorized signature(s) from the organization submitting this application, including printed or typewritten name, title and phone number. Scan original and email to Tim.Eiswirth@state.mn.us

Signature _____

Name (Print)	Title
<u>HOLLY HANSEN</u>	<u>HHANSEN@CI.CLOQUET.MN.US</u>
Contact	E-mail

Program and Contact Information

Minnesota Statute sets Borrower Income Limits and House Purchase Price Limits. Minnesota Housing makes final determinations of the total amount of program funds available and individual allotments (in compliance with a per capita distribution method specified in statute).

Questions about MCP and this application can be directed to Nicola Viana at (651)297-9510 or Nicola.Viana@state.mn.us

MCPP Allocations History, 2005-2014 (Continued)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Applicants	Allocation amount	Allocation amount	Allocation amount	Allocation amount	Allocation amount	Allocation amount	Allocation amount	Allocation amount	Allocation amount	Allocation amount
Mahnomen County	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000			
McLeod County	\$645,342	\$522,985	\$490,476	\$584,885	\$603,124	\$565,873	\$585,923	\$595,196	\$593,899	\$618,696
Moorhead	\$588,637	\$483,788	\$458,377	\$556,195	\$582,381	\$549,742	\$584,406	\$618,158	\$626,891	\$666,421
Mower County	\$699,978	\$563,237	\$521,571	\$613,480	\$624,126	\$577,877	\$602,477	\$635,989	\$639,342	\$673,704
North Mankato	\$223,599	\$180,440	\$168,351	\$202,378	\$210,111	\$197,325	\$206,254	\$217,512	\$218,523	\$230,691
NW Multi-County	\$1,573,759	\$1,260,319	\$1,251,330	\$1,372,969	\$1,401,998	\$1,300,846	\$1,347,301	\$1,398,079	\$1,399,876	\$1,468,100
Olmsted	\$2,374,932		\$1,827,486							
Ortonville				\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
Otter Tail County	\$1,057,550	\$847,485	\$785,268	\$924,523	\$949,225	\$863,098	\$894,206	\$930,575	\$931,694	\$981,869
Owatonna	\$420,591	\$344,481	\$324,668	\$390,402	\$407,551	\$385,165	\$402,121	\$415,716	\$416,213	\$436,449
Ramsey County	\$4,095,814	\$3,294,134	\$3,050,222	\$3,607,002	\$3,726,355	\$3,480,359	\$3,640,431	\$3,630,708	\$3,653,060	\$3,909,328
Red Wing				\$257,831	\$265,387	\$247,358	\$257,624	\$267,287	\$267,449	\$282,409
Rice County	\$1,074,893	\$875,196	\$823,845	\$984,067	\$1,023,897	\$954,499	\$1,002,543	\$1,041,637	\$1,053,341	\$1,109,536
Scott County			\$1,552,692			\$1,950,032	\$2,070,496	\$2,109,972	\$2,141,220	\$2,284,739
SE Multi-County	\$1,618,159	\$1,701,066	\$1,583,466	\$321,097	\$1,658,565	\$1,549,888	\$1,862,186	\$1,670,416	\$1,671,736	\$1,763,275
Sherburne County	\$1,344,996	\$1,141,817	\$1,012,181	\$1,237,635	\$1,294,498	\$1,232,147	\$1,287,346	\$1,326,998	\$1,337,424	\$1,416,125
St. Cloud			\$859,785	\$101,470	\$1,059,828	\$996,261	\$1,039,430	\$1,069,244	\$1,068,250	\$1,127,598
St. James	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
St. Louis County	\$3,575,018	\$2,864,468	\$2,651,719	\$3,099,913	\$3,185,493	\$2,971,287	\$3,099,522	\$3,251,580	\$3,257,550	\$3,427,708
St. Peter	\$183,679	\$150,273	\$142,985							
Stearns County			\$1,228,894							
Stevens County	\$179,128	\$142,659	\$131,393	\$153,729	\$158,245	\$147,095	\$152,544	\$157,946	\$158,676	\$167,098
Swift County	\$210,449	\$167,581	\$152,984	\$181,282	\$184,689	\$171,663	\$171,154	\$158,871	\$157,504	\$164,664
Washington County	\$3,839,005	\$3,141,478	\$3,009,851	\$3,601,697	\$3,786,440	\$3,556,312	\$3,745,890	\$3,867,221	\$3,916,684	\$4,169,529
Wells			\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
Worthington		\$163,362	\$151,806	\$179,198	\$184,836	\$172,878	\$180,324	\$207,282	\$208,806	\$221,061
Wright County	\$1,853,164	\$1,542,081	\$1,483,609	\$1,812,762	\$1,896,923	\$1,810,950	\$1,908,133	\$2,025,072	\$2,051,327	\$2,178,612
Total	\$41,850,000	\$42,121,560	\$45,042,380	\$45,308,360	\$48,183,920	\$48,606,760	\$51,674,520	\$52,073,490	\$52,407,322	\$55,588,571

MCCP Allocation to Applicants, 2016

MCCP Applicants, 2016	Dollar Amount
Albert Lea/Freeborn Co.	\$536,792
Alexandria	\$229,509
Anoka	\$5,965,146
Barnesville	\$100,000
Bluff Country HRA	\$688,579
Breckenridge	\$100,000
Carver	\$1,691,667
Chippewa	\$211,228
Chisago	\$942,516
Crow Wing	\$1,103,339
Dilworth	\$100,000
Fulda	\$100,000
Glyndon	\$100,000
Grant	\$103,124
Headwaters Regional Dev. Commission	\$1,472,674
Hennepin	\$13,919,005
Kandiyohi	\$735,745
Little Falls	\$153,337
McLeod	\$625,779
Moorhead	\$716,994
Mower	\$685,219
North Mankato	\$236,961
NW MN Multi-Co. HRA	\$1,222,499
Otter Tail	\$1,003,071
Owatonna	\$446,761
Ramsey	\$4,002,132
Red Wing	\$287,365
Rice	\$1,134,835
Scott	\$2,415,347
SE MN Multi-Co. HRA	\$1,303,703
Sherburne	\$1,469,297
St. Cloud	\$1,157,156
St. James	\$100,000
St. Louis	\$3,496,783
Stevens	\$171,253
Swift	\$164,584
Washington	\$4,337,185
Wells	\$100,000
Winona	\$480,207
Worthington	\$226,097
Wright	\$2,262,463

Total	\$56,298,352
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MCPP Income Limits as of 5/1/15

Area	1-4 Person	5 Person	6 Person	7 Person	8 Person	9 Person	10 person
Metro	\$ 69,300	\$ 75,500	\$ 81,700	\$ 87,900	\$ 94,100	\$ 100,300	\$ 106,500
Rochester	\$ 65,400	\$ 71,600	\$ 77,800	\$ 84,000	\$ 90,200	\$ 96,400	\$ 102,600
Balance of State	\$ 62,000	\$ 68,200	\$ 74,400	\$ 80,500	\$ 86,700	\$ 92,900	\$ 99,100

*Income Limits are subject to change. Participants will be notified if income limits change.



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

To: Mayor and City Council
From: Al Cottingham, City Planner/Zoning Administrator
Reviewed/Approved By: Brian Fritsinger, City Administrator
Date: December 14, 2016

ITEM DESCRIPTION: Zoning Case 16-21: Easement Vacation

Proposed Action

Staff recommends the City Council move to adopt **RESOLUTION NO. 16-95, A RESOLUTION APPROVING THE VACATION OF THE UTILITY EASEMENT LYING EAST OF ARTHUR STREET AND SOUTH OF SLATE STREET.**

Background/Overview

ISD #94 is proposing to vacate the utility easement lying east of Arthur Street and south of Slate Street. This is being requested since a portion of the school is constructed over the easement and a portion of the proposed addition would also be over the easement. ISD #94 will be relocating the existing storm sewer that is located within the easement proposed to be vacated and is proposing the creation of a new easement over the new storm sewer line.

A public hearing was held on Tuesday, December 13, 2016 to consider a possible utility easement vacation. A legal notice was published in the Pine Journal on November 23, 2016 and effected property owners were sent notices of the public hearing.

Policy Objectives

The purpose of this Vacation application is to ensure that MN State Statute 160.29 and 412.851 are followed in giving up rights to property. There is no formal requirement on determining if an easement should be vacated. It is really up to a common sense approach as to whether there is currently or will be in the future a need for the easement that is being vacated. In this case the easement is in simple terms being moved a short distance to accommodate the building expansion. A new easement will be created for the new location.

Financial/Budget/Grant Considerations

The filing fee for the vacation of an easement is \$350.00. The applicant has paid that fee.

Advisory Committee/Commission Action

The Planning Commission after little discussion about the easement and the fact that it would be reestablished a short distance away to allow for the construction of the building addition did not see a problem with the request. The Planning Commission has recommended approval of the Vacation on a 5-0 vote.

To the Mayor and City Council
Vacation of Easement
December 14, 2016
Page 2

Supporting Documentation Attached

- Resolution 16-95
- Location Map
- Easement Drawing
- New Easement Drawing

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

RESOLUTION NO. 16-95

**A RESOLUTION APPROVING THE VACATION OF THE UTILITY EASEMENT
LYING EAST OF ARTHUR STREET AND SOUTH OF SLATE STREET**

WHEREAS, ISD #94 is proposing to vacate the utility easement lying east of Arthur Street and south of Slate Street; and

WHEREAS, As required by ordinance, notification was advertised in the Pine Journal and effected property owners have been notified. A public hearing was held to consider the application at the regular meeting of the Cloquet Planning Commission on December 13, 2016 at which time Zoning Case / Development Review No. 16-21 was heard and discussed; and

WHEREAS, the property of the proposed Vacation is located east of Arthur Street and south of Slate Street and is legally described as follows:

A twenty (20) foot wide strip of land running on and across Block 111 of the Original Plat of the City of Cloquet, said strip lying ten (10) feet on each side of the following described line: Commencing at the northeast corner of Block 111 of the Original Plat of the City of Cloquet; thence west on the north line of said block a distance of forty (40) feet for the point of beginning; thence southwesterly to a point which lies one hundred thirty-five (135) feet west and one hundred (100) feet south of the northeast corner of Block 111; thence again southwesterly to a point which lies thirty (30) feet south of the southwest corner of Block 111. And recorded with Carlton County as Document No. 232013. And,

WHEREAS, the Planning Commission reviewed the staff report and recommends approval of the Vacation.

NOW, THEREFORE, BE IT RESOLVED, BY THE CITY COUNCIL OF THE CITY OF CLOQUET, MINNESOTA, that it approves of Zoning Case 16-21 for a vacation of the utility easement lying east of Arthur Street and south of Slate Street subject to the following condition.

1. A new Utility Easement is filed with Carlton County.

PASSED BY THE CITY COUNCIL OF THE CITY OF CLOQUET THIS 20TH DAY OF DECEMBER, 2016.

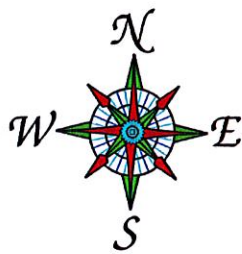
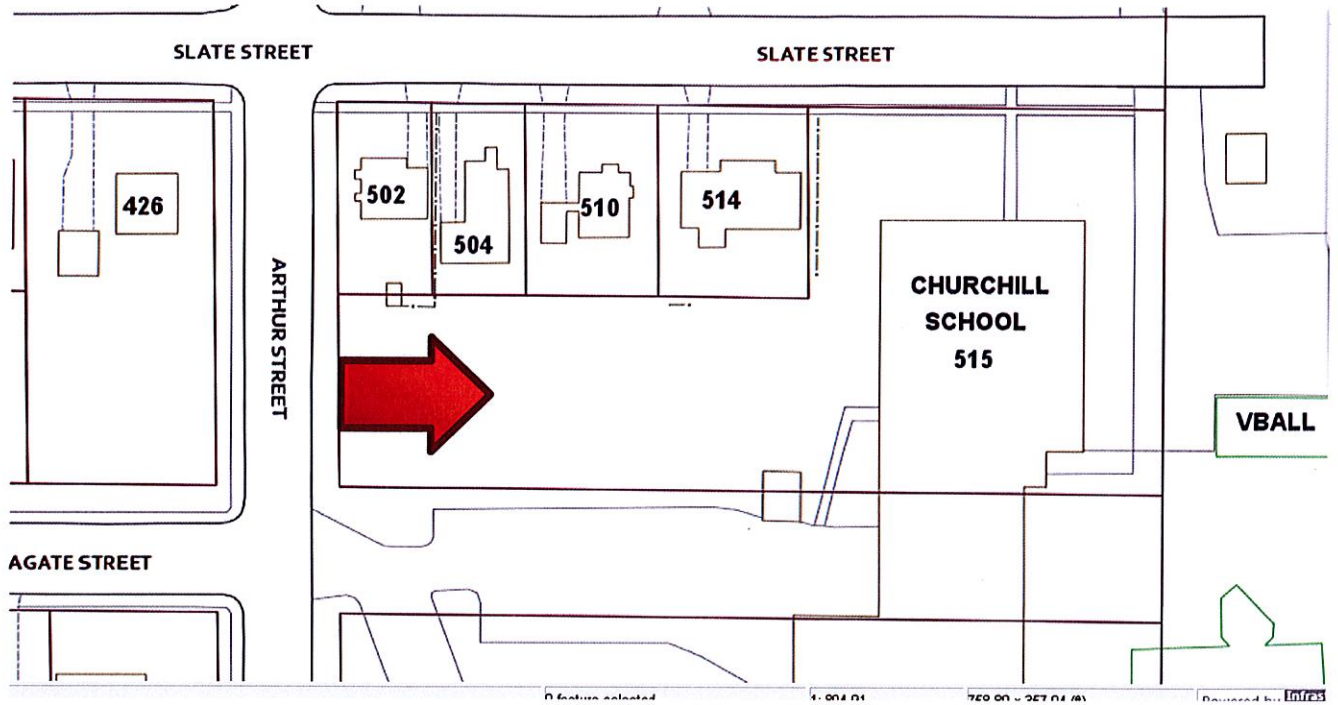
Dave Hallback, Mayor

ATTEST:

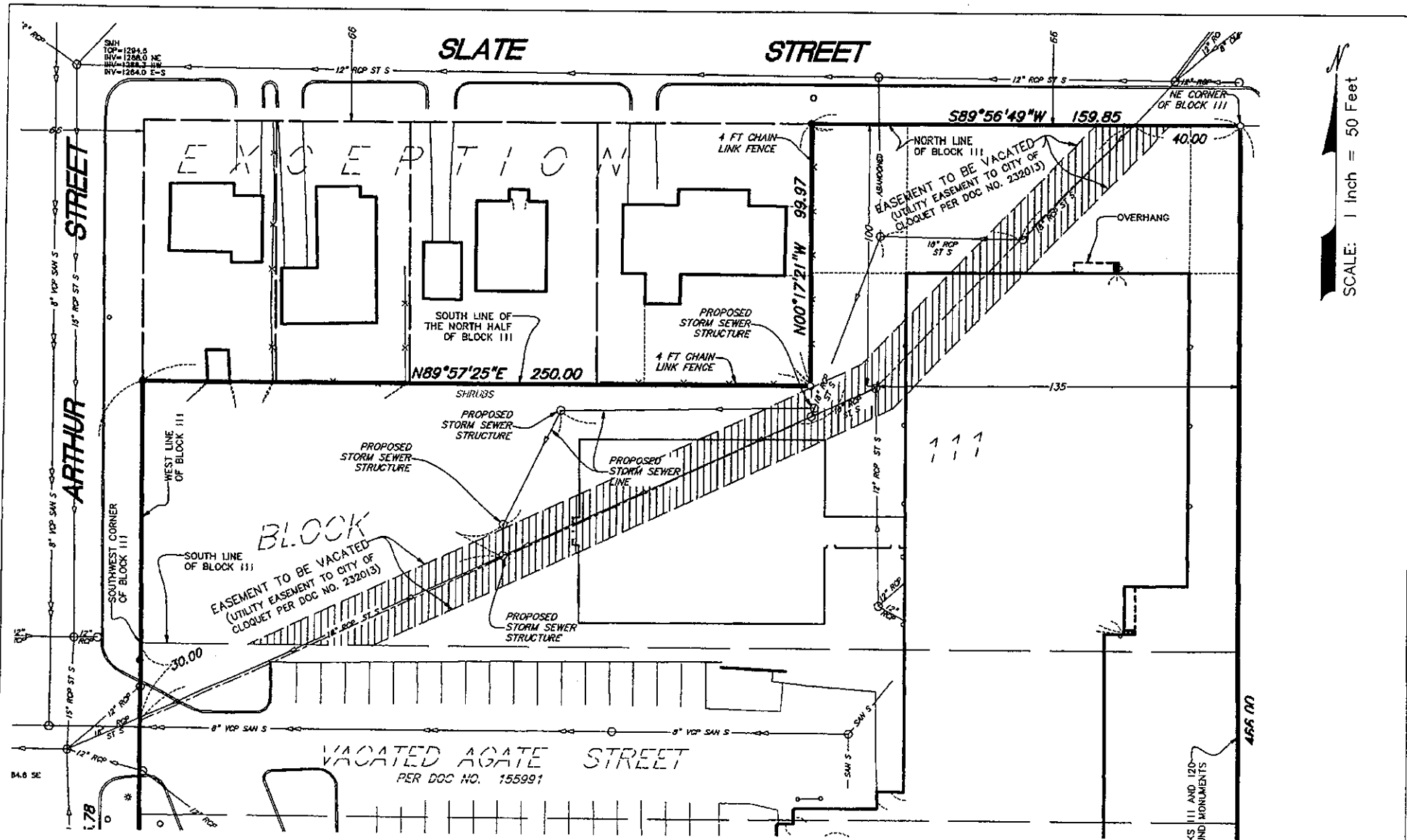
Brian Fritsinger, City Administrator

Location Map

ISD #94



No Scale



SCALE: 1 Inch = 50 Feet

EASEMENT TO BE VACATED

2016-004-CQ T.49, R.17, S.14 2016004CQ001.dwg CWJ


SUNDE
LAND SURVEYING
www.sunde.com

Branch Office:
 1504 1/2 South Hwy. 33 • Suite A
 Cloquet, Minnesota 55720
 218-499-8267 (Phone/Fax)

Main Office:
 Bloomington, Minnesota 952-881-2455

**EASEMENT SKETCH FOR:
INDEPENDENT SCHOOL DISTRICT # 94
CHURCHILL ELEMENTARY**

DESCRIPTION OF STORM SEWER EASEMENT

A 20.00 foot wide easement for storm sewer purposes over, under and across that part of Block 111 of the Original Plat Of the Village, now city, of Cloquet, and vacated Agate Street. The centerline of said easement is described as commencing at the northeast corner of said Block 111; thence on an assumed bearing of South 89 degrees 56 minutes 49 seconds West, along the north line of said Block 111 a distance of 40.00 feet to the point of beginning of the centerline to be described; thence South 43 degrees 27 minutes 35 seconds West 60.85 feet; thence South 89 degrees 42 minutes 35 seconds West 52.37 feet; thence South 14 degrees 52 minutes 23 seconds West 67.91 feet to a line 10.00 feet south of and parallel with the south line of the north half of said Block 111; thence South 89 degrees 57 minutes 25 seconds West along said parallel line 101.03 feet; thence South 26 degrees 03 minutes 02 seconds West 48.23 feet; thence South 00 degrees 17 minutes 21 seconds East 12.69 feet; thence South 64 degrees 36 minutes 26 seconds West 149.32 feet to the southerly extension of the west line of said Block 111 and centerline there terminating.

The sidelines of said easement are to be prolonged or shortened to terminate at said north line of Block 111 and said southerly extension of the west line of Block 111.

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

Dated this 2nd day of November, 2016.

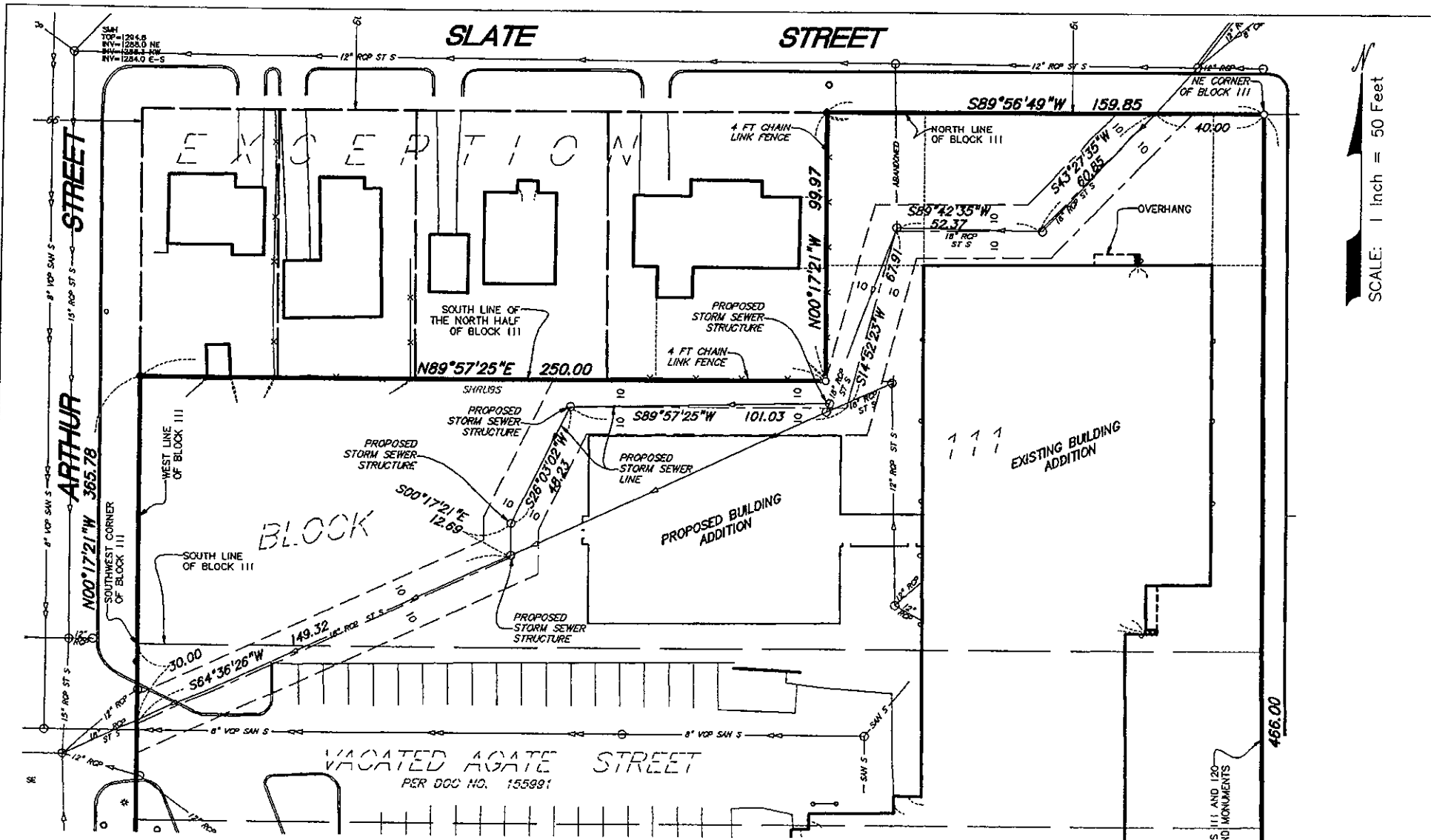
SUNDE LAND SURVEYING, LLC.

By: *Arlene J. Carlson*
Arlene J. Carlson, P.L.S. Minn. Lic. No. 44900

SHEET 1 OF 2 SHEETS



Branch Office:
1504 1/2 South Hwy. 33 • Suite A
Cloquet, Minnesota 55720
218-499-8267 (Phone/Fax)
Main Office:
Bloomington, Minnesota 952-881-2455



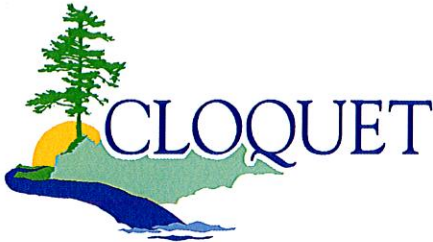
SCALE: 1 inch = 50 Feet

NEW STORM SEWER EASEMENT

SHEET 2 OF 2 SHEETS

SUNDE
LAND SURVEYING
 www.sunde.com

Branch Office:
 1504 1/2 South Hwy. 33 • Suite A
 Cloquet, Minnesota 55720
 218-499-8267 (Phone/Fax)
 Main Office:
 Bloomington, Minnesota 952-881-2455



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

To: Mayor and City Council
From: Caleb Peterson, City Engineer
Reviewed by: Brian Fritsinger, City Administrator
Date: December 12, 2016

ITEM DESCRIPTION: Lake Superior Waterline – Motor Rebuild

Proposed Action

Staff recommends the City Council move to accept the quotation from Mielke Electric Works to overhaul pump motor #1 on the Lake Superior Waterline system in the amount of \$20,425.00.

Background/Overview

Periodically, the electric motors which drive the various pumps on the Lake Superior Waterline must be taken out of service for maintenance. While it has been a couple years since our last failure, historically it is not uncommon to have one or more motor and/or pump assemblies out of service at any given time. Currently, motor #1 located at the Park Point Station is nonoperational and in need of a complete overhaul.

Staff solicited quotes to overhaul and balance the motor and received the following:

Mielke Electric Works	\$20,425.00
L&S Electric Inc.	\$24,437.00

Policy Objectives

N/A.

Financial/Budget/Grant Considerations

\$70,000 is allocated each year for pump and motor maintenance at the two pump stations.

Advisory Committee/Commission Action

N/A.

Supporting Documentation Attached

- Quotations



Your industry. Your partner.
Your solution.

Plant & Corporate Offices
2606 West Michigan Street
Duluth, Minnesota 55806
www.mielkeelectric.com
Office: 218.727.7411
Toll Free: 866.333.7411
Fax: 218.727.7155

Vibration Correction Services

5722 Miller Trunk Hwy. P.O. Box 25316
Duluth, MN 55811 St. Paul, MN 55125
Phone: 218.729.5000 Phone: 651.501.0803
Fax: 218.729.5075



INDUSTRIAL ELECTRICAL EQUIPMENT SALES · SERVICE · SOLUTIONS Established 1912

QUOTATION # 120716TG4
YOUR INQUIRY

DATE 12/7/2016
DELIVERY 6 TO 8 WEEKS

CITY OF CLOQUET
PARK POINT PUMPING STATION

SHIP VIA OUR TRUCK

FOB Shipping Point

FREIGHT INCLUDED

Attn: TIM JOHNSON

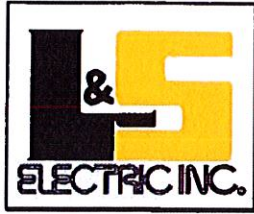
TERMS Net 30 Days

THIS PRICE GOOD FOR 30 DAYS

ITEM	QUAN	DESCRIPTION	UNIT PRICE	AMOUNT
1	1	<p>GENERAL ELECTRIC , MODEL # 5K6339XF3A , RPM 1175 , TYKE K , RPM 1175 , VOLTS 2300 ,FRAME 6339P36 , SERIAL # GDJ731001 .</p> <ul style="list-style-type: none"> • Pick -up unit and transport to Mielke Electric. • Disassemble, clean and inspect all parts. • Check all fits for proper clearance, including bearing journals, seal surfaces, endbell bearing housings, coupling and keyways. • Record all dimensions. • Check rotor cage and shaft run-out • Perform stator core iron test. • Rewind stator using formed coils and class " F " vacuum pressure Impregnation insulation system. • Install (6) stator RTD`S (provided by customer) • Flush , inspect and pressure test motor radiator. (Any required radiator repair work will be quoted separately) . • Dynamically balance rotor , fans and bearing hub to precision tolerance. • .Install new bearings . (furnished by customer) . • Monitor and record vibration levels. • Perform and record final electrical tests . - Surge Comparison , Hypot , Megger , Polarity Index , MCE , No load current and Voltage. • Paint , prepare for shipping and deliver to Station # 1 Park Point. • Be on jobsite at time of motor / pump start-up to record Vibration levels. 		
		Labor	\$ 11,200.00	
		Materials	\$ 9,225.00	
		Total		\$ 20,425.00

SIGNED _____ TOM GEIER _____

To receive pricing per the above quote, all Purchase Orders must reference the Quotation Number.



U.S. Watts: 800.290.9320
 Phone: 763.780.3234
 Fax: 763.780.3957
 Web: www.lselectric.com
 Email: dmccauley@lselectric.com

Quotation – Station I Motor #1

To:	City of Cloquet 1307 Cloquet Ave. Cloquet, MN 55720	Quote Number:	Q1601313CR
Attention:	Tim Johnson	Terms:	Net 30
Subject:	Quote for Rewind	Delivery:	3-4 Weeks
		F.O.B.	Factory
		Freight:	Included
		Customer Number:	951201
		Price:	Firm for 30 Days
		Date:	12.9.2016

Motor Description

MFG:	GE	Volts:	2300	Frame:	6339P36
HP:	800	Model:	5K6339XF3A	S/N:	GDJ 731001
RPM:	1175	Type:	K	HZ:	60

Work Scope

- Pick-up & Deliver
- Disassemble, Inspect & Test
- Steam Clean Parts & Bake
- Mic Machined Fits for Proper Clearance & Record Dimensions
- Check Rotor Cage & Shaft Runout
- Core Test, Burn Out, Strip & Clean Stator
- Core Test & Rewind with Form Wound Class "F" VPI Coils
- Install (6) 100 ohm Platinum Stator RTD's (Customer Supplied)
- VPI in Von Roll 74035 Epoxy Resin and Bake Stator
- Balance Rotor, Fans & Bearing Hub to Precision Tolerance
- Flush, Inspect and Pressure Test Radiator
- Install New 29434E & 6226 C3 Bearings (Customer Supplied)
- Install (2) 100 ohm Platinum Bearing RTD's (Customer Supplied)
- Perform and Record Final Electrical Tests
- Assemble, Test Run & Record Vibration Levels
- Paint and Prepare for Shipment
- Be On-Site During Startup to Record Initial Vibration Levels
- Supply Repair Report

Material	\$ 12,137.00
Labor	\$ 12,300.00
Total Cost	\$ 24,437.00

This quote does not include machining or additional parts outside of this work scope. Any additional items will be quoted for your approval following inspection in our shop. The above delivery is based upon the above work scope; additional items outside this work scope may increase the lead time of this repair.

Thank you for the opportunity to quote your requirements. If you have any questions or need any additional information, please feel free to contact me.

Sincerely,


Dan McCauley
 Assistant Operations Manager



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

To: Mayor and City Council
From: Caleb Peterson, City Engineer
Reviewed By: Brian Fritsinger, City Administrator 
Date: December 12, 2016

ITEM DESCRIPTION: Lake Superior Waterline – Electrical Upgrades

Proposed Action

Staff recommends the City Council move to enter into a contract with SEH, Inc. for the design of electrical system upgrades at pump stations #1 and #2 on the Lake Superior Waterline.

Background/Overview

In 2013, the City commissioned a study of the electrical system at Pump Station #1. At the time, issues with the electrical motor controllers were increasing in frequency due to parts fatigue and wear. At nearly 50 years old, the mechanical systems at both pump stations are in good operating condition, however, the electrical systems are near or past a typical and practical life. To further complicate the matter, new or high quality parts for the existing electrical equipment are no longer available. In coordination with SAPPI's Electrical Engineering staff, ultimately \$1.5 million was allocated as part of the 2017 CIP for the replacement/upgrade of the electrical system at both Pump Stations #1 and #2.

In recent months, City staff has met with SAPPI on multiple occasions in order to further refine the project scope and review qualification of design firms used previously by both the Mill and City. At the conclusion of these meetings, the unanimous recommendation of the group was to obtain a proposal from SEH, Inc. for project design services. The \$1.5 million had been initially identified in 2014 for improvements to Station #1. After the work with SAPPI, the improvements needed at Station #2 were refined and added to the project resulting in the increased cost estimate.

The project is currently schedule for construction in summer/fall of 2017, however, lead times on electrical equipment of this nature can be extensive. Staff is currently working with SAPPI and SEH to evaluate options for design build, or pre-purchasing of materials. The attached proposal assumes a majority of the equipment will be pre-purchased by the City and supplied to the general contract. Such a method saves costs on sales tax and equipment mark-ups and could save eight weeks in project schedule. If the design build option were selected, Council would be asked to approve an additional scope of services at a later date.

Policy Objectives

N/A.

Financial/Budget/Grant Considerations

\$1.5 million was included as part of the CIP for upgrades to the electrical systems in 2017. As noted in the attached preliminary construction estimate, the cost may be in excess of the \$1.5 million. It is anticipated that the cost of this project will be paid using bond proceeds and the debt service payments incorporated into the annual rate structure over the life of the bond. However, SAPPI and the City have not reached agreement on the final financing approach. The debt service would normally be the full responsibility of SAPPI and not the customers of the City's in-town water system.

To Mayor and Council
Lake Superior Waterline Electrical Upgrades
December 12, 2016
Page 2

Advisory Committee/Commission Action

N/A.

Supporting Documentation Attached

- SEH, Inc. Proposal



Building a Better World
for All of Us®

December 13, 2016

RE: Electrical Upgrades for Pump Stations
No. 1 and No. 2
City of Cloquet, Minnesota
SEH No. CLOQU 138943 14.00

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

Dear Mr. Peterson:

Short Elliott Hendrickson Inc. (SEH®) appreciates the opportunity to submit this proposal for Engineering Services for the Electrical Upgrade of Pump Stations No. 1 and No. 2 on the Lake Superior raw water line owned by the City of Cloquet. Sappi Industries plant in Cloquet is currently the primary user of the water supplied by this line. Since the Sappi plant runs virtually 365 days per year, coordination between the City, Sappi and SEH will be paramount for this project.

SEH recognizes the importance of clear communication between the client and consultant. Please consider this proposal and scope of work as the first step to establish clearly defined project scope and project objectives. We are committed to delivering a successful project that meets the City's timeline, requirements and budget.

SCOPE OF WORK

The project's objective is to provide design services for replacement of outdated and unreliable electrical gear at Pump Station No. 1 and No. 2 on the raw water line system. The design will take into consideration the pump stations need to remain operational during construction with a maximum of one week shutdown.

The project will be completed in five phases:

Evaluation Phase: Evaluate alternatives for the replacement and modification of existing electrical switchgear, transformers and building that offers the most economical, most reliable, and least disruptive approach to installing the updated equipment while keeping the pump stations operational during constructions.

Equipment Pre-purchase Phase: Create technical specification and procurement guidelines that would allow the City to pre-purchase long lead time equipment as a means to speed up constructions.

Engineers | Architects | Planners | Scientists

Short Elliott Hendrickson Inc., 3535 Vadnais Center Drive, St. Paul, MN 55110-5196

SEH is 100% employee-owned | sehinc.com | 651.490.2000 | 800.325.2055 | 888.908.8166 fax

Design Phase: Provide detailed design and construction documents needed to assist the City in bidding project components and construction.

Bidding Phase: Assist City in advertising and awarding project.

Construction Phase: Construction administration assistance services are not included in this proposal but can be provide as an additional service.

BACKGROUND INFORMATION

Pump Station No. 1:

Pump Station No. 1 was constructed in the late 1960s and operates three 800hp pumps that draw water from Lake Superior to the Wagtskiold Reservoir at Pump Station No. 2.

The electrical gear is original. It consists of one 14kV incoming power feed from Minnesota Power connected to a separately mounted outdoor 15kV fused switch. It is then bussed to a 2500kVA substation transformer that reduces the power to 2.3kV. The secondary side of the transformers is bussed to an outdoor walking switchgear enclosure, which houses the 2.3kV lineup.

The 2.3kV lineup has a main fused switch, a Minnesota Power's metering section, four across-the-line starters, and a fused switch that provides power to a 2.3kV-480volt transformer.

Minnesota Power has the capabilities of connecting to and supplying the incoming feed to the site from two different substations.

Pump Station 1 consists of three short set turbine pumps. Pumps 1 and 3 each produce approximately 11 MGD. Pump 2 has a trimmed impeller to provide flows of approximately 9 MGD. Current average flows to Sappi are approximately 10 MGD, resulting in one pump running most of the time with limited pump cycling. Future Sappi water demands may increase to 18 MGD (primarily if the MNDNR places temporary restrictions on appropriations from the St. Louis River source). To meet 18 MGD reliably, Cloquet will consider installing the full diameter impeller in Pump 2, and providing a Pump Station firm capacity of 18 MGD (two pumps running with one standby). Based on discussions with Sappi and City staff, there are no concerns with hydraulic transients or pump start/stop cycle times for existing or proposed flow rates; therefore, VFDs are not considered. Similarly, City staff and Sappi have determined that future Pump 4 will not need to be installed in the foreseeable future.

Pump Station No. 2:

Pump Station No. 2 was also constructed in the late 1960s and operates four 900hp pumps that transmit water from a ground level reservoir at Pump Station No. 2 to the Harris Reservoir, and then by gravity the remaining 7.5 miles to Sappi pulp and paper mill in Cloquet.

This electrical gear is also original and consists of one 14kV incoming power feed from Minnesota Power connected to a separately mounted outdoor 15kV fused switch. It is then bussed to a 2500kVA unit substation transformer that reduces the power to 2.3kV. The secondary side of the transformers is bussed into the building to a 2.3kV switchgear lineup.

The 2.3kV lineup has a main fused switch, a Minnesota Power's metering section, three across-the-line starters, a fused switch that provides power to a 2.3kV-480volt transformer, and a spare switch.

Of note currently, the building lights dim when starting a motor.

Pump Station 2 generally runs with two of the four pumps on. With two of the vertical turbine pumps running, the total station output is approximately 8,800 gpm (12.6 MGD). To meet Sappi's desired flow rate of 18 MGD, Cloquet will need to run three pumps (total flow rate of 19 MGD). Sappi and the City have no concerns about pump cycle times or hydraulic transients; therefore, VFDs are not considered.

EVALUATION PHASE

Task Overview:

Sit down with City staff and Sappi to discuss possible design alternatives for each pump station. Alternatives to be discussed are assumed to be similar to the following:

Pump Station No. 1:

- Review retro fitting existing outdoor 2.3kV switchgear lineup.
- Review new building including new 2.3kV indoor switchgear lineup.
- Review new outdoor walk-in enclosure with new 2.3kV switchgear lineup.
- Review soft starter vs across line starter. VFDs has been discussed and have ruled out as a cost effective option at this time.
- Review transformer alternatives.

Pump Station No. 2:

- Review new 2.3kV indoor switchgear lineup in current location.
- Review new addition to existing building housing 2.3kV indoor switchgear lineup.
- Review option to provide new outdoor walk-in enclosure with new 2.3kV switchgear lineup.
- Review soft starter vs. across line starter. VFDs has been discussed and have ruled out as a cost effective option at this time.
- Review transformer alternatives.

The major work scope elements included in the evaluation stage are as follows:

- Review existing facilities and equipment.
- Gather additional system information not available from City or Sappi.
- Review building footprint for each option.
- Prepare preliminary one-line diagram for each option.
- Work with Minnesota Power on their preferred service feed and starter requirements.
- Work with City maintenance staff and Sappi to identify their preferred service, feed, starter and equipment requirements.
- Work with vendors to gather preliminary equipment layout and budget pricing.
- Provide opinion of probable cost for each option.
- Provide perceived pros and cons for each option.
- Work with City and Sappi staff to arrive at preferred systems and equipment recommendations.
- Provide an implementation schedule for project.

Deliverables:

- Two meetings; talk through possible alternative and meeting to discuss alternative recommendations.
- Preliminary layout for each alternative.
- Provide Opinion of Probable Cost (OPC) for each alternative.
- Summary letter indicating perceived pros and cons.

City Responsibilities

- City to select option that final design shall be based on.
- SEH will provide City with deliverables above; City to provide Sappi with a copy of the deliverables above.

EQUIPMENT PRE-PURCHASE PHASE

Task Overview:

SEH shall prepare detailed specifications, one-line diagram, and contractual documents of Pump Station No. 1 and Pump Station No. 2 electrical equipment needed for soliciting vendor-quotes. SEH will assist the City in soliciting vendor's quote on behalf of City of Cloquet for the following equipment:

- Substation transformers with primary and secondary protection.
- 2.3kV switchgear lineup.

SEH will facilitate the following meetings for this Equipment Pre-purchase Phase:

- Specification and contract document 90% review meeting with City and Sappi.
- Coordination meetings as required to refine and review pre-purchase package with City and Sappi.

Deliverables:

- Agendas and minutes of review meetings, and other meetings or conference calls documenting design decision and action items.
- Furnish one electronic copy and two hard copies of one-line drawings (11x17) and specifications for use by City in soliciting quotes.
- Assistance in solicitation of vendor quotes and assistance in reviewing results.
- Bid tabulations assistance and form.
- Letter of recommendations for bid award.

City Responsibilities

- Assist SEH by placing at SEH's disposal all available information pertinent to the project.
- Guarantee access to and make provisions for SEH to enter upon lands as required for SEH to perform the work in this Scope of Services.
- Participate in design review meetings and follow through with action items as assigned. Review meeting summaries and provide timely comments.
- Provide review comments on sketches, estimates, drawings, specifications, proposals and other document presented by SEH.

- SEH will provide City with deliverables above, City to provide Sappi with a copy of the deliverables above.

DESIGN PHASE

Task Overview:

SEH will prepare detailed plans, specifications, and contract documents for Pump Station No. 1 and Pump Station No. 2 electrical modifications and shall submit said plans, specifications, and contract documents for City (and Sappi as requested by City) review and authorization.

The proposed electrical equipment design work scope will consist of the following major elements:

Pump Station No. 1:

- Coordinate with Minnesota Power on service requirements.
- Provide layout for required modifications to utility service feed.
- Design and specifications for new unit substation transformer with primary and secondary protections, rated 2500kVA, 3 phase, 14kV to 2.3kV.
- Design new utility metering section.
- Design modification to existing switchgear 2.3kV lineup or new 2.3kV switchgear lineup, based on the evaluation stage. Consideration will include:
 - Lineup will be designed with main overcurrent protection and disconnect.
 - Inclusion of three new 2.3kV, 800HP starter. Starters shall be looked at during evaluation station, compare soft starters vs. across-the-line.
 - Existing lineup has spare starter, review and add if needed.
 - Include new feeder breaker or fused switch for existing 2.3kV to 480volt transformer.
 - Layout relays and provide settings.
- New building or walking switchgear enclosure, based on evaluation stage.
- Modifications of existing PLC as required for new equipment.
- New motor leads for new starter's connection to existing 800hp motors.
- Demo existing equipment.
- Note: It is assumed 480volt system will not be modified under this project.

Pump Station No. 2:

- Coordinate with Minnesota Power on service requirements.
- Provide layout for required modifications to utility service feed.
- New unit substation transformer with primary and secondary protections, rated 2500kVA, 3 phase, 14kV to 2.3kV.
- New utility metering section.
- Modify existing switchgear 2.3kV lineup or new 2.3kV switchgear lineup, based on the evaluation stage. Consideration will include:
 - Lineup will be designed with main overcurrent protection and disconnect.
 - Inclusion of four new 2.3kV, 900HP starters. Starters shall be looked at during evaluation station, compare soft starters vs. across-the-line.

- Existing lineup has spare starter, review and add if needed.
- New feeder breaker or fused switch for existing 2.3kV to 480volt transformer.
- Layout relays and provide settings.
- Modifications of existing building for new gear or add addition to existing building, based on evaluation stage.
- Modification of existing PLC as required for new equipment.
- New motor leads for new starter's connection to existing 900hp motors.
- Demo existing equipment.
- Note: It is assumed 480volt system will not be modified under this project.

Phase meetings:

- Review meeting at 60% and 90% design stages.
- Up to three coordination meetings utilized to complete design.

Deliverables:

- For each design submittal, the City will be provided two hard copies (11"x17" drawings) and one electronic copy.
 - 60% Design, including 60% design drawings, preliminary technical specifications, and opinion of probable cost.
 - 90% Design, including 90% design drawings, draft technical specifications, and opinion of probable cost.
 - 100% Design, design drawing and specification for upload to bidding website.
- Agenda and minutes of 60% and 90% review meetings, and other meetings or conference calls documenting design decision and action items.

City Responsibilities

- Provide topo survey for both pump station sites.
- Pay all charges or fees required by any agency or authority having jurisdiction of the Project for review of plans, specifications, and contract documents, or for obtaining permits.
- Assist SEH by placing at SEH's disposal all available information pertinent to the project.
- Guarantee access to and make provisions for SEH to enter upon lands and enter facilities as required for SEH to perform the work in this Scope of Services.
- Provide review comments on sketches, estimates, drawings, specifications, proposals and other document presented by SEH in a timely manner.
- Participate in design review meetings and follow through with action items as assigned. Review meeting summaries and provide comments.
- SEH will provide City with deliverables above; City to provide Sappi with a copy of the deliverables above.

BIDDING PHASE

Task Overview:

Provide bid phase services including:

- Assist the City in advertising and obtaining bids for the project.

- Respond to questions from bidders.
- Issue addenda to clarify or expand upon the bidding documents.

Bid phase meetings

- Attend pre-bid meeting.
- Attend bid opening.

Deliverables:

- Furnish one electronic copy and two hard copies of drawings (11x17) and specification for City use.
- Bid tabulations form.
- Letter of recommendations for bid award.

City Responsibilities

- Fees associated with advertising the project.
- Issuance of bidding notification and/or solicitations as requested by SEH.
- SEH will provide City with deliverables above, City to provide Sappi with a copy of the deliverables above.

CONSTRUCTION PHASE

Task Overview:

Provide the following construction phase services:

- Coordinate and manage construction project initiation, including:
 - Prepare the Contractor Standard Form of Agreement and Notice to Proceed documents.
 - Schedule and attend one preconstruction meeting.
- Attend monthly (or as agreed to) construction progress meetings. Meeting will be at Pump Station No. 1 or No. 2 based on construction schedule.
- In addition to monthly progress meetings, SEH representatives will make site visits to observe the various stages of the construction. Up to two site visits for electrical, and one each for civil and architectural (as required) are included in current scope of work. (Additional site visits would be billed as requested at \$500.00 each)
- Review samples, schedules, shop drawings, test results, and other Contractor submittals. Maintain record logs of shop drawings and other submittals, which the Contractor is required to submit, but only the conformance with the design concept of the project and compliance with the information given in the Contract Documents. Such review shall not extend to means, methods, sequences, techniques or procedures of construction or to safety precautions and program incidentals thereto.
- Receive and review (for general content as required by specifications) maintenance and operating instructions, schedules, guarantees, bonds and certificates of inspections, which are to be assembled by the Contractor in accordance with the Contract Documents.
- Respond to Contractor questions during construction; prepare and issue field orders and change orders; review Contractor pricing on change orders, and when acceptable, recommend same for payment.

- Review and comment upon Contractor's monthly applications for payment for the prime contract. Make recommendation to Owner regarding payment. SEH recommendations constitute a representation to the City that to the best of SEH knowledge, the work has progressed to the point indicated on said application and the quality of work is in accordance with the Contract Documents, subject to the results of any subsequent tests called for by the Contract Documents and any qualifications stated in their recommendations.
- Coordinate development of the punch list, including one final walk-through/site visit by City representative, Sappi representative, project manager, electrical, civil, architectural, and other disciplines as required.
- Review contract closeout documents, including final payment application, and forward to City with recommendation for final payment.
- Furnish Owner with record drawings showing those changes made during the construction process based on the marked-up drawings furnished by the Contractor to SEH and RFIs or other change orders.

Construction Meetings

- Schedule and attend monthly progress meeting for the duration of the construction.

Deliverables:

- Prepare the Contractor Standard Form of Agreement and Notice to Proceed documents.
- Punch list provided to Contractor to determine substantial and final completion.
- Record drawings.

City Responsibilities

- Provide review comments on sketches, estimates, drawings, specifications, proposals, and other documents presented by SEH in a timely manner.
- Obtain all permanent or temporary construction easements, if needed.

GENERAL SERVICE AGREEMENT

The terms and conditions of this proposal wholly include the content of the May 1, 2014, Master Agreement for Professional Services between the City of Cloquet and Short Elliott Hendrickson Inc.

PROJECT FEE

SEH services for Pump Stations No. 1 and No. 2 Electrical Upgrades will be on a lump sum basis. The total fee of \$193,688.00 is based on the attached preliminary Opinion of Probable Cost.

- Additional Services: If requested by the City the following services will be provided by SEH with the understanding that the addition of these services will be requested and authorized in advance by the City.
 - Construction administrative services (part-time) or Resident Project Representative (full-time) can be provided during construction for additional fee. SEH would be happy to tailor this service to the needs of the City of Cloquet. Full-time Resident Project Representative services are estimated at 6% of construction cost.

- Alternative Delivery Services
 - Design|Build/Construction Manager Services can be provided by SEH subsidiary SEH Design|Build. This delivery approach provides increased delivery flexibility when time, budget and specialized equipment or phasing is important to project success. This project delivery approach lends itself well to projects with long lead time equipment purchases similar to this Cloquet Pumping Station Electrical Upgrades. (See attached Alternative Delivery exhibit for details and advantages.)

SCHEDULE

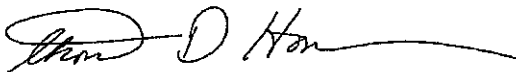
SEH can start work upon a signed contract. A formal project schedule will be created during the evaluation phase. SEH understands the City of Cloquet would like the project completed in 2017.

This letter proposal represents the entire understanding between the City of Cloquet and SEH with respect to providing services for this project and may only be modified in writing signed by both parties. If this proposal and work scope satisfactorily achieves your project goals and accurately sets forth your understanding of our services, please sign below in the space provided and we will consider this an agreement between us. Please sign two copies keeping one for your files and returning one to us.

We appreciate this opportunity to provide services to the City of Cloquet. Please do not hesitate to contact Thomas Honer at 651.256.0434 or Mike Kramer at 651.490.2101 if you have any questions or if you need additional information.

Sincerely,

SHORT ELLIOTT HENDRICKSON INC.



Tom Honer, PE
Project Manager, Sr. Professional Engineer


dmk

Enclosure – SEH General Conditions of the Agreement for Professional Service

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SHORT ELLIOTT HENDRICKSON INC.

CITY OF CLOQUET

By: 
Mike Kraemer
Title: Principal

By: _____
Title _____

EXHIBIT A

Customer: CLOQUET, MN

Date: 13-Dec-16

Construction Preliminary Estimate for Pump Stations No. 1 and No. 2

DESCRIPTION	Qty.	Unit	Material Unit Price	Labor	Total	Item Total
-------------	------	------	---------------------	-------	-------	------------

Pump Station No. 1

SITE WORK	1					\$120,000
DEMOLITION						\$30,000
SERVICE MOD - MN POWER						\$25,000
BUILDING MODIFICATIONS						\$100,000
METAL ENCLOSED SWITCHGEAR						\$357,500
13.8 KV Metal Enclosed Swgr w/ Utility Comp	1	EA	\$20,000.00	\$2,000.00	\$22,000	
2500 KVA Oil Filled 13.8 KV to 2400V	1	EA	\$75,000.00	\$7,500.00	\$82,500	
2400V Metal Enclosed Swgr breaker	2	EA	\$25,000.00	\$2,500.00	\$55,000	
2400V Metal Clad Main Breaker	1	EA	\$30,000.00	\$3,000.00	\$33,000	
800HP 2400V SSRV Starters	3	EA	\$50,000.00	\$5,000.00	\$165,000	
POWER AND CONTROL CIRCUITRY						\$95,000
Motor power feeders	3	EA	\$12,000.00		\$36,000	
Motor control circuits	3	EA	\$3,000.00		\$9,000	
System Integration	1	LS	\$50,000.00		\$50,000	

Sub Total

\$727,500

GENERAL SERVICES						\$181,875
General Conditions	10.0%				\$72,750	
Contractor O&P	5.0%				\$36,375	
Project contingencies	10.0%				\$72,750	

Pump Station No. 1 Sub Total

\$909,375

Pump Station No. 2

SITE WORK							\$120,000
DEMOLITION							\$30,000
SERVICE MOD - MN POWER							\$25,000
BUILDING MODIFICATIONS							\$100,000
METAL ENCLOSED SWITCHGEAR							\$456,500
13.8 KV Metal Enclosed Swgr w/ Utility Comp	1	EA	\$20,000.00	\$2,000.00		\$22,000	
2500 KVA Oil Filled 13.8 KV to 2400V	1	EA	\$75,000.00	\$7,500.00		\$82,500	
2400V Metal Enclosed Swgr breaker	2	EA	\$25,000.00	\$2,500.00		\$55,000	
2400V Metal Clad Main Breaker	1	EA	\$30,000.00	\$3,000.00		\$33,000	
900HP 2400V SSRV Starters	4	EA	\$60,000.00	\$6,000.00		\$264,000	
POWER AND CONTROL CIRCUITRY							\$90,500
Motor power feeders	3	EA	\$12,000.00			\$36,000	
Motor control circuits	3	EA	\$1,500.00			\$4,500	
System Integration	1	LS	\$50,000.00			\$50,000	

Sub Total

\$822,000

GENERAL SERVICES							\$205,500
General Conditions	10.0%					\$82,200	
Contractor O&P	5.0%					\$41,100	
Project contingencies	10.0%					\$82,200	

Pump Station No. 1 Sub Total

\$1,027,500

Estimated Total Construction Cost

\$1,936,875

Engineering

Engineering and Construction Services	10.0%					\$193,688	
Enhanced Construction Services or Resident Project Representative services (if requested)	6.0%					\$116,213	

Total Project cost

\$2,246,775



ALTERNATE FOR DESIGN-BUILD SERVICES

December 13, 2016

Caleb Peterson - City Engineer
City of Cloquet
1307 Cloquet Ave
Cloquet, MN 55720

RE: ALTERNATE - Proposal and Project Approach for Design-Build Services
Pump Station Electrical Upgrades (Project)

Dear Mr. Peterson,

SEH Design|Build, Inc. (SEHDB) is a wholly owned subsidiary of Short Elliott Hendrickson Inc. (SEH). SEHDB provides construction management and alternative contract delivery services.

The City of Cloquet may wish to enter into a single design-build agreement with SEHDB as an alternative to entering into separate design, procurement and construction agreements. Under a design-build agreement, the City will contract directly with SEHDB for all engineering (performed by SEH), equipment procurement and construction management of the Project.

There are a number of advantages to a design-build agreement for you to consider:

Reduction in the overall schedule and the ability to order long-lead items such as electrical switch gear and electrical transformers. Ordering this equipment early in the design process, and not waiting until the design for the entire project is complete, could save as much as 22 weeks in the Project schedule

SEHDB provides a single contract and a single source of responsibility for all the design and construction elements of the Project

Transfer of the Project risk (engineering, schedule, cost, contractor performance) from the City to SEHDB

Integrated design-build project delivery provides opportunities for contractor and vendor input during design development

Building a Better World for All of Us®

SEH Design|Build, Inc., 3535 Vadnais Center Drive, St. Paul, MN 55110-5196
sehdb.com | 651.490.2000 | 800.325.2055 | 888.908.8166 fax

Project Approach

If the Project is contracted to SEHDB under a design-build approach, we anticipate a "fast track" project delivery to expedite the completion date. Fast track project delivery typically requires simultaneous design and construction activities and pre-ordering of long-lead items to shorten the overall schedule. This can be achieved by completion of an initial design package (Phase 1) that specifies long-lead equipment for immediate order placement, followed by the balance of the design packages. When the final design is complete (Phase 2), SEHDB will solicit competitive bids for the construction phase of the project, and will manage the construction and systems start up.

SEHDB provides design-build project delivery to assure that the design intent, budget and schedule are maintained throughout the entire Project.

Phase 1 – Initial Design, Preliminary Schedule & Budget and Pre-Order Equipment

The services provided in Phase 1 include the Evaluation and Equipment Pre-Purchase design by SEH. SEHDB will develop the schedule, confirm the engineer's estimate, and secure pricing and place orders for the long-lead items.

The Phase 1 services include the following:

- Provide the Evaluation Phase and the Equipment Pre-Purchase Phase as outlined in the attached SEH Proposal. This includes preliminary plans, schedules, details and equipment lists needed to secure pricing on long-lead items
- Develop the Project's Preliminary Master Schedule
- Confirmation of Engineer's estimate of costs with contractor and vendor review and comment
- Develop early purchase strategies and develop Project's Procurement Schedule
- Prequalify and solicit competitive bids on long-lead equipment and materials
- Place orders for long-lead equipment and materials
- Develop and manage the Project's Procurement Schedule

Phase 2 - Final Design & Construction

The services provided in Phase 2 include the completion of the Design Phase by SEH. SEHDB will perform the bidding administration, receive long-lead time delivery items, and execute the construction and Project turn-over.

The Phase 2 services include the following:

- Complete the Design Phase as outlined in the attached SEH Proposal. This includes all necessary final plans, schedules, and details for bidding and construction
- Prequalify and solicit competitive bids from contractors and vendors
- Contract directly with vendors and contractors for the completion of the work
- Assistance with permitting and approval processes
- Develop and manage the Project's Control Estimate (cost estimate)

Manage contract logs, insurance logs and performance and payment bond logs
Conduct and record all Owner/Contractor Meetings and Owner/Designer Meetings
Develop and manage Quality Control and Quality Assurance Plans
Develop and manage Project Safety Plans, OSHA logs, and emergency plans
Develop and manage Site Security Plan
Review and manage shop drawing and product submittal logs
Maintain Request for Information Logs and Change Order Logs
Maintain Master Schedule including tasks for Owner, CM, and Contractors
Coordinate applications for payment, collection of lien waivers, and contractor disbursements
Conduct and disburse all punch lists, manage punch list and manage systems start up
Manage project closeout, collect final lien releases and waivers
Conduct contract closeouts, collect as-built drawings, and assemble warranty & maintenance books

We propose that SEH design services and SEHDB construction management services be completed under a single contract between SEHDB and the City of Cloquet. SEHDB will contract directly with SEH for the design services deliverables for the fees specified in the attached SEH proposal. SEHDB will also contract directly with vendors and contractors for the completion of the work. The SEHDB Construction Management Fee under a design-build contract is calculated as a percentage of the Project Costs. The Project Costs will include the cost of direct labor and expenses, materials, equipment, services, contractors and suppliers necessary to complete the Project. The Construction Management Fee will be 7% of the Project Costs.

If you wish for us to proceed with the design-build option, we will prepare a Standard Form of Agreement developed by The American Institute of Architects (AIA), or other form of agreement acceptable to SEHDB and The City of Cloquet.

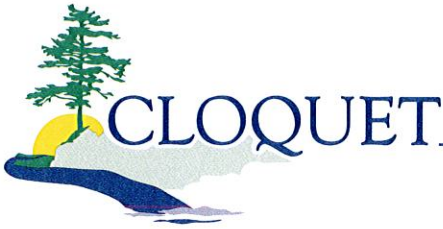
Thank you for this opportunity to provide you with design-build services. We look forward to answering any questions that you may have.

Sincerely,

SEH DESIGN|BUILD, INC.




Steven Goraczowski, President



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

To: Mayor and City Council
From: Brian Fritsinger, City Administrator 
Date: December 14, 2016

ITEM DESCRIPTION: Braun Park Lease Agreement with CYBSA

Proposed Action

Staff recommends the City Council move to approve the renewal of the Lease Agreement between the City of Cloquet and Cloquet Youth Baseball/Softball Association.

Background/Overview

In 2001, at the completion of the construction of Braun Park, the City entered into a lease agreement with the Cloquet Youth Baseball/Softball Association (CYBSA). This agreement detailed the various terms and conditions associated with the operation and maintenance of Braun Park.

This agreement was structured similar to the agreement the City operates under with the Cloquet Amateur Hockey Association at Northwoods Arena. The City has identified no major concerns related to the lease and supports its renewal. Key components of the agreement include:

- Rent - \$3,000 per year
- Terms – Five Years
- Indemnification – The Association is required to carry insurance on all aspects of the utilization of the park and hold the City harmless in case of a claim.
- Costs of Operation – The Association pays all costs associated with the operation of the complex with some considerations by the City.

The current agreement was for a term expiring on January 3, 2017 with the option of being renewed for an additional five years upon approval the City. CYBSA has notified the City that it wishes to extend the lease for another term under the same terms and conditions.

Policy Objectives

To provide recreational opportunities and amenities which improve the quality of life and enhance the existing parks system. The agreement provides both protection and legal authority for the use of the park and other as otherwise required under Minnesota law.

Financial/Budget/Grant Considerations

The CYBSA, under the lease, pays the City an annual rent of \$3,000. The Association is current with all lease payments.

Advisory Committee/Commission Action

The Parks Commission supports the renewal of the lease agreement.

Supporting Documentation Attached

- Lease Agreement

**LEASE AGREEMENT BETWEEN CITY OF CLOQUET AND THE
CLOQUET YOUTH BASEBALL/SOFTBALL ASSOCIATION**

THIS AGREEMENT entered into the 3 day of January, 2012, by and between the City of Cloquet, a public agency as per MN Const. art. XI, & 5(a) (hereinafter referred to as the "City" or "Lessor"), and the Cloquet Youth Baseball/Softball Association, a non-profit corporation (hereinafter referred to as "Lessee").

WITNESSETH:

WHEREAS, the City has been requested by Lessee to lease certain property to Lessee for the purpose of organized youth softball, baseball and other recreational activities expressly for recreational use; and

WHEREAS, the City and Lessee have reviewed and agreed upon the sites of City-owned land to be leased pursuant to this Agreement (hereinafter referred to as "Braun Park"); and

WHEREAS, the City and Lessee have agreed upon the terms and conditions of leasing the necessary facilities to promote youth activities and recreational use in the best interests of the community:

NOW, THEREFORE, it is hereby agreed as follows:

1. Space. The City of Cloquet is the owner of a certain parcel of land and does hereby agree to lease to Lessee the following sites described on Exhibit "A" attached hereto.
2. Rent. The City will lease the premises to Lessee for Three Thousand Dollars (\$3,000) per year and other good and valuable consideration as set forth below.
3. Term. The term of the lease shall be for a period of five (5) years and all amounts payable pursuant to this lease will be paid by Lessee or its successor to the City for the full term of the lease as agreed to herein unless this lease is terminated by the City upon sixty (60) days written notice to Lessee. The Lessee will have the first option of renewing the lease for subsequent terms of five (5) years each upon prior approval by the City. The City reserves the right to terminate this lease and/or consider other entities and lessees at any time prior to the expiration of this lease upon sixty (60) days written notice or if any of the following contingencies arise:
 - a. If the Lessee is unwilling or unable to use the leased premises to provide youth programs and recreational activities for the benefit of city youth at the facilities being leased pursuant to this Agreement as contemplated by the Agreement; or
 - b. If the governmental program, authorizing such facilities is terminated for any reason including subsequent legislation as provided in Minnesota Statutes Section 16A.695; or
 - c. If the City loses the right to participate in the program for which funding was authorized for the leased premises; or
 - d. If the Lessee defaults on its obligations pursuant to this lease as provided herein.

4. Conformity with Laws. Lessee hereby agrees that it will operate the premises leased in a lawful manner and that it will conform to all of the laws of the City of Cloquet, State of Minnesota and the United States concerning the installation, use or operation of the equipment and facilities located upon the lands of the City. In the event there is a violation of the aforementioned laws, Lessee shall pay any and all fines incurred whether by Lessee or the City for violation of any and all laws and shall comply with all notices of any City, State or Federal government and comply with said laws within the times notified by said government agency.
5. Indemnification and Liability of City. Lessee agrees to protect, indemnify, defend and hold City free and harmless from any and all losses, claims, demands and causes of action of every kind and character, (including the amounts of judgments, penalties, interest, court costs and reasonable legal fees, incurred by the City in defense of the same) to the extent not solely caused by the negligent acts or omissions of the City which may arise in favor of third parties, employees or invitees of the Lessee including all claims of personal injury, death or damage to property and all other claims or demands of every kind and character arising out of or otherwise incident to the use of the leased premises under this Agreement. In addition, the City shall not be responsible to the Cloquet Youth Baseball/Softball Association for any damage caused to any property of Lessee located upon the real estate leased herein. Lessee also assumes full responsibility for the safety of all invitees, its equipment, material and/or personnel while on the premises leased hereunder and agrees to maintain liability insurance for the protection of the City and all users of the facility in the minimum of \$1,000,000.00. Lessee further agrees to have the City added to the Policy as an additional named insured and will provide the City with a Certificate of Insurance for all periods of time covered by this lease. Lessee further agrees to provide City notice prior to changing coverage for any premises equipment or facilities leased.
6. Notices. Any notices under or pursuant to the terms of this Agreement shall be in writing mailed to the addresses hereinafter set forth of the respective parties:

City of Cloquet
c/o City Administrator
1307 Cloquet Avenue
Cloquet, MN 55720

Cloquet Youth Baseball/Softball Association
904 Highway 33 South
Cloquet, MN 55720

7. Removal of Property. At the conclusion of this lease, Lessee shall, at the request of the City, remove any personal property located on the premises as designated by the City within sixty (60) days of the termination of this lease. It is specifically understood that any permanent improvements including, but not limited to, buildings, fences, scoreboards, and backstops constructed and attached to the real estate leased during the period of this lease are to be considered the property of the City and will remain so upon termination of the lease. Failure of Lessee to remove items of personal property designated by the City as such shall entitle the City at its option to retain such items or remove said items pursuant to public notice and apply the proceeds of the sale to the cost of removal. In the event the proceeds shall be insufficient to pay the cost and expense incurred for the removal of the Lessee's property, Lessee shall be liable to the City for any deficiency.
8. Costs of Operation. The Lessee agrees, as additional consideration for this lease, that for the term of this agreement, Lessee will pay all costs associated with the operation of the recreational facilities and

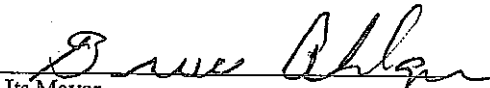
complex on the leased premises except those assumed by the City herein. These costs will include but are not limited to all lights, phones, electricity, and costs related to the maintenance of the playing fields including watering, mowing, weed maintenance, chalking and trimming. The Lessee also agrees to pay for the costs of all bases, batting cages, office equipment, that field maintenance equipment not supplied by the City and all additional site repairs necessary to its operation of the facilities on the premises. For its part, the City agrees to provide water to the leased premises; it will also provide garbage cans and garbage pickup service. The City also agrees to provide one riding lawn mower and groomer for use in maintaining the leased premises. All provided equipment shall remain property of the City of Cloquet but made available for use by the Lessee. The City agrees to provide equipment repairs and service through the City Garage as time allows. No shop time will be charged to the Lessee for said services however all repair work will be scheduled in coordination with other duties and the Lessee shall be responsible for the cost of any parts required. As consideration for use of City equipment, the Lessee agrees to maintain liability insurance for the mower and groomer. The Lessee will be responsible for all costs of maintenance of the fields, facilities and common areas including, but not limited to, all play structures, buildings, mowing of all non-fenced areas, ag lime for the fields, picnic tables, spectator benches for each field and snow plowing of all parking lots. For the purposes of this agreement, maintenance costs shall be defined as those single improvements which are estimated at less than five-thousand dollars (\$5,000) in cost. Single projects estimated at greater than \$5,000 shall be considered capital projects and must be submitted for consideration in the City's five year capital plan adopted each year by the City Council. The two parties further agree that it is the intention of the Lessee to utilize proceeds obtained from its operation of the leased facilities on the premises to defray maintenance expenses incurred in Braun Park in the future. The proceeds generated by the Lessee, must be reviewed annually by the Park Commission and, if necessary, the parties agree to meet in the future to determine what, if any, further financial contribution the City will make regarding ongoing maintenance in Braun Park. It is understood that the City Council will make the final determination as to the amount, if any, of further future payments.

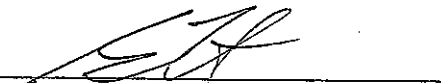
9. City Approval. The Lessee agrees to submit an annual plan of all proposed work to the Park Commission for prior approval before any improvements or work is constructed on the leased premises. This information will include a budget of all costs of operation and cost estimates and sources of revenue or consideration, evaluation and approval by the Park Commission of the City. The City, through its designee, may monitor this agreement and its terms and will review all documents submitted to the Park Commission from time to time at its discretion. Said documentation must include a review of the income and expenditures for complex operation, and said information shall become a part of the minutes of the Cloquet Park Commission. Those financial statements submitted to Park Commission for review each year must be of a form and substance acceptable to the City. All revenues generated by the operation of the facility during the pendency of the lease including tournament fees, advertising, admissions, scoreboard leases, and concessions will remain within the control of the lessee.
10. Park Quality. The Lessee also agrees to maintain all facilities at a standard commensurate with the parks existing within the City and further agrees that profits generated by the facilities will be used to upgrade and maintain the facilities leased. It is understood that to the extent excess profits result that those monies may only be applied to other programs of the Lessee with the express consent of the City of its designee, the Park Commission.
11. Authority. The City is entering into this Agreement with Lessee for the express purpose of providing recreational facilities for the benefit of its citizens and youth in accordance with authority granted the City pursuant to Minnesota Statutes Section 471.191, Subdivision 1. It is anticipated that the Lessee

will facilitate the operation of facilities which will provide programs for youth softball, baseball and other recreational opportunities for the citizens of Cloquet and its visitors. The City is authorized to enter into this lease consistent with authority granted to City pursuant to Minnesota Statutes Section 412.211. Irrespective of the provisions contained herein, the City reserves the right to enter into additional agreements regarding maintenance and use of the leased premises, including but not limited to the power to enter into contracts with school districts, vendors, or other associations concerning the operation and use of the leased facilities provided those agreements do no materially conflict with the terms and conditions of this agreement or any agreements maintained by Lessee. Copies of all such proposed agreements will be provided to the Park Commission and the Lessee prior to execution. The Lessee also reserves all rights to sell advertising in the forms of signs upon the property during the duration of this lease and the City specifically agrees that it will not sell said leased property prior to the ending date of this lease.


IN WITNESS WHEREOF, the parties have hereunto set their hands the day and year first written.


CITY OF CLOQUET

By: 
Its Mayor

By: 
Its Clerk

CLOQUET YOUTH BASEBALL/SOFTBALL ASSOCIATION

By: 
Its President

By: 
Its Treasurer

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

RESOLUTION NO. 12-58

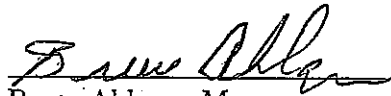
**RESOLUTION APPROVING A 5 YEAR LEASE AGREEMENT WITH THE CLOQUET
YOUTH BASEBALL/SOFTBALL ASSOCIATION**

WHEREAS, The Cloquet Youth Baseball/Softball Association (CYBSA) desires to enter into a lease agreement with the City in order to provide youth programs and recreational activities at Braun Park; and


WHEREAS, The City and CYBSA have agreed upon the terms and conditions of leasing the Park facilities in order to promote youth activities in the best interests of the community.

NOW, THEREFORE, BE IT RESOLVED, BY THE CITY COUNCIL OF THE CITY OF CLOQUET, MINNESOTA, That the City hereby agrees to enter into a five year lease agreement with the Cloquet Youth Baseball/Softball Association for the purpose of providing youth activities at Braun Park.

**PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF CLOQUET
THIS 7TH DAY OF AUGUST, 2012.**


Bruce Ahlgren, Mayor

ATTEST:



Brian Fritsinger, City Administrator



CLOQUET POLICE DEPARTMENT

STEVEN K. STRACEK
Chief of Police

508 CLOQUET AVENUE
CLOQUET, MINNESOTA 55720-1799
records@ci.cloquet.mn.us

Phone 218-879-1247
Fax 218-879-1190

REQUEST FOR COUNCIL ACTION

To: Mayor and City Council
From: Steve Stracek, Chief of Police
Reviewed by: Brian Fritsinger, City Administrator
Date: December 14, 2016

ITEM DESCRIPTION: Disposal of 2012 Police Vehicle

Proposed Action

Staff recommends the City Council move to authorize the sale through auction of a 2012 Dodge Charger squad car, VIN#2C3DAXT2CH304616.

Background/Overview

New vehicle purchases allow the Police Department to maintain a fleet of sound, reliable vehicles resulting in lower maintenance costs and a higher degree of operational safety for officers. Police vehicles are subject to continuous use and exposure to extraordinary driving conditions. Historically it has been determined that when police vehicles exceed 90,000 odometer miles, maintenance costs increase and mechanical factors affecting safe operation deteriorate. The 2016 budget allowed for the rotation of new vehicles into service. This vehicle has exceeded its mechanical limitations and has resulted in higher than average repair and maintenance costs. This vehicle was replaced through the lease of a 2016 Ford Utility Vehicle. This action allows for the subsequent rotation of older vehicles out of service. To facilitate this rotation and disposal, the Department proposes to offer them for sale through "Lots4bid" auction service.

In order to proceed with their disposal, authorization by the City Council is necessary.

Policy Objectives

To dispose of unneeded department equipment in accordance with City policy and State Statues. All essential police equipment and markings have been removed from the vehicle.

Financial/Budget/Grant Considerations

It has been determined that it is no longer financially feasible to maintain this vehicle in inventory. This equipment does have some value and the sale proceeds would be returned to the appropriate city account.

Advisory Committee/Commission Action

N/A

Supporting Documentation Attached

N/A