

## Administrator/Clerk's Report

City Council Meeting, May 9, 2016

To: Mayor and Council  
From: John M. McCarthy  
Date: May 6, 2016

### Presentation

Waste Management will be presenting Open Door Nursery a check for \$410.00 for their participation as a Green Team during the months of January through March 2016. 27.35 tons of paper and cardboard were collected at the Green Team location in Dundas.

### Ordinances and Resolutions

**Resolution 2016 – 14 Accepting Bids and Awarding Contract for 2016 Force Main and Lift Station:** Recommend approving the resolution to accept the bids and award the contract for the project. (Motion).

**Resolution 2016 – 15 Providing for the Issuance and Sale of GO Water and Sewer Bonds Series 2016A:** The City's Municipal Advisor, Springsted is recommending the Council approve the sale of a series of general obligation sewer revenue bonds in the amount of \$1,105,000. Proceeds from the sale of the 20-year bonds will be used to fund the 2016 Force Main and Lift Station project. (Motion).

**Resolution 2016 - 16 Request Temporary Closure of Railway Street / CSAH #1:** The Dundas Historical Society has asked the City of Dundas request Rice County permit the closure of County State Aid Highway #1 (Railway Street) between the intersection of Hester Street on the north and West Avenue on the south during Celebrate Dundas 2016. The closure allows citizens and visitors to safely participate in the City Celebration. Several events, including a charity run/walk, car show, canoe and kayak event, Scottish Highland Heavy Games, vendor displays and street dance will require the closure. The street will need to be closed from 6:00 AM, Saturday, June 25 to 12:30 AM, Sunday, June 26, 2016. (Motion)

**Resolution 2016 – 17 Approve Dispensation and Consumption at a Community Festival:** As part of the Celebrate Dundas 2016 Community Festival, Dawns Corner Bar has requested permission to dispense for consumption off premises as permitted by Statutes § 340A.404. In addition, the Dundas Historical Society is planning a craft beer and other craft beverage tasting as permitted by City Code and the same Statute. The temporary license can only be issued for a maximum of four hours. The sale and dispensation needs to be in a designated area and will be controlled by identity checks and wristbands. Consumption will be permitted in an area on City property and closed road right-of-way. (Motion)

**Resolution 2016 – 18 Approve Outside Liquor Sales for a Street Dance:** Dawn's Corner Bar intends to hold a street dance in conjunction with the Celebrate Dundas event on June 2th. Dawn's has held this dance for several years. Chief Mincke has never reported a problem resulting from the dance. (Motion)

### New Business

**Liquor License Renewals:** Approve Liquor License Renewals: The following establishments have applied for renewal of their liquor licenses for July 1 2016 to June 30, 2017. All of the applicants have met the requirements for renewal and have been reviewed in accordance with state law. Staff recommends approval of the following license applications:

Combination On Sale/Off Sale Intoxicating Liquor and Special Sunday On Sale Licenses.  
Dawn's Corner Bar Inc. dba Dawn's Corner Bar;  
Lyle and Pauline's, Inc, dba L&M Bar and Grill.

**On-Sale 3.2 Malt Liquor License**

The Dundas Baseball Association dba Dundas Dukes

**Off Sale Intoxicating Liquor License**

AJE Enterprises, Inc. dba Firehouse Liquor.

**Recognize Dundas Police Department:** Recently, the Minnesota Board of Peace Officer Standards and Training conducted a compliance review of the Dundas Police Departments training and policies. The POST Board reported the department passed the review. Recommend the City Council recognize Chief Gordon Mincke and the department for maintaining the high standards and authorize the Mayor to extend the City's appreciation. (Motion)

**Request to Waive Requirements of Nuisance Ordinance Section 902.18:** Dawn's Corner Bar intends to hold a wedding reception/dance with outside music on Saturday, July 9, 2016. Dawn Kruse has indicated the music will occur between the hours of 8:00 PM to Midnight. Kruse explained the music will be provided by a three-piece band and has indicated special attention will be paid to the use of heavy base sounds. The City Code, Title 9, Section 902.18, Paragraphs (6) and (7), regulates noise between the hours of 10:00 PM to 7:00 AM. I have discussed the request with Kruse and Chief Mincke. Dawn's will work with the officer on duty to insure there is no disturbance. Recommend approving the playing of live music for an outdoor wedding reception and dance at Dawn's Corner Bar until 12:00 Midnight, July 9, 2016. (Motion)

**Attorney's Report**

**Community Solar Garden:** Staff is working with Solar Stone to resolve some issues with the subscription agreement.

**Administrator's Report.**

**Dundas Dome:** The developers of the dome project have completed all of the requirements and signed a developer's agreement.

**MeetingHall Brewery:** Meeting House Brewery, LLC has submitted an application for a preliminary and final PUD for the brewery and tap-room. A public hearing has been set for the Dundas Planning Commission on Thursday, May 19, 2016.

**Manard's Expansion:** Representatives from Menards met with staff for an application conference. Menards intends to acquire the vacant property to the south of the existing store and increase the weather protected storage area.

**2016 Road Construction in Rice County:** Rice County has prepared a list of county road construction projects.

**2015 Audit:** Staff continues to work with the Auditor to complete the Audit. Reporting consistent with a new auditing requirement, GASB 68 which deals with retirement funding, is taking more time than usual.

**Council and Committees**

**Northfield Area Fire and Rescue Service:** The NAFRS Board met on April 29. Aramis Wells presented a very informative Powerpoint description of the need and effort to replace the heavy rescue vehicle. The Rescue Squad will be fund raising for a couple of years. Northfield Interim Administrator CC Lindstroth asked for some board discussion of a proposed contingency fund which was reviewed at the Financial Committee Meeting the previous week. Approval of the revised Standard Operating Guidelines was tabled due to not being reviewed by the Human Resource Committee. Northfield Mayor Graham expressed concern about entering into a professional services contract with DJ Medin for a price of \$34,180 without Board review or approval. The contract was dated 3 days prior to the meeting. It does not appear this was a budgeted expenditure. I expressed concern regarding the lack of progress on a 2017 Budget. Last year, both former Northfield Administrator Haggemiller and myself had expressed concern about the timeliness of receiving budgetary information.

## Work Session

**Legacy Grant Cooperative Agreement:** On Tuesday, May 3, 2016 the Northfield City Council reviewed a draft cooperative agreement related to the 2014 Legacy Grant. The Grant is a joint grant for the acquisition of property and construction of amenities including a shelter, river access and associated walkways. Council apparently requested some changes in the wording prepared by Northfield staff including a charge to Dundas for the Meeks appraisal. Dundas has not received a copy of the agreement as amended, but a staff review identified some concerns. The agreement presented to the Northfield City Council appears to be overly complicated and may have some clauses which are in conflict with the joint 2014 Legacy Grant which both Dundas and Northfield are parties to.

**Administrator's Goals:** At the annual evaluation, the Council requested the Administrator / Clerk prepare a list of goals for the coming year.

## Future Meeting Items

### May 23, 2016

1. Adopt 2017 CIP
2. Approve 2014 Cooperative Agreement
3. Approve Solar Subscription

### June 13, 2016

1. Worksession
  - a. Draft 2017 Budget
  - b. Review all enterprise fund ordinances

### June 27, 2016

1. Worksession
  - a. Draft Personnel Policy Review
  - b. Nuisance, blight and off-street parking ordinance review

CITY OF DUNDAS  
Expenditure May 9, 2016

| DATE    | PAYABLE                          | AMOUNT             |                    |
|---------|----------------------------------|--------------------|--------------------|
| 4.28.16 | Payroll expense for PP BW # 9    | \$11,783.58        |                    |
| 4.28.16 | Direct Deposit Fee for PP # 9    | \$7.77             |                    |
| 4.29.16 | Employee Paid Deduction          | \$253.00           |                    |
| 5.04.16 | IRS PP # 9                       | \$3,384.42         |                    |
| 5.04.16 | PERA PP # 9                      | \$3,054.58         |                    |
| 5.05.16 | MN Dept of Revenue PP # 9        | \$730.69           |                    |
|         |                                  |                    |                    |
|         | Total Paid by Blanket Authority  | <b>\$19,214.04</b> |                    |
|         |                                  | +                  |                    |
|         | BILLS TO BE PAID (Claims)        | <b>\$35,367.07</b> |                    |
|         |                                  | +                  |                    |
|         | Bonds                            | <b>\$0.00</b>      |                    |
|         |                                  |                    |                    |
|         |                                  |                    |                    |
|         | <b>TOTAL EXPENDITURES 5.9.16</b> |                    | <b>\$54,581.11</b> |

**\*Claim Register©**

050916Pay

May 2016

| Claim Type       | Modify   |  |       |              |             |
|------------------|--|--|-------|--------------|-------------|
| Claim#           | 9235 SVIEN, BENNY H.                             |  |       |              |             |
| Cash Payment     | E 101-42400-311 Bldg Permit Expense              | Building Permit 2897; 700 Railway St         |       |              | \$347.29    |
|                  | Invoice 04.18.2016                               |  |       |              |             |
| Cash Payment     | E 101-42400-312 Plan Review Expense              | Building Permit 2897; 700 Railway St         |       |              | \$9,782.04  |
|                  | Invoice 04.18.2016                               |  |       |              |             |
| Transaction Date | 4/27/2016  | Frandsen Bank                                | 10100 | <b>Total</b> | \$10,129.33 |
| Claim#           | 9236 WATER SYSTEMS COMPANY                       |  |       |              |             |
| Cash Payment     | E 101-41000-200 Supplies                         | General                                      |       |              | \$12.00     |
|                  | Invoice 722977                                   |  |       |              |             |
| Cash Payment     | E 101-43100-200 Supplies                         | Streets                                      |       |              | \$18.00     |
|                  | Invoice 722977                                   |  |       |              |             |
| Transaction Date | 4/27/2016  | Frandsen Bank                                | 10100 | <b>Total</b> | \$30.00     |
| Claim#           | 9237 CHARTER COMMUNICATIONS                      |  |       |              |             |
| Cash Payment     | E 101-41000-321 Telephone & Communicat           | City Hall                                    |       |              | \$116.99    |
|                  | Invoice 04.22.2016                               |  |       |              |             |
| Transaction Date | 4/27/2016  | Frandsen Bank                                | 10100 | <b>Total</b> | \$116.99    |
| Claim#           | 9238 M.R. HEBERT & ASSOC INC                     |  |       |              |             |
| Cash Payment     | G 101-22001 Erosion Control Deposit              | Return of Erosion Fee Deposit for 1198 Bluff |       |              | \$1,500.00  |
|                  | Invoice 04.26.2016                               |  |       |              |             |
| Transaction Date | 4/27/2016  | Frandsen Bank                                | 10100 | <b>Total</b> | \$1,500.00  |
| Claim#           | 9240 CALLIES LAW, PLLC                           |  |       |              |             |
| Cash Payment     | E 101-41000-304 Legal Fees                       | General                                      |       |              | \$450.00    |
|                  | Invoice 1978                                     |  |       |              |             |
| Transaction Date | 4/29/2016  | Frandsen Bank                                | 10100 | <b>Total</b> | \$450.00    |
| Claim#           | 9243 MR. JST TECHNOLOGY CONSULT I                |  |       |              |             |
| Cash Payment     | E 101-42100-310 Professional Services            | PD   |       |              | \$240.00    |
|                  | Invoice 2016-040032                              |  |       |              |             |
| Transaction Date | 4/29/2016  | Frandsen Bank                                | 10100 | <b>Total</b> | \$240.00    |
| Claim#           | 9244 METERING & TECH SOLUTIONS                   |  |       |              |             |
| Cash Payment     | E 601-49400-210 Supplies/Water Meter, Etc. Water |  |       |              | \$606.00    |
|                  | Invoice 6149                                     |  |       |              |             |
| Transaction Date | 4/29/2016  | Frandsen Bank                                | 10100 | <b>Total</b> | \$606.00    |
| Claim#           | 9245 RICE CO. SOLID WASTE DEPART                 |  |       |              |             |
| Cash Payment     | E 603-49500-384 Refuse/Garbage Disposal          | Refuse                                       |       |              | \$134.96    |
|                  | Invoice 35589                                    |  |       |              |             |
| Transaction Date | 4/29/2016  | Frandsen Bank                                | 10100 | <b>Total</b> | \$134.96    |
| Claim#           | 9246 GOPHER STATE ONE CALL                       |  |       |              |             |
| Cash Payment     | E 601-49400-310 Professional Services            | Water locate fees                            |       |              | \$50.00     |
|                  | Invoice 6000319                                  |  |       |              |             |
| Cash Payment     | E 602-49450-310 Professional Services            | Sewer locate fees                            |       |              | \$50.00     |
|                  | Invoice 6000319                                  |  |       |              |             |
| Cash Payment     | E 601-49400-310 Professional Services            | Water locate fees                            |       |              | \$5.08      |
|                  | Invoice 6010320                                  |  |       |              |             |
| Cash Payment     | E 602-49450-310 Professional Services            | Sewer locate fees                            |       |              | \$5.07      |
|                  | Invoice 6010320                                  |  |       |              |             |
| Transaction Date | 4/29/2016  | Frandsen Bank                                | 10100 | <b>Total</b> | \$110.15    |
| Claim#           | 9247 NORTHFIELD, CITY OF                         |  |       |              |             |

City of Dundas

05/06/16 11:29 AM

Page 2

\*Claim Register©

050916Pay

May 2016

|                  |  |                             |       |              |             |
|------------------|--|-----------------------------|-------|--------------|-------------|
| Cash Payment     | E 101-43100-408 Sand/Rock/Dirt         | Streets                     |       |              | \$3,085.74  |
|                  | Invoice 201304221743                   |                             |       |              |             |
| Transaction Date | 4/29/2016                              | Frandsen Bank               | 10100 | <b>Total</b> | \$3,085.74  |
| Claim#           | 9248 NORTHFIELD, CITY OF               |                             |       |              |             |
| Cash Payment     | E 602-49450-385 Sewer Utilities        | March 2016 Sewer expense    |       |              | \$12,724.64 |
|                  | Invoice 04.20.2016                     |                             |       |              |             |
| Transaction Date | 4/29/2016                              | Frandsen Bank               | 10100 | <b>Total</b> | \$12,724.64 |
| Claim#           | 9249 SPRINT                            |                             |       |              |             |
| Cash Payment     | E 101-42100-321 Telephone & Communicat | Police                      |       |              | \$79.98     |
|                  | Invoice 456674714-103                  |                             |       |              |             |
| Transaction Date | 5/2/2016                               | Frandsen Bank               | 10100 | <b>Total</b> | \$79.98     |
| Claim#           | 9250 NEXTEL                            |                             |       |              |             |
| Cash Payment     | E 101-42100-321 Telephone & Communicat | PD                          |       |              | \$73.16     |
|                  | Invoice 292583318-173                  |                             |       |              |             |
| Cash Payment     | E 101-42400-321 Telephone & Communicat | Building Dept               |       |              | \$39.41     |
|                  | Invoice 292583318-173                  |                             |       |              |             |
| Cash Payment     | E 601-49400-321 Telephone & Communicat | Water                       |       |              | \$36.45     |
|                  | Invoice 292583318-173                  |                             |       |              |             |
| Cash Payment     | E 602-49450-321 Telephone & Communicat | Sewer                       |       |              | \$36.44     |
|                  | Invoice 292583318-173                  |                             |       |              |             |
| Cash Payment     | E 101-43100-321 Telephone & Communicat | Streets                     |       |              | \$20.09     |
|                  | Invoice 292583318-173                  |                             |       |              |             |
| Transaction Date | 5/2/2016                               | Frandsen Bank               | 10100 | <b>Total</b> | \$205.55    |
| Claim#           | 9251 XCEL ENERGY                       |                             |       |              |             |
| Cash Payment     | E 101-45200-381 Electricity            | Park                        |       |              | \$35.38     |
|                  | Invoice 04.27.2016                     |                             |       |              |             |
| Cash Payment     | E 801-45130-381 Electricity            | Dundas Baseball Association |       |              | \$245.29    |
|                  | Invoice 04.27.2016                     |                             |       |              |             |
| Transaction Date | 5/2/2016                               | Frandsen Bank               | 10100 | <b>Total</b> | \$280.67    |
| Claim#           | 9252 MENARD, INC                       |                             |       |              |             |
| Cash Payment     | E 101-45200-200 Supplies               | Parks                       |       |              | \$61.47     |
|                  | Invoice 96868                          |                             |       |              |             |
| Cash Payment     | E 101-45200-200 Supplies               | Parks                       |       |              | \$14.86     |
|                  | Invoice 97317                          |                             |       |              |             |
| Cash Payment     | E 101-45200-200 Supplies               | Parks                       |       |              | \$101.77    |
|                  | Invoice 97389                          |                             |       |              |             |
| Cash Payment     | E 101-45200-200 Supplies               | Parks                       |       |              | \$86.10     |
|                  | Invoice 97653                          |                             |       |              |             |
| Cash Payment     | E 101-45200-200 Supplies               | Parks                       |       |              | \$37.91     |
|                  | Invoice 97801                          |                             |       |              |             |
| Transaction Date | 5/2/2016                               | Frandsen Bank               | 10100 | <b>Total</b> | \$302.11    |
| Claim#           | 9255 RICE COUNTY SHERIFF               |                             |       |              |             |
| Cash Payment     | E 101-42100-208 Training and Licensing | PD                          |       |              | \$65.00     |
|                  | Invoice 05.03.2016                     |                             |       |              |             |
| Transaction Date | 5/3/2016                               | Frandsen Bank               | 10100 | <b>Total</b> | \$65.00     |
| Claim#           | 9256 FARMERS MILL & ELEVATOR, INC      |                             |       |              |             |
| Cash Payment     | E 601-49400-406 Grounds Maintenance    | Water                       |       |              | \$46.00     |
|                  | Invoice RP 015538                      |                             |       |              |             |

City of Dundas

05/06/16 11:29 AM

Page 3

\*Claim Register©

050916Pay

May 2016

|                  |  |  |       |              |            |
|------------------|--|--|-------|--------------|------------|
| Cash Payment     | E 101-45200-406 Grounds Maintenance      | Parks                                      |       |              | \$138.00   |
|                  | Invoice RP 015538                        |  |       |              |            |
| Transaction Date | 5/3/2016                                 | Frandsen Bank                              | 10100 | <b>Total</b> | \$184.00   |
| Claim#           | 9258 GUTH ELECTRIC, INC                  |  |       |              |            |
| Cash Payment     | E 101-42100-580 Equipment                | PD   |       |              | \$735.00   |
|                  | Invoice 14415                            |  |       |              |            |
| Cash Payment     | E 101-43100-580 Equipment                | Streets                                    |       |              | \$735.00   |
|                  | Invoice 14415                            |  |       |              |            |
| Transaction Date | 5/3/2016                                 | Frandsen Bank                              | 10100 | <b>Total</b> | \$1,470.00 |
| Claim#           | 9259 BANYON                              |  |       |              |            |
| Cash Payment     | E 101-42400-309 EDP, Software and Design | Building                                   |       |              | \$485.00   |
|                  | Invoice 154184                           |  |       |              |            |
| Transaction Date | 5/3/2016                                 | Frandsen Bank                              | 10100 | <b>Total</b> | \$485.00   |
| Claim#           | 9260 MELIZA, DUANE                       |  |       |              |            |
| Cash Payment     | E 601-49400-330 Travel                   | Water                                      |       |              | \$186.30   |
|                  | Invoice 05.01.2016                       |  |       |              |            |
| Cash Payment     | E 602-49450-330 Travel                   | Sewer                                      |       |              | \$66.31    |
|                  | Invoice 05.01.2016                       |  |       |              |            |
| Cash Payment     | E 225-43150-330 Travel                   | Storm Sewer                                |       |              | \$3.89     |
|                  | Invoice 05.01.2016                       |  |       |              |            |
| Cash Payment     | E 101-45200-330 Travel                   | Parks                                      |       |              | \$31.86    |
|                  | Invoice 05.01.2016                       |  |       |              |            |
| Cash Payment     | E 101-43100-330 Travel                   | Streets                                    |       |              | \$12.42    |
|                  | Invoice 05.01.2016                       |  |       |              |            |
| Cash Payment     | E 101-41000-330 Travel                   | General                                    |       |              | \$65.34    |
|                  | Invoice 05.01.2016                       |  |       |              |            |
| Transaction Date | 5/3/2016                                 | Frandsen Bank                              | 10100 | <b>Total</b> | \$366.12   |
| Claim#           | 9267 MELIZA, DUANE                       |  |       |              |            |
| Cash Payment     | E 101-42400-311 Bldg Permit Expense      | Permits 2506, 2627, 2881, 2893, 2895, 7144 |       |              | \$2,101.06 |
|                  | Invoice 05.01.2016                       |  |       |              |            |
| Cash Payment     | E 101-42400-314 Mechanical Permit Expens | Permits 2506-02, 7144-03                   |       |              | \$97.50    |
|                  | Invoice 05.01.2016                       |  |       |              |            |
| Cash Payment     | E 101-42400-315 Plumbing Permit Expense  | Permits 2506-01, 7144-01                   |       |              | \$106.60   |
|                  | Invoice 05.01.2016                       |  |       |              |            |
| Cash Payment     | E 601-49400-310 Professional Services    | Permit 7144-03                             |       |              | \$25.00    |
|                  | Invoice 05.01.2016                       |  |       |              |            |
| Cash Payment     | E 602-49450-310 Professional Services    | Permit 7144-03                             |       |              | \$25.00    |
|                  | Invoice 05.01.2016                       |  |       |              |            |
| Transaction Date | 5/5/2016                                 | Frandsen Bank                              | 10100 | <b>Total</b> | \$2,355.16 |
| Claim#           | 9268 RIPKA, APRIL                        |  |       |              |            |
| Cash Payment     | E 101-41000-309 EDP, Software and Design | Web Site Maintenance                       |       |              | \$165.00   |
|                  | Invoice 04.30.2016                       |  |       |              |            |
| Transaction Date | 5/5/2016                                 | Frandsen Bank                              | 10100 | <b>Total</b> | \$165.00   |
| Claim#           | 9269 XCEL ENERGY                         |  |       |              |            |
| Cash Payment     | E 101-45200-381 Electricity              | Parks                                      |       |              | \$35.38    |
|                  | Invoice 04.27.2016                       |  |       |              |            |
| Cash Payment     | E 801-45130-381 Electricity              | Dundas Baseball Association                |       |              | \$245.29   |
|                  | Invoice 04.27.2016                       |  |       |              |            |
| Transaction Date | 5/5/2016                                 | Frandsen Bank                              | 10100 | <b>Total</b> | \$280.67   |

City of Dundas

05/06/16 11:29 AM

Page 4

\*Claim Register©

050916Pay

May 2016

---

| Claim Type | Modify | Tota | \$35,367.07 |
|------------|--------|------|-------------|
|------------|--------|------|-------------|

|                                       |  |             |  |
|---------------------------------------|--|-------------|--|
| Pre-Written Check                     |  | \$0.00      |  |
| Checks to be Generated by the Compute |  | \$35,367.07 |  |
| Total                                 |  | \$35,367.07 |  |



**CITY OF DUNDAS  
COUNTY OF RICE  
STATE OF MINNESOTA**

**RESOLUTION NUMBER 2016-14**

*A Resolution Accepting Bids and Awarding Contract  
for 2016 Force Main and Lift Station*

**WHEREAS**, pursuant to an advertisement for bids by the City of Dundas (the "City"), Minnesota, for the 2016 Force Main and Lift Station Project bids were received, opened and tabulated according to law, and the following bids were received complying with the advertisement:

- |                                |                              |
|--------------------------------|------------------------------|
| 1. A-1 Excavating, Inc         | Total Bid \$ 883,450.00      |
| 2. GM Contracting, Inc.        | Total Bid \$ 1,112,522.19    |
| 3. Ryan Contracting Co.        | Total Bid \$ 1,039,000.00    |
| 4. Swenke Ims Contracting, LLC | Total Bid \$ 779,545.00; and |

**WHEREAS**, that after a thorough review and in the best interest of the City, it appears Swenke Ims Contracting, LLC of Kasson, Minnesota, is the lowest responsible bidder at \$779,545.00;

**NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF DUNDAS, MINNESOTA**, that in accordance with the Project Manual, Advertisement for Bids, Section 00 1113:

1. The Mayor and City Administrator/Clerk are hereby authorized and directed to enter into a contract with Swenke Ims Contracting, LLC., in the name of the City of Dundas for the 2016 Force Main and Lift Station Project according to the plans and specification therefore approved by the Council and on file in the office of the City Administrator/Clerk.
2. The City Administrator/Clerk is hereby authorized and directed to return forthwith to all bidders the deposits made with their bids, except that the deposits of the successful bidder and the next lowest bidder shall be retained until a contract has been executed.

**ADOPTED** by the City Council of the Dundas, Minnesota, on this 9th day of May 2015.

**CITY OF DUNDAS BY:**

**ATTESTED:**

\_\_\_\_\_  
Glenn Switzer, Mayor

\_\_\_\_\_  
John M. McCarthy, Administrator/Clerk

Resolution 2016-14

\_\_\_\_\_ Switzer \_\_\_\_\_ Cruz \_\_\_\_\_ Fowler \_\_\_\_\_ Modory \_\_\_\_\_ Pribyl

**CITY OF DUNDAS  
COUNTY OF RICE  
STATE OF MINNESOTA  
RESOLUTION NUMBER 2016-15**

*A Resolution Providing for the Issuance and Sale of Approximately  
\$1,105,000 General Obligation Sewer Revenue Bonds, Series 2016A*

**BE IT RESOLVED** by the City Council of the City of Dundas, Rice County, Minnesota (the “City”) as follows:

1. Background. It is hereby determined that:

(a) the City engineer has recommended the construction of various improvements to the City’s sewer system (the “Project”);

(b) the City is authorized by Minnesota Statutes, Chapters 115, 444 and 475 (collectively, the “Act”) to issue and sell its general obligation bonds to finance improvements to the City’s sewer system (the “Utility Improvements”).

(c) it is necessary and expedient to the sound financial management of the affairs of the City to issue approximately \$1,105,000 General Obligation Sewer Revenue Bonds, Series 2016A (the “Bonds”) pursuant to the Act to provide financing for the Project.

2. Sale Authorized.

(a) It is necessary and expedient to the sound financial management of the affairs of the City to issue the Bonds pursuant to the Act to provide financing for the construction of the Utility Improvements. The Bonds will be issued, sold, and delivered in accordance with the Terms of Proposal attached hereto as EXHIBIT A (the “Terms of Proposal”).

(b) The City is authorized by Section 475.60, subdivision 2(9) of the Act to negotiate the sale of the Bonds, it being determined that the City has retained an independent financial advisor in connection with such sale. The actions of the City staff and municipal advisor in negotiating the sale of the Bonds are ratified and confirmed in all aspects.

3. Authority of Municipal Advisor. Springsted Incorporated is authorized and directed to negotiate the Bonds in accordance with the foregoing Notice of Sale. The City Council will meet at 7:00 P.M. on Monday, June 13, 2016, to consider proposals on the Bonds and take any other appropriate action with respect to the Bonds.

4. Authority of Bond Counsel. The law firm of Kennedy & Graven, Chartered, as bond counsel for the City, is authorized to act as bond counsel and to assist in the preparation and review of necessary documents, certificates and instruments relating to the Bonds. The officers, employees and agents of the City are hereby authorized to assist Kennedy & Graven, Chartered in the preparation of such documents, certificates, and instruments.

5. Covenants. In the resolution awarding the sale of the bonds the City Council will set forth the covenants and undertakings required by the Act.

6. Official Statement. In connection with the sale of the Bonds, the officers or employees of the City are authorized and directed to cooperate with Springsted Incorporated and participate in the preparation of an official statement for the Bonds and to execute and deliver it on behalf of the City upon its completion.

7. State Credit Enhancement. In the resolution awarding the sale of the Bonds, the City will covenant and obligate itself to be bound by the provisions of Minnesota Statutes, Section 446A.086, which provides for a guarantee by the State of Minnesota, acting through the Minnesota Public Facilities Authority (the "Authority") of any deficiency of debt service payments on the Bonds. The City Council authorizes and directs the Mayor and the City Administrator/Clerk to execute a Credit Enhancement Program Agreement with the Authority, in substantially the form on file with the City, which provides for the terms of the guarantee and City repayment of any deficiencies on the Bonds paid for by the State of Minnesota, acting through the Authority. The City Council additionally authorizes payment of the \$500 application fee to the Authority.

**ADOPTED** by the City Council of the City of Dundas, Minnesota, on this 9th day of May 2015.

**CITY OF DUNDAS BY:**

**ATTESTED:**

\_\_\_\_\_  
Glenn Switzer, Mayor

\_\_\_\_\_  
John M. McCarthy, Administrator/Clerk

Resolution 2016-15

\_\_\_\_\_ Switzer \_\_\_\_\_ Cruz \_\_\_\_\_ Fowler \_\_\_\_\_ Modory \_\_\_\_\_ Pribyl

**EXHIBIT A**

**TERMS OF PROPOSAL**

**THE CITY HAS AUTHORIZED SPRINGSTED INCORPORATED TO NEGOTIATE THIS ISSUE ON ITS BEHALF. PROPOSALS WILL BE RECEIVED ON THE FOLLOWING BASIS:**

**TERMS OF PROPOSAL**

**\$1,105,000\***

**CITY OF DUNDAS, MINNESOTA**

**GENERAL OBLIGATION SEWER REVENUE BONDS, SERIES 2016A**

**(MINNESOTA STATE CREDIT ENHANCEMENT PROGRAM)**

**(BOOK ENTRY ONLY)**

Proposals for the above-referenced bonds (the “Bonds” will be received on Monday, June 13, 2016, until 10:00 A.M., Central Time, at the offices of Springsted Incorporated, 380 Jackson Street, Suite 300, Saint Paul, Minnesota (“Springsted”), after which time proposals will be opened and tabulated. Consideration for award of the Bonds will be by the City Council of the City of Dundas, Minnesota (the “City”) at 7:00 P.M., Central Time, of the same day.

**SUBMISSION OF PROPOSALS**

Springsted will assume no liability for the inability of the bidder to reach Springsted prior to the time of sale specified above. All bidders are advised that each proposal shall be deemed to constitute a contract between the bidder and the City to purchase the Bonds regardless of the manner in which the proposal is submitted.

(a) **Sealed Bidding.** Proposals may be submitted in a sealed envelope or by fax (651) 223-3046 to Springsted. Signed proposals, without final price or coupons, may be submitted to Springsted prior to the time of sale. The bidder shall be responsible for submitting to Springsted the final proposal price and coupons, by telephone (651) 223-3000 or fax (651) 223-3046 for inclusion in the submitted proposal.

**OR**

(b) **Electronic Bidding.** Notice is hereby given that electronic proposals will be received via PARITY®. For purposes of the electronic bidding process, the time as maintained by PARITY® shall constitute the official time with respect to all proposals submitted to PARITY®. *Each bidder shall be solely responsible for making necessary arrangements to access PARITY® for purposes of submitting its electronic proposal in a timely manner and in compliance with the requirements of the Terms of Proposal.* Neither the City, its agents nor PARITY® shall have any duty or obligation to undertake registration to bid for any prospective bidder or to provide or ensure electronic access to any qualified prospective bidder, and neither the City, its agents nor PARITY® shall be responsible for a bidder’s failure to register to bid or for any failure in the proper operation of, or have any liability for any delays or interruptions of or any damages caused by the services of PARITY®. The City is using the services of PARITY® solely as a communication mechanism to conduct the electronic bidding for the Bonds, and PARITY® is not an agent of the City.

If any provisions of this Terms of Proposal conflict with information provided by PARITY®, this Terms of Proposal shall control. Further information about PARITY®, including any fee charged, may be obtained from:

PARITY®, 1359 Broadway, 2<sup>nd</sup> Floor, New York, New York 10018  
Customer Support: (212) 849-5000

---

\* Preliminary; subject to change.

## DETAILS OF THE BONDS

The Bonds will be dated as of the date of delivery and will bear interest payable on May 1 and November 1 of each year, commencing May 1, 2017. Interest will be computed on the basis of a 360-day year of twelve 30-day months.

The Bonds will mature November 1 in the years and amounts\* as follows:

|      |          |      |          |      |          |      |          |      |          |
|------|----------|------|----------|------|----------|------|----------|------|----------|
| 2018 | \$40,000 | 2022 | \$50,000 | 2026 | \$50,000 | 2030 | \$55,000 | 2034 | \$65,000 |
| 2019 | \$50,000 | 2023 | \$50,000 | 2027 | \$55,000 | 2031 | \$60,000 | 2035 | \$65,000 |
| 2020 | \$50,000 | 2024 | \$50,000 | 2028 | \$55,000 | 2032 | \$60,000 | 2036 | \$65,000 |
| 2021 | \$50,000 | 2025 | \$50,000 | 2029 | \$55,000 | 2033 | \$60,000 | 2037 | \$70,000 |

\* *The City reserves the right, after proposals are opened and prior to award, to increase or reduce the principal amount of the Bonds or the amount of any maturity in multiples of \$5,000. In the event the amount of any maturity is modified, the aggregate purchase price will be adjusted to result in the same gross spread per \$1,000 of Bonds as that of the original proposal. Gross spread is the differential between the price paid to the City for the new issue and the prices at which the securities are initially offered to the investing public.*

Proposals for the Bonds may contain a maturity schedule providing for a combination of serial bonds and term bonds. All term bonds shall be subject to mandatory sinking fund redemption at a price of par plus accrued interest to the date of redemption scheduled to conform to the maturity schedule set forth above. In order to designate term bonds, the proposal must specify “Years of Term Maturities” in the spaces provided on the proposal form.

## BOOK ENTRY SYSTEM

The Bonds will be issued by means of a book entry system with no physical distribution of Bonds made to the public. The Bonds will be issued in fully registered form and one Bond, representing the aggregate principal amount of the Bonds maturing in each year, will be registered in the name of Cede & Co. as nominee of The Depository Trust Company (“DTC”), New York, New York, which will act as securities depository of the Bonds. Individual purchases of the Bonds may be made in the principal amount of \$5,000 or any multiple thereof of a single maturity through book entries made on the books and records of DTC and its participants. Principal and interest are payable by the registrar to DTC or its nominee as registered owner of the Bonds. Transfer of principal and interest payments to participants of DTC will be the responsibility of DTC; transfer of principal and interest payments to beneficial owners by participants will be the responsibility of such participants and other nominees of beneficial owners. The purchaser, as a condition of delivery of the Bonds, will be required to deposit the Bonds with DTC.

## REGISTRAR

The City will name the registrar which shall be subject to applicable SEC regulations. The City will pay for the services of the registrar.

## OPTIONAL REDEMPTION

The City may elect on November 1, 2026, and on any day thereafter, to prepay Bonds due on or after November 1, 2027. Redemption may be in whole or in part and if in part at the option of the City and in such manner as the City shall determine. If less than all Bonds of a maturity are called for redemption, the City will notify DTC of the particular amount of such maturity to be prepaid. DTC will determine by lot the amount of each participant's interest in such maturity to be redeemed and each participant will then select by lot the beneficial ownership interests in such maturity to be redeemed. All prepayments shall be at a price of par plus accrued interest.

## SECURITY AND PURPOSE

The Bonds will be general obligations of the City for which the City will pledge its full faith and credit and taxing powers to levy direct general ad valorem taxes. In addition, the City will pledge net revenues of the City's Sewer Utility Fund. The City has also covenanted and obligated itself to be bound by the provisions of Minnesota Statutes, Section 446A.086 and to use the provisions of that statute pursuant to which the State of Minnesota will appropriate money to the payment of the principal and interest on the Bonds when due if the City is unable to make a principal or interest payment. The proceeds will be used to finance improvements to the City's sewer system.

## BIDDING PARAMETERS

Proposals shall be for not less than \$1,088,425 plus accrued interest, if any, on the total principal amount of the Bonds. No proposal can be withdrawn or amended after the time set for receiving proposals unless the meeting of the City scheduled for award of the Bonds is adjourned, recessed, or continued to another date without award of the Bonds having been made. Rates shall be in integral multiples of 1/100 or 1/8 of 1%. The initial price to the public for each maturity must be 98.0% or greater. Bonds of the same maturity shall bear a single rate from the date of the Bonds to the date of maturity. No conditional proposals will be accepted.

## GOOD FAITH DEPOSIT

To have its proposal considered for award, the lowest bidder is required to submit a good faith deposit to the City in the amount of \$11,050 (the "Deposit") no later than 1:00 P.M., Central Time on the day of sale. The Deposit may be delivered as described herein in the form of either (i) a certified or cashier's check payable to the City; or (ii) a wire transfer. The lowest bidder shall be solely responsible for the timely delivery of their Deposit whether by check or wire transfer. Neither the City nor Springsted have any liability for delays in the receipt of the Deposit. If the Deposit is not received by the specified time, the City may, at its sole discretion, reject the proposal of the lowest bidder, direct the second lowest bidder to submit a Deposit, and thereafter award the sale to such bidder.

*Certified or Cashier's Check.* A Deposit made by certified or cashier's check will be considered timely delivered to the City if it is made payable to the City and delivered to Springsted Incorporated, 380 Jackson Street, Suite 300, St. Paul, Minnesota 55101 by the specified time.

*Wire Transfer.* A Deposit made by wire will be considered timely delivered to the City upon submission of a federal wire reference number by the specified time. Wire transfer instructions will be available from Springsted Incorporated following the receipt and tabulation of proposals. The successful bidder must send an e-mail including the following information: (i) the federal reference number and time released; (ii) the amount of the wire transfer; and (iii) the issue to which it applies.

Once an award has been made, the Deposit received from the lowest bidder (the "Purchaser") will be retained by the City and no interest will accrue to the Purchaser. The amount of the Deposit will be deducted at settlement from the purchase price. In the event the Purchaser fails to comply with the accepted proposal, said amount will be retained by the City.

## AWARD

The Bonds will be awarded on the basis of the lowest interest rate to be determined on a true interest cost (TIC) basis calculated on the proposal prior to any adjustment made by the City. The City's computation of the interest rate of each proposal, in accordance with customary practice, will be controlling.

The City will reserve the right to: (i) waive non-substantive informalities of any proposal or of matters relating to the receipt of proposals and award of the Bonds, (ii) reject all proposals without cause, and (iii) reject any proposal that the City determines to have failed to comply with the terms herein.

#### BOND INSURANCE AT PURCHASER'S OPTION

The City has **not** applied for or pre-approved a commitment for any policy of municipal bond insurance with respect to the Bonds. If the Bonds qualify for municipal bond insurance and a bidder desires to purchase a policy, such indication, the maturities to be insured, and the name of the desired insurer must be set forth on the bidder's proposal. The City specifically reserves the right to reject any bid specifying municipal bond insurance, even though such bid may result in the lowest TIC to the City. All costs associated with the issuance and administration of such policy and associated ratings and expenses (other than any independent rating requested by the City) shall be paid by the successful bidder. Failure of the municipal bond insurer to issue the policy after the award of the Bonds shall not constitute cause for failure or refusal by the successful bidder to accept delivery of the Bonds.

#### CUSIP NUMBERS

If the Bonds qualify for assignment of CUSIP numbers such numbers will be printed on the Bonds, but neither the failure to print such numbers on any Bond nor any error with respect thereto will constitute cause for failure or refusal by the purchaser to accept delivery of the Bonds. The CUSIP Service Bureau charge for the assignment of CUSIP identification numbers shall be paid by the Purchaser.

#### SETTLEMENT

On or about July 13, 2016, the Bonds will be delivered without cost to the Purchaser through DTC in New York, New York. Delivery will be subject to receipt by the Purchaser of an approving legal opinion of Kennedy & Graven, Chartered of Minneapolis, Minnesota, and of customary closing papers, including a no-litigation certificate. On the date of settlement, payment for the Bonds shall be made in federal, or equivalent, funds that shall be received at the offices of the City or its designee not later than 12:00 Noon, Central Time. Unless compliance with the terms of payment for the Bonds has been made impossible by action of the City, or its agents, the purchaser shall be liable to the City for any loss suffered by the City by reason of the purchaser's non-compliance with said terms for payment.

#### CONTINUING DISCLOSURE

At the time of delivery of the Bonds, the City will not be obligated with respect to more than \$10,000,000 of outstanding municipal securities, including the Bonds being offered hereby. In order to assist bidders in complying with SEC Rule 15c2-12, as amended, the City will enter into a Continuing Disclosure Certificate pursuant to which it will covenant to file with the Municipal Securities Rulemaking Board electronically through the Electronic Municipal Market Access system certain financial information or operating data that is customarily prepared and is publicly available and notices of certain material events to the limited extent required by SEC Rule 15c2-12(d)(2). The Continuing Disclosure Certificate will be set forth in the Official Statement.

#### OFFICIAL STATEMENT

The City has authorized the preparation of a Preliminary Official Statement containing pertinent information relative to the Bonds, and said Preliminary Official Statement will serve as a nearly final Official Statement within the meaning of Rule 15c2-12 of the Securities and Exchange Commission. For



copies of the Preliminary Official Statement or for any additional information prior to sale, any prospective purchaser is referred to the Municipal Advisor to the City, Springsted Incorporated, 380 Jackson Street, Suite 300, Saint Paul, Minnesota 55101, telephone (651) 223-3000.

A Final Official Statement (as that term is defined in Rule 15c2-12) will be prepared, specifying the maturity dates, principal amounts and interest rates of the Bonds, together with any other information required by law. By awarding the Bonds to an underwriter or underwriting syndicate, the City agrees that, no more than seven business days after the date of such award, it shall provide without cost to the sole underwriter or to the senior managing underwriter of the syndicate (the "Underwriter" for purposes of this paragraph) to which the Bonds are awarded up to 25 copies of the Final Official Statement. The City designates the Underwriter of the syndicate to which the Bonds are awarded as its agent for purposes of distributing copies of the Final Official Statement to each underwriter participating in the syndicate (a "Participating Underwriter"). Such Underwriter agrees that if its proposal is accepted by the City, (i) it shall accept designation and (ii) it shall enter into a contractual relationship with all Participating Underwriters of the Bonds for purposes of assuring the receipt by each such Participating Underwriter of the Final Official Statement.

Dated May 9, 2016

BY ORDER OF THE CITY COUNCIL

/s/ John McCarthy  
City Administrator/Clerk

CITY OF DUNDAS  
COUNTY OF RICE  
STATE OF MINNESOTA

**RESOLUTION NUMBER 2016 - 16**

*A Resolution Requesting the Temporary Closure  
of CSAH #1 for a Community Festival*

**WHEREAS**, the City Council of the City of Dundas (the City) has designated Celebrate Dundas on June 25, 2016, as a community festival; and

**WHEREAS**, several events will take place on both sides of Rice County State Aid Highway #1 (CSAH #1); and

**WHEREAS**, Dawn's Corner Bar is requesting that an area of CSAH #1 be closed to hold a street dance; and

**WHEREAS**, as a public safety measure, the temporary closure of CSAH #1 is required;

**NOW THEREFORE BE IT RESOLVED** by the City Council of the City of Dundas, that the City Administrator/Clerk request that Rice County permit the temporary closure of CSAH #1 in the City from the intersection of Hester Street to the intersection of West Ave.; and

**BE IT FURTHER RESOLVED** that the requested closure will be between the hours of 6:00 A.M. on Saturday, June 25 to 12:30 A.M. on Sunday, June 26, 2016.

**ADOPTED** by the City Council of Dundas, Minnesota, on this 9th day of May 2016.

**CITY OF DUNDAS BY:**

**ATTESTED TO BY:**

\_\_\_\_\_  
Glenn Switzer, Mayor

\_\_\_\_\_  
John M. McCarthy, Administrator/Clerk

Resolution 2016-16

\_\_\_\_\_Switzer \_\_\_\_\_Cruz \_\_\_\_\_Fowler \_\_\_\_\_Modory \_\_\_\_\_Pribyl

DAWN'S CORNER BAR

305 West Ave West  
Dundas, Mn 55019  
(507)663-0593  
[dawnscornerbar@yahoo.com](mailto:dawnscornerbar@yahoo.com)

April 27, 2016

City of Dundas  
Mayor and Council Persons

I'm writing this to request to host live music for Celebrate Dundas on Saturday June 25th. We would like to have a band play from 8pm to midnight. We will be having a stage in front of Dawn's Corner Bar on main street. I am also requesting that Railway Street from West Ave to Hester Street East to be blocked off Saturday June 25th from 6pm to Sunday June 26th 12:30am for the event. Dawn's Corner Bar will putting a fence up around the area, for crowd control. The fence will be taken down immediately following the event. I will also have staff for security, and be in charge of clean up in the fenced in area, after the event. Dawn's Corner Bar would also like to request to be able to sell alcoholic beverages outside, from 12pm to 12am during days event and street dance in the fenced in area. All beverages will be in plastic or aluminum containers. Dawn's Corner Bar has hosted this event with The Dundas Historical Society the past 5 years. Every year it attracts more and more people to the City of Dundas, also has been great ending to the weekend event.

Thank you for your time and consideration.

Any questions or concerns please feel free to contact me.



Dawn Kruse

Dawn's Corner Bar

RECEIVED  
APR 27 2016

CITY OF DUNDAS  
COUNTY OF RICE  
STATE OF MINNESOTA

**RESOLUTION NUMBER 2016 - 17**

*A Resolution Approving the Dispensation and Consumption of  
Intoxicating Liquor at a Community Festival*

**WHEREAS**, the City Council of the City of Dundas (the “City”) has designated Celebrate Dundas on June 25, 2016, as a community festival; and

**WHEREAS**, Minnesota Statutes §340A.404 Subd.4(b) permits the governing body of a municipality to authorize a holder of a retail on-sale intoxicating liquor to dispense off-premises at a community festival held within the community; and

**WHEREAS**, the Dundas Historical Society (the “DHS”) has partnered with Dawn’s Corner Bar to dispense in a designated area at the corner of Railway and Mill Streets; and

**WHEREAS**, craft malt beverages and other craft beverages will be dispensed in an area at the north west corner of the Archibald Mill property by the holder of a temporary on-sale intoxicating liquor license issued in accordance with Dundas City Code § 1102.07(A)(8); and

**WHEREAS**, DHS is requesting the City permit the license holders to dispense for consumption off-premises in a designated area;

**NOW THEREFORE BE IT RESOLVED** by the City Council of the City of Dundas, that subject to the insurance requirements of 340A, the license holders be permitted to dispense for consumption during the Celebrate Dundas 2016 Community Festival; and

**BE IT FURTHER RESOLVED** that the area designated for consumption is as follows:

1. The right-of-way of Railway Street North in area from the southern right-of-way of Hester Street to the northern right-of-way of West Avenue;
2. The right of way of Mill Street east of the railroad tracks;
3. The right of way of Bridge Street east of the railroad tracks;
4. The parking area and public grounds of the Trailhead Park including the Archibald Mill property;
5. The Old Dundas School property.
6. The parking area and public grounds of Mill Park; and

**BE IT FURTHER RESOLVED** that dispensing of intoxicating liquor as permitted by this Resolution be only on Saturday, June 25, 2016, between the hours of 11:00 A.M. and 6:00 P.M.

**ADOPTED** by the City Council of Dundas, Minnesota, on this 9th day of May 2016.

**CITY OF DUNDAS BY:**

**ATTESTED TO BY:**

\_\_\_\_\_  
Glenn Switzer, Mayor

\_\_\_\_\_  
John M. McCarthy, Administrator/Clerk

Resolution 2016-17

\_\_\_\_\_.Switzer \_\_\_\_\_Cruz \_\_\_\_\_Fowler \_\_\_\_\_Modory \_\_\_\_\_Pribyl

**CITY OF DUNDAS  
COUNTY OF RICE  
STATE OF MINNESOTA**

**RESOLUTION NUMBER 2016 - 18**

*A Resolution Approving Outside Liquor Sales for a  
Street Dance at a Community Festival*

**WHEREAS**, on behalf of Dawn's Corner Bar, Dawn Kruse is requesting the City of Dundas (the "City") authorize the sale of intoxicating liquor for a street dance in a designated area as permitted by 340A.404, Subd. 4(b) during the annual community festival, Celebrate Dundas 2016, on Saturday, June 25, 2016; and

**NOW THEREFORE, BE IT RESOLVED** that subject to the insurance requirements of Minnesota Statutes §340A.409, and approval of the closing of County Road #1, (Railway Street) by Rice County, Dawn's Corner Bar be permitted to dispense for consumption off-premises during Celebrate Dundas 2016 on Saturday, June 25, 2016; and

**BE IT FURTHER RESOLVED**, that the area designated for consumption is the right-of-way of Railway Street North from a line on the north continuing the north property line of the building in which Dawn's Corner Bar is located to a line on the south continuing the north curb line of Mill Street, and

**BE IT FURTHER RESOLVED**, that dispensing and consumption of intoxicating liquor as permitted by this Resolution be only on Saturday, June 25, 2016, between the hours of 6:00 P.M. and 12:00 midnight.

**ADOPTED** by the City Council of Dundas, Minnesota, on this 9th day of May 2016.

CITY OF DUNDAS BY:

ATTESTED TO BY:

\_\_\_\_\_  
Glenn Switzer, Mayor

\_\_\_\_\_  
John M. McCarthy, Administrator/Clerk

Resolution 2016-18

\_\_\_\_\_Switzer \_\_\_\_\_Cruz \_\_\_\_\_Fowler \_\_\_\_\_Modory \_\_\_\_\_Pribyl



# Minnesota Board of Peace Officer Standards and Training

1600 University Avenue, Suite 200  
St. Paul, MN 55104-3825  
(651) 643-3060 • Fax (651) 643-3072  
www.post.state.mn.us

April 21, 2016

John McCarthy, City Administrator  
City of Dundas  
P.O. Box 70  
Dundas, MN 55019-0070

Dear Mr. McCarthy;

The Minnesota Board of Peace Officer Standards and Training (POST Board) is the occupational regulatory agency charged with the vital responsibility of maintaining selection, education and licensing standards for the 441 Minnesota law enforcement agencies that employ over 10,500 peace officers across our state.

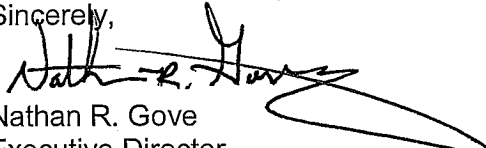
While the POST Board performs many functions, a significant portion of the POST's responsibility is dedicated to conducting "compliance reviews" of Minnesota law enforcement agencies to ensure they are meeting legislatively mandated training and department policies on *Use of Force/Firearms training, Emergency Vehicle Operation and Pursuit Driving training and mandated departmental policies.*

On April 13, 2016, a POST Board Standards Coordinator conducted a review at the Dundas Police Department. After a comprehensive review of their records concerning mandated employee training and department policies, I am pleased to inform you that your police department **passed the review.**

Ensuring all law enforcement agencies around the state are in compliance plays a pivotal role in maintaining the high level of professionalism we have enjoyed in Minnesota for many years and that professionalism translates into quality law enforcement services for the citizens of Minnesota.

Please take a moment to recognize your police department for this important accomplishment.

Sincerely,

  
Nathan R. Gove  
Executive Director

RECEIVED APR 28 2016

## DAWN'S CORNER BAR

305 West Avenue  
Dundas, Mn 55019  
507-663-0593  
[dawnscornerbar@yahoo.com](mailto:dawnscornerbar@yahoo.com)

April 27<sup>th</sup>, 2016

City of Dundas  
Mayor and Council Persons

I'm writing this letter to request to host Adam Tulkki's wedding reception and dance with live music at Dawn's Corner Bar on Saturday July 9<sup>th</sup>, 2016. The reception and dance is to be held in the parking lot of Dawn's Corner Bar from 3pm to midnight. The area will be fenced off for crowd control, during that time guest we will be able to purchase and consume alcoholic beverage in the fenced in area. We will also be having live music during the time of 8pm-midnight. This event will be a private party, and not opened to the public, invite only from the wedding couple. I will provide extra staff for security and clean up. Adam and myself have discussed this event with John McCarthy about further details. Any other questions concerning this event feel free to contact myself or Adam Tulkki. Thank you for your time.



Dawn Kruse

Dawn's Corner Bar & Grill

RECEIVED  
APR 27 2016

# MEMO

TO: City Council, John McCarthy  
RE: Community Solar Garden Subscription – Solar Stone  
DAT: May 5, 2016

Here are my comments regarding the Solar Garden Agreement, not including technology/engineering, or cost-related issues:

- The references to exhibits within the agreement don't match up, or are not all included. In the definitions section and elsewhere, there are references to Exhibits A-F. However, the attachments to the document actually only include Exhibits A and B, and then Schedules 1, 2, 3 & 4 (which are not referred to at all in the body of the document). For example, one of the definitions is for a "PPA" attached as Exhibit D – there is no exhibit D. "Premises" is supposed to be defined on an Exhibit C, which does not exist. The "Termination Fee" is referred to as Exhibit F, but is actually Schedule 3.
- Termination Fee – it is not clear under what circumstances the "termination fee" applies, but it appears this fee could apply any time, even if there is a termination by mutual agreement. Termination fee per Schedule 3 can be substantial.
- Paragraph 3.1(c) indicates that the warranty for the solar panels is attached as Exhibit B. It is not attached. There are very limited other warranties for the system for the installation, work, performance and the system is basically "as is". Section 8.3.
- Insurance Par. 15.1 – the limits of insurance provided by the Operator seem to be in the standard amounts. It might be advisable to check with the City's insurer as to the adequacy of the amounts stated for this type of system.
- The security agreement attached as Exhibit B states obligations by the City to the Operator's Lender and the City's rights under the Agreement would be subordinate to the security interest between the Operator and Lender. Among other things, the City must give 60 days notice to the Lender if it wishes to terminate the Agreement or if the Owner is in default. Presumably the "Owner" in the security agreement is the same as the "Operator" (Solar Stone) in the rest of the Agreement, but consistent terms should be used.
- Par.3B of Exhibit B, page 27, references the possibility of the Lender acquiring title to or control of the "Subscriber's" (i.e City's) assets. What assets and how Lender would acquire title to City assets is not stated – this is a potential problem.





**Community Solar Garden  
Value Analysis  
For**

**City of Dundas**

**Met Council 12.2¢ @ 1% Escalator  
with 50% of Total Capacity**

May 6, 2016

## About Us

**SolarStone** is a Minnesota-based solar development company, headquartered in Minneapolis. SolarStone's executive team has over 45 combined years of experience in the energy industry, and has been involved with over \$3Bn of currently operational wind, energy storage, solar and hydro projects across the US and Europe. Development experience includes, project development, land acquisition, project management, transmission and distribution interconnection, energy policy, project finance, construction, and operations and maintenance. Tactical experience includes team building, business development, strategic planning, marketing, asset acquisition and divestiture, contracts, continuous project assessment, and financial modeling.

### Solar Experience

The SolarStone executives have developed solar projects in the Northeast, Mid Atlantic, and Midwest US as well as the Caribbean and Europe. SolarStone, along with partners, offered Xcel a 63MW utility scale project in its 2014 Solar RFP. SolarStone currently controls 2,000+ acres earmarked for community solar development in Minnesota. At present this represents nineteen (19) community solar gardens strategically located through out Xcel's service territory.

### MN Specific Experience

SolarStone is based in Minnesota and has extensive development experience, knowledge and relationships in the State. We have strategically partnered with WSB and Associates, a local Minnesota engineering firm that has relationships with 330 municipal entities within the Xcel service territory. WSB acts as the city /county engineer for about a third of these entities, and is a trusted advisor. Considering that the longest lead time item for solar garden development is likely to be permits, having an understanding which communities will be receptive to solar investment, and where they would like to see such an investment, is critical to getting the projects permitted quickly and ready for construction. Given that a critical solar federal tax incentive is set to expire at the end of 2016, getting project on line quickly assures their success.

SolarStone is also expert in the other facets of local solar development. We have numerous local relationships that facilitate subscription and land aggregation. SolarStone is very experienced with local grid interconnection. Our entire development effort is managed with an eye toward financial closing, which helps to minimize duplicating efforts to satisfy lenders and investors. SolarStone is one of the most experienced in state developers in the community solar space, which helps assure a successful and timely project completion for its investors and subscribers.

### Strategic Finance Partner - NRG Energy, Inc.

NRG Energy ("NRG") is the largest electricity generator in the United States, with over 54 GW of generating capacity and annual revenues in excess of \$11 billion. A Fortune 250 company, NRG is at the forefront of changing how people think about and use energy. Whether as the largest solar power developer in the country, by building the nation's first privately funded electric vehicle charging infrastructure or by giving customers the latest smart energy solutions to better manage their energy use. NRG is a pioneer in developing cleaner and smarter energy choices for our customers.

### About NRG Renew

NRG's renewable energy arm, NRG Renew, currently operates approximately 1,200 MW of solar generation assets and 3,000 MW of wind generation assets, and we are rapidly growing our portfolio of both utility-scale and distributed renewable energy projects. NRG's experience ranges from the world's largest concentrating solar thermal and wind power plant to portfolios of distributed generation and "behind the meter" projects including at convention centers, hospitals, schools, grocery stores, stadiums and universities.

## Value Analysis

SolarStone Partners is pleased to provide to City of Dundas a comprehensive Shared Community Solar Garden Value Analysis. Based on the billing data provided to us, City of Dundas consumes approximately 133,964 (50%) kWh of electricity annually and is entitled to purchase approximately 86 kW of solar garden capacity. SolarStone offers to subscribe City of Dundas to our solar garden energy program for consideration of any of the tiered cost per kWh rates with respective escalation rates over a twenty five year subscription term contained below. If City of Dundas opts for the 1% subscription rate escalator and factoring in Xcel's expected retail rate escalation of 3.5% annually, we're estimating the difference between the SolarStone subscription rate and Xcel's bill credit rate would generate a long term value of approximately \$139,427 in real dollars over a 25 year period of time. Additional analysis for various pricing scenarios are contained herein.

### Annual Consumption

|                                     |             |
|-------------------------------------|-------------|
| Total Annual Electrical Consumption | 133,964 kWh |
|-------------------------------------|-------------|

### Subscription Amount

|                      |      |
|----------------------|------|
| Percent Subscription | 100% |
|----------------------|------|

|                   |             |
|-------------------|-------------|
| Energy Subscribed | 133,964 kWh |
|-------------------|-------------|

|                     |       |
|---------------------|-------|
| Capacity Subscribed | 86 kW |
|---------------------|-------|

### Value Analysis

|                                |    |             |
|--------------------------------|----|-------------|
| 2016 Estimated Electrical Cost | \$ | 0.1758 /kWh |
|--------------------------------|----|-------------|

|                       |    |             |
|-----------------------|----|-------------|
| 2016 Xcel Bill Credit | \$ | 0.1262 /kWh |
|-----------------------|----|-------------|

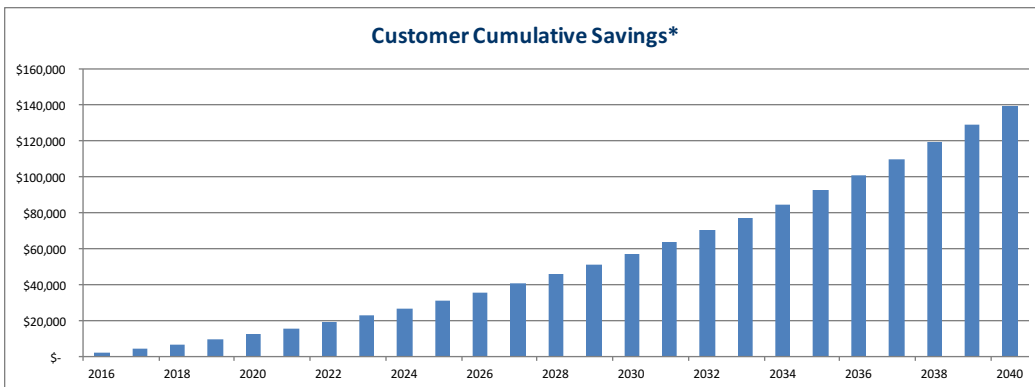
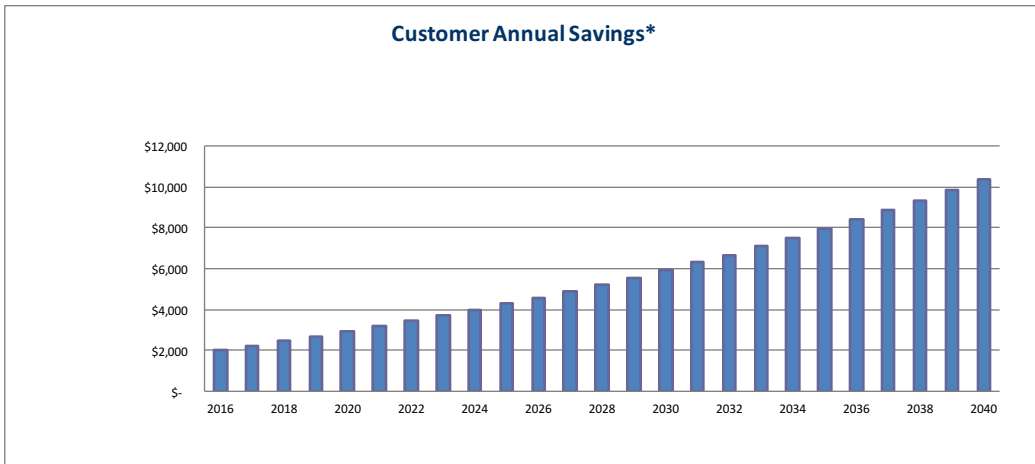
|                            |           |                    |
|----------------------------|-----------|--------------------|
| 2016 Payment to SolarStone | <u>\$</u> | <u>0.1110 /kWh</u> |
|----------------------------|-----------|--------------------|

|             |    |             |
|-------------|----|-------------|
| Net Savings | \$ | 0.0152 /kWh |
|-------------|----|-------------|

|                           |    |             |
|---------------------------|----|-------------|
| 2016 Net Electrical Costs | \$ | 0.1607 /kWh |
|---------------------------|----|-------------|

## Estimated Lifetime Savings

|                                |    |       |           |
|--------------------------------|----|-------|-----------|
| 2016 Estimated Electrical Cost |    | \$    | 23,557    |
| 2016 Xcel Bill Credit          | \$ |       | 16,906    |
| 2016 Payment to SolarStone     | \$ |       | 14,870    |
| Net Savings                    | \$ | 2,036 | -\$ 2,036 |
| 2016 Net Electrical Costs      |    | \$    | 21,522    |



\*Assumes a 3.5% annual escalator

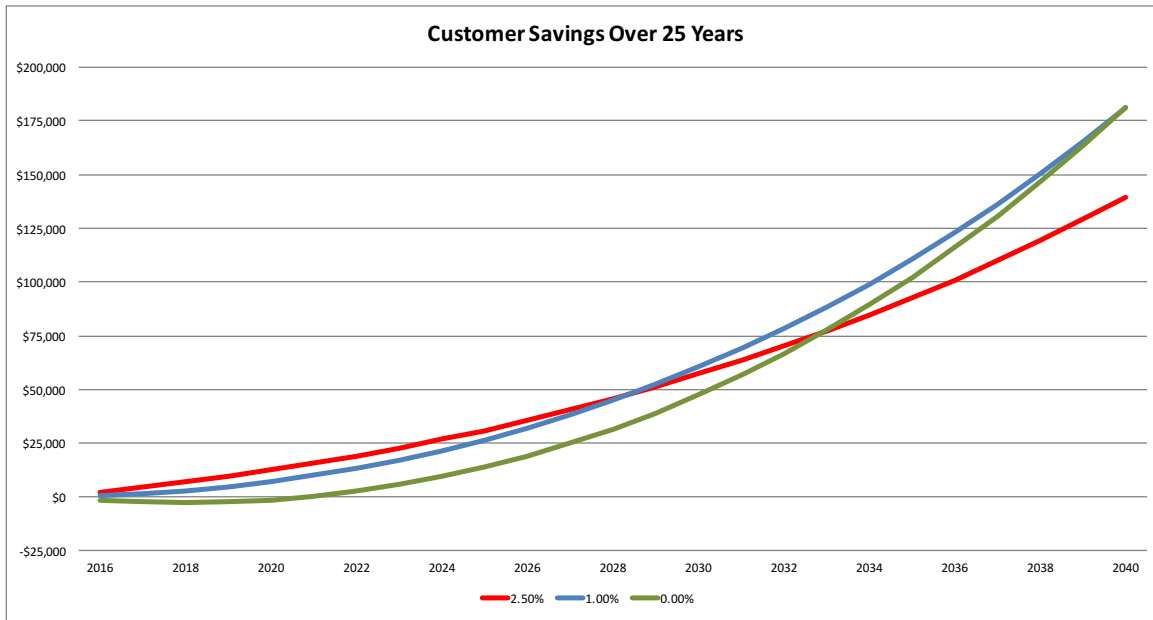
- 25-Year Solar Savings
- Estimated Lifetime Energy Savings

**\$ 139,427**

20%

# Met Council Pricing @ 12.2¢

| 2016 Tiered Pricing    |                             |            |                             |            |                             |            |
|------------------------|-----------------------------|------------|-----------------------------|------------|-----------------------------|------------|
| Xcel Energy<br>Current | Subscription Escalator 2.5% |            | Subscription Escalator 1.0% |            | Subscription Escalator 0.0% |            |
|                        | 1 Year                      | 25 Year    | 1 Year                      | 25 Year    | 1 Year                      | 25 Year    |
| \$ 0.176               | \$ 0.111                    | \$ -       | \$ 0.122                    | \$ -       | \$ 0.137                    | \$ -       |
| <b>Total Savings</b>   | \$ 2,036                    | \$ 139,427 | \$ 562                      | \$ 181,151 | \$ (1,503)                  | \$ 181,315 |



| Xcel Historical Rate Increases 2005 to Present |                            |
|--|----------------------------|
| Year   | PUC Approved Rate Increase |
| 2005   | 6.3%                       |
| 2008   | 3.5%                       |
| 2010   | 2.7%                       |
| 2012   | 3.8%                       |
| 2013   | 4.6%                       |
| 2014   | 3.2%                       |
| 2015 -2016                                     | 6.1%                       |
| 10 Year Average                                | 4.3%                       |

# Appendix

**General Accounts**

|                               |                              | kWh     |    |           |
|-------------------------------|------------------------------|---------|----|-----------|
| Customer Name: DUNDAS CITY OF | Account Number: 51-5014035-5 | -       | \$ | -         |
| Customer Name: DUNDAS CITY OF | Account Number: 51-5014035-5 | -       | \$ | -         |
| Customer Name: DUNDAS CITY OF | Account Number: 51-5014035-5 | -       | \$ | -         |
| Customer Name: DUNDAS CITY OF | Account Number: 51-5014035-5 | -       | \$ | -         |
| Customer Name: DUNDAS CITY OF | Account Number: 51-5014035-5 | 119,120 | \$ | 20,996.73 |
| Customer Name: DUNDAS CITY OF | Account Number: 51-5014035-5 | -       | \$ | -         |
| Customer Name: DUNDAS CITY OF | Account Number: 51-6212648-7 | -       | \$ | -         |
| 0                             | 0                            | -       | \$ | -         |
| 0                             | 0                            | -       | \$ | -         |
| 0                             | 0                            | -       | \$ | -         |
| 0                             | 0                            | -       | \$ | -         |

**Small General Accounts**

|                               |                              |        |    |          |
|-------------------------------|------------------------------|--------|----|----------|
| Customer Name: DUNDAS CITY OF | Account Number: 51-5014035-5 | -      | \$ | -        |
| Customer Name: DUNDAS CITY OF | Account Number: 51-5014035-5 | -      | \$ | -        |
| Customer Name: DUNDAS CITY OF | Account Number: 51-5014035-5 | -      | \$ | -        |
| Customer Name: DUNDAS CITY OF | Account Number: 51-5014035-5 | -      | \$ | -        |
| Customer Name: DUNDAS CITY OF | Account Number: 51-5014035-5 | -      | \$ | -        |
| Customer Name: DUNDAS CITY OF | Account Number: 51-5014035-5 | -      | \$ | -        |
| Customer Name: DUNDAS CITY OF | Account Number: 51-5014035-5 | 14,844 | \$ | 1,764.12 |
| Customer Name: DUNDAS CITY OF | Account Number: 51-5014035-5 | -      | \$ | -        |
| 0                             | 0                            | -      | \$ | -        |
| 0                             | 0                            | -      | \$ | -        |
| 0                             | 0                            | -      | \$ | -        |
| 0                             | 0                            | -      | \$ | -        |
| 0                             | 0                            | -      | \$ | -        |
| 0                             | 0                            | -      | \$ | -        |
| 0                             | 0                            | -      | \$ | -        |

**COMMUNITY SOLAR GARDEN SUBSCRIPTION AGREEMENT**

**Dodge Solar Garden Unit 2**

WHEREAS, SolarStone Community LLC (“Operator”) intends to construct, install, own, operate, and maintain a solar photovoltaic System at the Premises described on Schedule 1;

WHEREAS, the Parties intend that, pursuant to the Tariff and the Power Purchase Agreement (“PPA”), the System will qualify as a Community Solar Garden and will generate Bill Credits to be applied to Subscriber’s monthly invoices from Northern States Power for the retail electric services at the addresses listed in Schedule #1 (the “Service Address”);

WHEREAS, the City of Dundas, a body politic and corporate, by and through the City of Dundas, having an address at 216 Railway St. N, Dundas, MN 55019, (“Subscriber”) is willing to purchase, or pay to be allocated, Subscriber’s Allocated Percentage as described in Exhibit C of the Delivered Energy to be generated by the System commencing on the Commercial Operation Date and continuing through the Term, and Operator is willing to sell, or cause to be allocated, Subscriber’s Allocated Percentage of the Delivered Energy to be generated by the System to Subscriber commencing on the Commercial Operation Date and continuing through the Term, as provided under the terms of this Agreement;

NOW THEREFORE, in consideration of the foregoing recitals, mutual promises set forth below, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. DEFINITIONS.

1.1 Definitions. Capitalized terms are defined as follows:

“Affiliate” means, with respect to any specified Person, any other Person directly or indirectly controlling, controlled by or under common control with such specified Person.

“Agreement” means the Community Solar Garden Subscription Agreement which consists of this agreement and all exhibits.

“Applicable Law” means, with respect to any Person, any constitutional provision, law, statute, rule, regulation, ordinance, treaty, order, decree, judgment, decision, certificate, holding, injunction, registration, permit, authorization, guideline, Governmental Approval, consent or requirement of any Governmental Authority having jurisdiction over such Person or its property, enforceable at law or in equity, including the interpretation and administration thereof by such Governmental Authority.

“Bankruptcy Event” means with respect to a Party, that either: (i) such Party has (A) applied for or consented to the appointment of, or the taking of possession by, a receiver, custodian, trustee or liquidator of itself or of all or a substantial part of its property; (B) admitted in writing its inability, or be generally unable, to pay its debts as such debts become due; (C) made a general assignment for the benefit of its creditors; (D) commenced a voluntary case under any bankruptcy law; (E) filed a petition seeking to take advantage of any other law relating to bankruptcy, insolvency, reorganization, winding up, or composition or readjustment of debts; (F) failed to controvert in a timely and appropriate manner, or acquiesced in writing to, any petition filed against such Party in an involuntary case under any bankruptcy law; or (G) taken any corporate or other action for the purpose of effecting any of the foregoing; or (ii) a proceeding or case has been commenced without the application or consent of such Party in any court of competent jurisdiction seeking (A) its liquidation, reorganization, dissolution or winding-up or the composition or readjustment of debts or, (B) the appointment of a trustee, receiver, custodian, liquidator or the like of such Party under any bankruptcy law, and such proceeding or case has continued undefended, or any order, judgment or decree approving or ordering any of the foregoing shall be entered and continue unstayed and in effect for a period of 60 days.

“Bill Credit” means the monetary value of the electricity generated by the Solar System commensurate with Subscriber’s Allocated Percentage, as calculated pursuant to the PPA and the Tariff, and credited to Subscriber by Northern States Power Company (“NSP”) on its monthly invoice for electric service at the Service Address in accordance with the PPA. The Bill Credit Rate to be used by NSP is the Enhanced Bill Credit as provided in the PPA as the Operator must transfer the Solar Renewable Energy Credits (“RECs”) to NSP under the PPA unless directed otherwise by Subscriber.

“Billing Cycle” means the monthly billing cycle established by NSP.

“Business Day” means any day other than Saturday, Sunday, or a legal holiday.

“Creditworthy” means a general obligation bond rating of (a) Baa3 or higher by Moody’s, (b) BBB- or higher by Fitch IBCA, or (c) BBB- or higher by Standard and Poor’s; or, for non-governmental entities not rated by Moody’s, Fitch IBCA, or Standard and Poor’s, an equivalent credit rating as determined by Operator through review of such entity’s (x) most recent three (3) years of audited financial statements with notes, or, if such audited financial statements are not available, (y) most recent three (3) years of unaudited financials (prepared by an external accountant, if available) including income and cash flow statements, a balance sheet, and accompanying notes, if any, for each.

“Date of Commercial Operation” means the first day of the first full calendar month upon which commercial operation is achieved following completion of all Interconnection Agreement requirements and processes, as defined by the PPA executed by the Operator and NSP.

“Delivered Energy” means the amount of alternating current (AC) energy generated by the System as inverted to AC and delivered to NSP at the Production Meter (as defined in the PPA).

“Early Termination Date” means any date the Agreement terminates other than for expiration of the Term.

“Effective Date” means the date on which the Agreement is signed by authorized representatives of both



Parties in accordance with Section 2.1.

“Environmental Attributes” means, without limitation, carbon trading credits, Renewable Energy Credits or certificates, emissions reduction credits, emissions allowances, green tags, tradable renewable credits, or Green-e® products.

“Estimated Remaining Payments” means as of any date, the estimated remaining Payments to be made through the end of the Term, as reasonably determined and supported by Operator.

“Expiration Date” means the date the Agreement terminates by reason of expiration of the Term.

“Financing Party” means, as applicable (i) any Person (or its agent) from whom Operator (or an Affiliate of Operator) leases the System, or (ii) any Person (or its agent) who has made or will make a loan to or otherwise provide financing to Operator (or an Affiliate of Operator) with respect to the System.

“Governmental Approval” means any approval, consent, franchise, permit, certificate, resolution, concession, license, or authorization issued by or on behalf of any applicable Governmental Authority. “Governmental Authority” means any federal, state, regional, county, town, city, watershed district, park authority, or municipal government, whether domestic or foreign, or any department, agency, bureau, or other administrative, regulatory or judicial body of any such government.

“Guaranteed Output” has the meaning set forth in Section 7.3(b)

“Installation Work” means the construction and installation of the System and the start-up, testing and acceptance (but not the operation and maintenance) thereof, all performed by or for Operator at the Premises.

“Interconnection Agreement” means the Interconnection Agreement entered into or to be entered into between Operator and NSP as required by the PPA.

“NSP” means Northern States Power Company, a Minnesota Corporation and any successor thereto and Xcel Energy Inc., to the extent it has control over NSP’s business.

“Person” means an individual, partnership, corporation, limited liability company, business trust, joint stock company, trust, unincorporated association, joint venture, firm, or other entity, or a Governmental Authority.

“PPA” means the standard Power Purchase Agreement for Solar\*Rewards Community to be entered into by and between Operator and NSP whereby NSP agrees to purchase all of the energy produced by the photovoltaic Solar System and to pay for such energy by providing Bill Credits to Subscriber (and other Subscribers). A copy of the PPA will be attached to this Agreement as Exhibit D.

“Premises” means the premises described in Exhibit C.

“Shortfall Amount” has the meaning set forth in Section 7.4.

“Solar Incentives” means any accelerated depreciation, installation or production-based incentives, investment tax credits and subsidies and all other solar or renewable energy subsidies and incentives.

“Subscriber’s Allocated Percentage” means Subscriber’s allocated portion, stated as a percentage, of the Delivered Energy in a given month, as described in Exhibit C.

“Stated Rate” means a rate per annum of 1.5%.

“System” or “Solar System” means the integrated assembly of photovoltaic panels, mounting assemblies, inverters, converters, metering, lighting fixtures, transformers, ballasts, disconnects, combiners, switches, wiring devices and wiring, more specifically described in Exhibit C.

“System Operations” means Operator’s operation, maintenance and repair of the System performed in accordance with the requirements of this Agreement.

“Tariff” means the Solar\*Rewards Community Program tariff in NSP’s rate book.

“Termination Fee” means a fee payable by Subscriber equal to (x) the net present value of the Subscriber’s remaining payments to Operator under the Agreement (based on the Estimated Annual Delivered Energy) minus (y) the net present value of remaining payments to Operator for Subscriber’s Allocated Percentage of Estimated Annual Delivered Energy at the Unsubscribed Energy Rate using a discount rate of five and one half percent (5.5%); provided that such Termination Fee shall not be less than zero. The Termination Fee for each year of the Term based on Subscriber’s Allocated Percentage as of the Effective Date is listed in Exhibit F.

“Unsubscribed Energy Rate” means \$0.034 per kWh, which is the blended rate NSP pays for unsubscribed Delivered Energy under rate code A51 in NSP’s rate book in effect on the Effective Date.

## 2. TERM AND TERMINATION.

2.1 Effective Date. This Agreement is effective upon signature by authorized representatives of both Parties to the Agreement.

2.2 Term. The term of the Agreement begins on the Effective Date and continues for 25 years from the Commercial Operation Date (or such other time period as specified in writing by the Parties), unless terminated earlier under the provisions of this Agreement. Without limiting either Party’s termination rights elsewhere in this Agreement, this Agreement will terminate if (i) Subscriber has moved out of or relocated from the county in which the Solar System is located or a contiguous county or relocated from the NSP service territory, and has not, within 90 days after such move or relocation, assigned this Agreement in accordance with the provisions of Section 12.3, or (ii) the PPA is otherwise terminated.

2.3 Termination Before Commercial Operation. If any of the following events or circumstances occurs before the Commercial Operation Date, either Party may terminate the Agreement immediately upon written notice, in which case neither Party will have any liability to the other except for any liabilities that accrued before termination.

(a) After timely application to NSP and best efforts to secure interconnection services, Operator has not received evidence that interconnection services will be available for the energy generated by the Solar System.

(b) If NSP or another party with the authority to do so, disqualifies the Operator or the facility from participating in the Community Solar Garden Program.

(c) Before the PPA is signed, if the legislature, PUC, NSP, or any other entity reduces the credit base rate, or basis of escalation of that rate from that anticipated at the time of acceptance of the proposal by the Subscriber.

(d) If the State legislature dissolves the Subscriber; provided that Subscriber's obligations under this Agreement are reassigned.

2.4 Termination for Unnecessary Delay in Achieving Commercial Operation. Operator agrees to achieve commercial operation within a commercially reasonable timeframe. If Operator does not achieve Commercial Operation within 2 years of the Effective Date, at Subscriber's sole discretion, Subscriber may terminate this Agreement with 60 days' written notice. If Subscriber terminates the Agreement under this provision, Subscriber will have no liability to the Operator except for any liabilities that accrued before the termination.

2.5 [Reserved.]

2.6 Termination Upon Mutual Agreement. This Agreement may be terminated at any time, for any reason, by mutual agreement of the Parties in writing.

2.7 Operator Conditions of the Agreement Prior to Installation. In the event that any of the following events or circumstances occur prior to the Commercial Operation Date, Operator may (in its sole discretion) terminate this Agreement, in which case neither Party shall have any liability to the other except for any such liabilities that may have accrued prior to such termination.

(a) There has been a material adverse change, not reasonably knowable by the Operator prior to execution of the Agreement, in the (i) rights of Operator to construct the System on the Premises, or (ii) financial prospects or viability of the Solar System, whether due to market conditions, cost of equipment or any other reason.

(b) After timely application to NSP and best efforts to secure interconnection services, Operator has not received evidence reasonably satisfactory to it that interconnection services will be available with respect to energy generated by the System.

(c) Operator has determined that Subscriber is not Creditworthy.

(d) Operator is unable to obtain financing for the System on terms and conditions reasonably satisfactory to Operator.

(e) Subscriber's representation and warranty contained in Section 8.2(d) is no longer true and correct.

3. CONSTRUCTION, INSTALLATION AND TESTING OF SYSTEM.

### 3.1 System Acceptance Testing.

(a) Operator must test the System in accordance with such methods, acts, guidelines, standards and criteria reasonably accepted or followed by photovoltaic solar system integrators in the United States and as otherwise required by the PPA and the NSP Tariff.

(b) Commercial Operation occurs when the “Date of Commercial Operation” occurs under the PPA. At least a week before the Date of Commercial Operation, Operator will send a written notice to Subscriber providing the Date of Commercial Operation and the provided date will be the Commercial Operation Date for the purposes of this Agreement. Operator has the sole responsibility to notify NSP of this date and get any necessary approvals from NSP.

(c) A copy of the warranty for the solar panels is attached to this Agreement as Exhibit B.

## 4. SYSTEM OPERATIONS.

4.1 Operator as Owner and Operator. The System will be owned by Operator or Operator’s Financing Party and will be operated and maintained in accordance with the PPA and the NSP Tariff and, as necessary, maintained and repaired by Operator at its sole cost and expense. Installation of the System, upgrades and repairs will be under the direct supervision of an NABCEP-certified solar professional. Maintenance will be performed according to industry standards, including the recommendations of the manufacturers of solar panels and other operational components.

4.2 Metering. There will be two meters installed and maintained by NSP, which will measure the amount of electrical energy flowing to and from the Premises as further described in the PPA. The Production Meter (as defined in the PPA) will record the amount of Delivered Energy.

Operator will make the raw meter data available to Subscriber upon Subscriber’s request.

## 5. DELIVERY OF ENERGY.

5.1 Purchase Requirement. Subscriber agrees to make payments calculated as Subscriber’s Allocated Percentage multiplied by (x) Delivered Energy generated by the System beginning on the Commercial Operation Date and continuing for each applicable month of the Term and (y) the kWh Rate. If there is a difference between the metered energy credited by NSP to the Subscriber on the subscribed account’s bills and the Delivered Energy, the Subscriber’s payments will be based on energy credited.

5.2 Estimated Annual Delivered Energy. The total annual estimate of Delivered Energy for any given year is the “Estimated Annual Delivered Energy.” The Estimated Annual Delivered Energy and the estimated amount of electricity to be allocated to Subscriber for each year of the Term starting on the Commercial Operation Date are identified in Exhibit F. The estimated amount of electricity allocated to Subscriber is Subscriber’s Allocated Percentage of the Estimated Annual Delivered Energy.

5.3 Environmental Attributes and Solar Incentives.

(a) Subscriber's purchase does not include Environmental Attributes or Solar Incentives;

(b) Subscriber disclaims any right to Solar Incentives or Environmental Attributes based upon the installation of the System, and to avoid any conflicts with fair trade rules regarding claims of solar or renewable energy use and to help ensure that Environmental Attributes will be certified by Green-e® or a similar organization Subscriber will, at the request of Operator, execute documents or agreements reasonably necessary to fulfill the intent of this Section; and

(c) Without limiting the foregoing, Subscriber agrees that NSP will acquire from Operator under the PPA all energy generated by the Solar System and may, as provided for in the PPA, acquire all Renewable Energy Credits (as defined in the PPA) associated with the Solar System. If the Renewable Energy Credits (as defined in the PPA) associated with the Solar System are acquired by NSP, Operator will notify the Subscriber of the acquisition. Operator and Subscriber agree not to make any statement contrary to NSP's ownership.

5.4 Title to System. Throughout the Term, Operator or Operator's Financing Party is the legal and beneficial owner of the System at all times, and the System will remain the personal property of Operator or Operator's Financing Party.

5.5 Obligations of Parties. The Parties will work cooperatively and in good faith to meet all Community Solar Garden program requirements under Applicable Law, the PPA and the Tariff, including applicable interconnection and metering requirements. The Parties agree that beginning on the Commercial Operation Date (a) Operator will transmit all of the Delivered Energy into the NSP system for the benefit of Subscriber, and (b) Subscriber shall be entitled to all Bill Credits issued by NSP resulting from such transmission and corresponding with Subscriber's Allocated Percentage.

## 6. PRICE AND PAYMENT.

6.1 Consideration. Subscriber shall pay to Operator a monthly payment ("Payment") for Subscriber's Allocated Percentage of Delivered Energy beginning on the Commercial Operation Date and continuing through the Term. Subscriber will pay a price of \$0.1220 per Kilowatt Hour ("kWh Rate"), with a (1%) annual escalation for the term of this Agreement.

6.2 Invoices. Operator shall invoice Subscriber within 30 days of the last Business Day of each calendar month (each such date on which an invoice is issued by Operator to Subscriber, an "Invoice Date") for the Payment in respect of Subscriber's Allocated Percentage of Delivered Energy during the immediately preceding calendar month. Subscriber's first invoice under this Agreement shall be for the first full calendar month after the Commercial Operation Date. Subscriber shall (i) neither receive nor be entitled to any Bill Credits associated with Delivered Energy prior to the Commercial Operation Date, and (ii) have no obligation to make or any liability for Payments for Delivered Energy prior to the Commercial Operation Date. If the first month of commercial operation is less than a full calendar month, the Operator will bill Subscriber for any Delivered Energy on the invoice for the first full calendar month of operation.

6.3 Time of Payment. Subscriber will pay all undisputed amounts due hereunder within 35 days of the Invoice Date.

6.4 Method of Payment. Subscriber will make all payments under the Agreement by electronic funds transfer in immediately available funds to the account designated by Operator from time to time. If Subscriber does not have electronic funds transfer capability, or does not desire to use electronic funds transfer, the Parties shall agree to an alternative method of payment. All payments that are not paid when due shall bear interest accruing from the date becoming past due until paid in full at a rate equal to the Stated Rate. Except for billing errors or as provided in Section 6.5 below, all payments made hereunder shall be non-refundable, be made free and clear of any tax, levy, assessment, duties or other charges and not subject to reduction, withholding, set-off, or adjustment of any kind.

6.5 Disputed Payments. If a *bona fide* dispute arises with respect to any invoice, Subscriber shall not be deemed in default under the Agreement and the Parties shall not suspend the performance of their respective obligations hereunder, including payment of undisputed amounts owed hereunder. If an amount disputed by Subscriber is subsequently deemed to have been due pursuant to the applicable invoice, interest shall accrue at the Stated Rate on such amount from the date becoming past due under such invoice until the date paid.

6.6 Billing Adjustments Following NSP Billing Adjustments. If, as a result of an NSP billing adjustment, the quantity of Delivered Energy is decreased (the “Electricity Deficiency Quantity”) and NSP reduces the amount of Bill Credits allocated to Subscriber for such period, Operator will reimburse Subscriber for the amount paid by Subscriber in consideration for the Electricity Deficiency Quantity. If as a result of such adjustment the quantity of Delivered Energy allocated to Subscriber is increased (the “Electricity Surplus Quantity”) and NSP increases the amount of Bill Credits allocated to Subscriber for such period, Subscriber will pay for the Electricity Surplus Quantity at the kWh Rate applicable during such period.

## 7. GENERAL COVENANTS.

7.1 Operator’s Covenants. Operator covenants and agrees to the following:

(a) Notice of Damage or Emergency. Operator will within 3 business days notify Subscriber if it becomes aware of any significant damage to or loss of the use of the System or that could reasonably be expected to adversely affect the System.

(b) System Condition. Operator shall make commercially reasonable efforts to ensure that the System is capable of operating at a commercially reasonable continuous rate.

(c) Governmental Approvals. While providing the Installation Work and System Operations, Operator shall obtain and maintain and secure all Governmental Approvals required to be obtained and maintained and secured by Operator and to enable Operator to perform such obligations.

(d) Interconnection Fees. Operator is responsible for all costs, fees, charges and obligations required to connect the System to the NSP distribution system, including fees associated with system upgrades, production, and operation and maintenance carrying charges, as provided in the Interconnection Agreement (“Interconnection Obligations”). In no event shall Subscriber be responsible for any Interconnection Obligations.

(e) Compliance with PPA, Tariff and Interconnection Agreement. Operator shall cause the System to be designed, installed and operated in compliance with the PPA, the Tariff and the Interconnection Agreement.

(f) The PPA requires that Operator (as opposed to NSP) is responsible for answering all questions from Subscriber regarding its participation in the Solar System. Operator is solely responsible for resolving disputes with NSP or Subscriber regarding the accuracy of Subscriber’s Allocated Percentage and the Delivered Energy allocated to Subscriber in connection therewith. Notwithstanding the foregoing, Subscriber acknowledges that NSP is responsible for resolving disputes with Subscriber regarding the applicable rate used to determine the Bill Credit.

(g) The Operator is duly organized and validly existing and in good standing in the jurisdiction of its organization, and authorized to do business in the State of Minnesota.

7.2 Subscriber’s Covenants. Subscriber covenants and agrees as follows:

(a) Consents and Approvals. Subscriber will ensure that any authorizations required of Subscriber under this Agreement are provided in a timely manner. To the extent that only Subscriber is authorized to request, obtain or issue any necessary approvals, rebates or other financial incentives, Subscriber will cooperate with Operator to obtain such approvals, rebates or other financial incentives.

(b) Subscriber Agency and Consent Form. On the Effective Date, Subscriber will execute and deliver to Operator a Subscriber Agency Agreement and Consent Form in the form attached hereto as Exhibit A. Subscriber acknowledges that such agreement is required of Subscriber pursuant to the PPA.

7.3 Minimum Production; Lost Production Payments.

(a) Estimated Annual Delivered Energy is calculated by multiplying estimated output from the System (using PVSYST software) by the availability factor estimated by Operator while allowing for a 0.7% annual degradation of the System. The Subscriber’s Estimated Annual Delivered Energy is the Subscriber’s Allocated Percentage multiplied by the Estimated Annual Delivered Energy delivered by the System.

(b) Operator hereby guarantees that the Subscriber’s Allocated Percentage of Delivered Energy will be at least eighty five percent (85%) of the Subscriber’s Estimated Annual Delivered Energy (the “Guaranteed Output”); provided that the Estimated Annual Delivered Energy shall be adjusted for (i)

Force Majeure Events, (ii) weather and (iii) decreases in Delivered Energy resulting from an emergency situation that threatens injury to persons or property that was not a result of the acts or omissions of Operator.

7.4 Delivery Shortfalls. If, at the end of a Contract Year, the Subscriber's Allocated Percentage of Delivered Energy for such Contract Year is less than the Guaranteed Output (the "Shortfall Amount"), then Operator shall pay Subscriber an amount equal to the excess, if any, of (1) the difference between the Bill Credits that Subscriber would have received and the Payments that would have been due had the Shortfall Amount been delivered over (2) the difference between the Bill Credits that Subscriber actually received and the Payments that were actually received, in each case with respect to such Contract Year. Operator shall make such payment within forty five (45) days of the end of each Contract Year.

## 8. REPRESENTATIONS & WARRANTIES.

8.1 Representations and Warranties Relating to Agreement Validity. In addition to any other representations and warranties contained in the Agreement, each Party represents and warrants to the other as of the date of this Agreement and on the Effective Date that:

(a) it is duly organized, validly existing and in good standing in the jurisdiction of its organization and it has the full right and authority to enter into, execute, deliver, and perform its obligations under the Agreement;

(b) it has taken all requisite corporate or other action to approve the execution, delivery, and performance of the Agreement;

(c) the Agreement constitutes its legal, valid and binding obligation enforceable against such Party in accordance with its terms, except as may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, and other similar laws now or hereafter in effect relating to creditors' rights generally;

(d) there is no litigation, action, proceeding or investigation pending or, to the best of its knowledge, threatened before any court or other Governmental Authority by, against, affecting or involving any of its business or assets that could reasonably be expected to adversely affect its ability to carry out the transactions contemplated herein; and

(e) its execution and performance of the Agreement and the transactions contemplated hereby do not constitute a breach of any term or provision of, or a default under, (i) any contract or agreement to which it or any of its Affiliates is a party or by which it or any of its Affiliates or its or their property is bound, (ii) its organizational documents, or (iii) any Applicable Laws.

8.2 Specific Representations and Warranties of Subscriber. Subscriber represents and warrants to Operator as of the date of this Agreement and on the Effective Date that:

(a) Subscriber is the sole party in interest agreeing to purchase Subscriber's Allocated Percentage and is acquiring Subscriber's Allocated Percentage for its own account, and not with a view



to the resale or other distribution thereof, in whole or in part, and agrees that it will not transfer, sell or otherwise dispose of Subscriber's Allocated Percentage in any manner that will violate applicable securities law;

(b) Subscriber is not relying on (i) Operator, or (ii) other subscribers, or any of the employees, members of boards of directors (or equivalent body) or officers, of those parties, or this Agreement with respect to tax and other economic considerations involved in the Agreement

(c) Subscriber's Allocated Percentage, combined with any other distributed resources serving the Service Address, represents no more than 120 percent of Subscriber's average annual consumption at the Service Address over the last twenty-four (24) months; and

(d) Subscriber is a retail electric service customer of NSP and the Service Address is within the same county or contiguous county as the Solar System.

(e) Subscriber is not exempt from the Solar Energy Standard under Minnesota Statutes Section 216B.1691, subd. 2f(d).

8.3 Exclusion of Warranties. EXCEPT AS EXPRESSLY PROVIDED IN SECTIONS 3.1, 4.1, 7.1, THIS SECTION 8, THE INSTALLATION WORK, SYSTEM OPERATIONS AND PERFORMANCE PROVIDED BY OPERATOR TO SUBSCRIBER UNDER THIS AGREEMENT SHALL BE "AS-IS WHERE-IS." NO OTHER WARRANTY TO SUBSCRIBER OR ANY OTHER PERSON, WHETHER EXPRESS, IMPLIED OR STATUTORY, IS MADE AS TO THE INSTALLATION, DESIGN, DESCRIPTION, QUALITY, MERCHANTABILITY, COMPLETENESS, USEFUL LIFE, FUTURE ECONOMIC VIABILITY, OR FITNESS FOR ANY PARTICULAR PURPOSE OF THE SYSTEM OR ANY OTHER SERVICE PROVIDED HEREUNDER OR DESCRIBED HEREIN, OR AS TO ANY OTHER MATTER, ALL OF WHICH ARE EXPRESSLY DISCLAIMED BY OPERATOR.

9. TAXES AND GOVERNMENTAL FEES. Operator is responsible for all income, gross receipts, ad valorem, personal property or real property or other similar taxes and any and all franchise fees or similar fees assessed against it due to its ownership of the System. Operator is not obligated for any taxes payable by or assessed against Subscriber based on or related to Subscriber's overall income or revenues.

#### 10. FORCE MAJEURE.

10.1 Definition. "Force Majeure Event" means any act or event that prevents the affected Party from performing its obligations in accordance with the Agreement, if such act or event is beyond the reasonable control, and not the result of the fault or negligence, of the affected Party and such Party had been unable to overcome such act or event with the exercise of due diligence (including the expenditure of reasonable sums). Subject to the foregoing conditions, "Force Majeure Event" shall include the following acts or events: (i) natural phenomena, such as storms, hurricanes, floods, lightning, volcanic eruptions and earthquakes; (ii) explosions or fires arising from lightning or other causes unrelated to the acts or omissions of the Party seeking to be excused from performance; (iii) acts of war or public disorders, civil disturbances, riots, insurrection, sabotage, epidemic, terrorist acts,

or rebellion; (iv) strikes or labor disputes (except strikes or labor disputes caused solely by employees of Operator as a result of such Party's failure to comply with a collective bargaining agreement); (v) action or inaction by a Governmental Authority (unless Subscriber is a Governmental Authority and Subscriber is the Party whose performance is affected by such action nor inaction); and (vi) any event of force majeure under the PPA. A Force Majeure Event shall not be based on the economic hardship of either Party.

10.2 Excused Performance. Except as otherwise specifically provided in the Agreement, neither Party shall be considered in breach of the Agreement or liable for any delay or failure to comply with the Agreement (other than the failure to pay amounts due hereunder), if and to the extent that such delay or failure is attributable to the occurrence of a Force Majeure Event; provided that the Party claiming relief under this Article 10 shall immediately (i) notify the other Party in writing of the existence of the Force Majeure Event, (ii) exercise all reasonable efforts necessary to minimize delay caused by such Force Majeure Event, (iii) notify the other Party in writing of the cessation or termination of said Force Majeure Event and (iv) resume performance of its obligations hereunder as soon as practicable thereafter; provided, however, that Subscriber shall not be excused from making any payments and paying any unpaid amounts due in respect of Subscriber's Allocated Percentage of Delivered Energy prior to any performance interruption due to a Force Majeure Event.

10.3 Termination for Force Majeure. Either Party may terminate this Agreement upon 15 days written notice to the other Party if any Force Majeure Event affecting such other Party has been in existence for a period of 180 consecutive days or longer, unless such Force Majeure Event expired before the end of the 15 day notice period.

## 11. DEFAULT.

### 11.1 Operator Defaults and Subscriber Remedies.

(a) Operator Defaults. The following events are defaults with respect to Operator (each, an "Operator Default"):

- (i) A Bankruptcy Event occurs with respect to Operator;
- (ii) Operator fails to pay Subscriber any undisputed amount owed under the Agreement within 30 days from receipt of notice from Subscriber of such past due amount;
- (iii) Operator breaches any material term of the Agreement and (A) such breach can be cured within 30 days after Subscriber's written notice of such breach and Operator fails to so cure, or (B) Operator fails to commence and pursue a cure within such 30 day period if a longer cure period is needed; and
- (iv) The PPA is terminated for any reason.

(b) Subscriber's Remedies. If an Operator Default described in Section 11.1(a) has occurred and results in the failure or inability of the Solar System to produce Delivered Energy over a period of 180 consecutive days, in addition to other remedies expressly provided herein, and

subject to Article 15, Subscriber may terminate the Agreement and exercise any other remedy it may have at law or equity or under the Agreement. In the event of such termination, Subscriber shall use reasonable efforts to mitigate its damages.

#### 11.2 Subscriber Defaults and Operator's Remedies.

(a) Subscriber Default. The following events shall be defaults with respect to Subscriber (each, a "Subscriber Default"):

- (i) A Bankruptcy Event occurs with respect to Subscriber;
- (ii) Subscriber fails to pay Operator any undisputed amount due Operator under the Agreement within 30 days from receipt of notice from Operator of such past due amount; and
- (iii) Subscriber breaches any material term of the Agreement and (A) if such breach can be cured within 30 days after Operator's notice of such breach and Subscriber fails to so cure, or (B) Subscriber fails to commence and pursue said cure within such 30 day period if a longer cure period is needed.
- (iv) This Agreement is terminated pursuant to Section 2.2(i).

(b) Operator's Remedies. If a Subscriber Default described in Section 11.2(a) has occurred and is continuing, in addition to other remedies expressly provided herein, Operator may (i) terminate this Agreement and collect the Termination Fee; provided that if within three years after collecting the Termination Fee, Operator sells all of Subscriber's Allocated Percentage (after making commercially reasonable efforts to do so and after filling any pre-existing unsubscribed portion of the Delivered Energy), then Subscriber will be entitled to recover from Operator an amount equal to the net present value, using a discount rate of 5.5%, ascribed by Operator to such new subscriber's subscription minus the costs Operator incurred to sell Subscriber's Allocated Percentage (including marketing costs associated with finding a new subscriber), (ii) sell Subscriber's Allocated Percentage to one or more persons other than Subscriber, and (iii) exercise any other remedy it may have at law or equity or under the Agreement. In the event of any such termination, Operator shall use reasonable efforts to mitigate its damages.

#### 12. ASSIGNMENT.

12.1 Assignment by Operator. Operator shall not sell, transfer or assign (collectively, an "Assignment") the Agreement or any interest therein, without the prior written consent of Subscriber, which shall not be unreasonably withheld. Operator shall provide Subscriber with such information concerning the proposed transferee (including any person or entity liable for the performance of the terms and conditions of this Agreement) as may be reasonably required to ascertain whether the conditions upon Subscriber's approval to such proposed assignment have been met.

Notwithstanding the forgoing, Operator may, without the consent of Subscriber, (1) transfer, pledge or assign all or substantially all of its rights and obligations hereunder to a Financing Party as

security for any financing and/or sale-leaseback transaction or to an affiliated special purpose entity created for the financing or tax credit purposes related to System, (2) after the Commercial Operation Date, transfer or assign this Agreement to any person or entity succeeding to all or substantially all of the assets of Operator, (3) assign this Agreement to one or more affiliates; or (4) assign its rights under this Agreement to a successor entity in a merger or acquisition transaction; provided, however, that any assignee under clauses (2)-(4) shall agree to be bound by the terms and conditions hereof. Subscriber agrees to provide acknowledgments, consents or certifications reasonably requested by any Lender in conjunction with any financing of the System. In the event that Operator identifies such secured Financing Party, then Subscriber shall comply with the provisions set forth in Exhibit E to this Agreement. Any Financing Party shall be an intended third-party beneficiary of this Section 12.1.

Operator's request for Subscriber's consent to any assignment must be in writing and provided to Subscriber at least 10 business days before the proposed effective date of the assignment. Operator shall include with such request contact information for the assignee.

12.2. Acknowledgment of Collateral Assignment. If Operator identifies a secured Financing Party and Subscriber consents to the collateral assignment under Section 12.1, then Subscriber acknowledges and agrees:

- (a) to the collateral assignment by Operator to the Financing Party, of Operator's right, title and interest in, to and under the Agreement, as consented to under Section 12.1 of the Agreement.
- (b) that the Financing Party as such collateral assignee is entitled to exercise any and all rights of lenders generally with respect to Operator's interests in this Agreement.

Any Financing Party is an intended third-party beneficiary of this Section 12.2.

12.3 Assignment by Subscriber.

(a) Subscriber will not assign this Agreement or any interest herein, without the prior written consent of Operator; provided however that Operator shall not unreasonably withhold condition or delay its consent for Subscriber to change the Service Address for which the Bill Credits will apply to another Service Address.

(c) Subscriber's request for Operator's consent to any proposed change or assignment as contemplated in Section 12.3(a) must be in writing and provided to Operator at least 30 days before the proposed effective date of such change or assignment, which request must include: (i) Subscriber's name and mailing address; (ii) the current Service Address; (iii) the new Service Address (if applicable); (iv) the name of the individual or entity to whom Subscriber is requesting to assign this Agreement (if applicable) and the consideration (if any) proposed to be provided to Subscriber for such assignment; and (v) the proposed effective date of such proposed change or assignment. In the case of any assignment of this Agreement in whole or in part to another individual or entity, (i) such assignee's Service Address shall be located within NSP's service territory and within the same county as the Solar System or a contiguous county, (ii) such assignee shall be Creditworthy and shall execute a new

Minnesota Community Solar Program Subscription Agreement substantially in the same form as this Agreement, specifically including the representations and warranties in Section 8.2; and (iii) the value of any consideration to be provided to Subscriber for assignment of this Agreement may not exceed the aggregate amount of Bill Credits that have accrued to Subscriber, but have not yet been applied to Subscriber's monthly invoice(s) from NSP.

(c) Upon any assignment of this Agreement pursuant to this Section 12.3, Subscriber will surrender all right, title and interest in and to this Agreement. Any purported assignment in contravention of this Section 12.3 shall be of no force and effect and null and void ab initio. No assignment will extend the Term of this Agreement. If Subscriber terminates its retail electric service with NSP or moves outside of NSP territory without first transferring Subscriber's Allocated Percentage to an eligible transferee, Subscriber will forfeit its right to receive Bill Credits, but will continue to be responsible for the Payments under this Agreement until Subscriber's Allocated Percentage is transferred or this Agreement terminates pursuant to its terms.

### 13. NOTICES.

13.1 Notice Addresses. Unless otherwise provided in the Agreement, all notices and communications concerning the Agreement shall be in writing and addressed to the other Party (or Financing Party, as the case may be) at the addresses below, or at such other address as may be designated in writing to the other Party from time to time.

**Subscriber:**

City of Dundas  
216 Railway St. N  
Dundas, MN 55019

**Operator:**

NRG MN Community LLC  
c/o NRG Renew LLC  
5790 Fleet Street, Suite 200  
Carlsbad, CA 92008  
Attention: General Counsel

**Financing Party:**

[To be provided by Owner when known]

13.2 Notice. Unless otherwise provided herein, any notice provided for in the Agreement shall be hand delivered, sent by registered or certified U.S. Mail, postage prepaid, or by commercial overnight delivery service, or transmitted by email and shall be deemed delivered to the addressee or its office when received at the address for notice specified above when hand delivered, upon confirmation of sending when sent by email (if sent during normal business hours or the next Business Day if sent at any other time), on the Business Day after being sent when sent by overnight delivery service, or 5 Business Days after deposit in the mail when sent by U.S. mail.

13.3 Address for Invoices. All invoices under the Agreement shall be sent to the address provided by Subscriber. Invoices shall be sent by regular first class mail postage prepaid.

### 14. DATA PRACTICES.

14.1 Data Practices. (a) Consistent with Minnesota Statutes, section 13.05, subdivision 6, if any data on

individuals is made available to the Operator by the Subscriber under this Agreement, the Operator will administer and maintain any such data in accordance with Minnesota Statutes, Chapter 13 (the “Minnesota Government Data Practices Act”), and any other statutory provisions applicable to the data. If and to the extent that Minnesota Statutes, section 13.05, subdivision 11, is applicable to this Contract, then: i) all of the data created, collected, received, stored, used, maintained, or disseminated by the Operator in performing this Agreement are subject to the requirements of the Minnesota Government Data Practices Act; ii) the Operator must comply with those requirements as if it were a government entity; and iii) the remedies in Minnesota Statutes, section 13.08 apply to the Operator.

(b) Consistent with Minnesota Statutes, section 13.055, if “private data on individuals,” “confidential data on individuals” or other “not public data” are provided to or made accessible to the Operator by the Subscriber, the Operator must: i) have safeguards to ensure private or confidential data on individuals or other not public data are only accessible or viewable by Operator employees and agents whose work assignments in connection with the performance of this Agreement reasonably require them to have access to the data; ii) immediately notify the Subscriber of any unauthorized access by Operator employees and agents, and unauthorized access by third parties; iii) fully cooperate with Subscriber investigations into any breach in the security of private or confidential data on individuals or other not public data that may have occurred in connection with the Operator’s access to or use of the data; and iv) fully cooperate with the Subscriber in fulfilling the notice and reporting requirements of Minnesota Statutes, section 13.055. The penalties in Minnesota Statutes, section 13.09 governing unauthorized acquisition of not public data apply to the Operator and Operator employees and agents. If the Operator is permitted to use a subcontractor to perform Operator’s work under this Agreement, the Operator shall incorporate these data practices provisions into the subcontract.

If the Operator receives a request to release data referred to in this section, the Operator must immediately notify the Subscriber. The Subscriber will give the Operator instructions concerning the release of the data to the requesting party before the data is released.

**14.2 Data Sharing.** Operator may share data with NSP in accordance with the terms set forth in the attached Subscriber Agency Agreement and Consent Form.

**15. INSURANCE**

15.1 Insurance. With respect to the services provided pursuant to this

Agreement, Operator shall at all times during the term of this Agreement and beyond such term when so required have and keep in force the following insurance coverages:

|   | <u>Limits</u> |
|---|---------------|
| 1. Commercial General Liability on an occurrence basis with contractual liability coverage: |               |
| General Aggregate   | \$2,000,000   |
| Products—Completed Operations Aggregate   | 2,000,000     |
| Personal and Advertising Injury   | 1,500,000     |
| Each Occurrence—Combined Bodily   |               |
| Injury and Property Damage  | 1,500,000     |

2. Workers' Compensation and Employer's Liability:

|   |           |
|---|-----------|
| Workers' Compensation   | Statutory |
| If Operator is based outside the state of Minnesota, coverage must comply with Minnesota law. |           |
| Employer's Liability. Bodily injury by:   |           |
| Accident—Each Accident  | 500,000   |
| Disease—Policy Limit  | 500,000   |
| Disease—Each Employee   | 500,000   |

An umbrella or excess policy over primary liability insurance coverages is an acceptable method to provide the required insurance limits.

The above establishes minimum insurance requirements. It is the sole responsibility of Operator to determine the need for and to procure additional insurance which may be needed in connection with this Agreement. Upon written request, Operator shall promptly submit copies of insurance policies to Subscriber.

Operator shall not commence work until it has obtained required insurance and filed with Subscriber a properly executed Certificate of Insurance establishing compliance. The certificate(s) must name Subscriber as the certificate holder and as an additional insured for the liability coverage(s) for all operations covered under the Agreement. Operator shall furnish to Subscriber updated certificates during the term of this Agreement as insurance policies expire.

15.2 Limitation of Liability. The Parties will not be liable to the other Party for general, special, punitive, exemplary, indirect, incidental or consequential damages arising from or out of this Agreement. The total liability of Operator to Subscriber under this Agreement will in no event exceed the aggregate of all payments made by Subscriber under this Agreement during the preceding twelve (12) months. Prior to the first anniversary of the Commercial Operation Date, the total liability of Operator to Subscriber under this Agreement will not exceed the estimated amount of payments for the first calendar year. That amount will be Subscriber's sole and exclusive remedy and all other remedies or damages at law or equity are waived.

16. COMPLIANCE

16.1 The Operator must comply with all applicable federal, state, and local laws, rules, and regulations, including any ruling of the Minnesota Public Utilities Commission (PUC).

16.2 Under the PUC Order in Docket Number E002/M-13-867, dated, the Operator will, at the request of Subscriber, provide documentation of continuing viability of the System, including but not limited to providing proof of sufficient financing; possession of required permits; certification of compliance with Federal Energy Regulatory Commission Form 556; or proof that the Operator has sufficient insurance to cover the ongoing installation, operation, or maintenance of the System.

17. MISCELLANEOUS

17.1 Integration; Exhibits. This Agreement, together with the Exhibits attached hereto, constitute the entire agreement and understanding between Operator and Subscriber with respect to the subject matter thereof and supersedes all prior agreements relating to the subject matter hereof. The Exhibits attached hereto are integral parts of the Agreement and are made a part of the Agreement by reference.

17.2 Amendments. This Agreement may only be amended, modified or supplemented by an instrument in writing executed by duly authorized representatives of Operator and Subscriber. To the extent any amendment changes Subscriber's Allocated Percentage, such amendment shall include the representation by Subscriber set forth in Section 8.2(c). If in Operator's judgment any provision of this Agreement is reasonably expected to result in Operator's non-compliance with any provision in the PPA or the Tariff (as may be amended or revised from), the Parties will exercise commercially reasonable efforts to negotiate an amendment to this Agreement to conform to the applicable provisions in the PPA or Tariff.

17.3 Cumulative Remedies. Except as set forth to the contrary herein, any right or remedy of Operator or Subscriber shall be cumulative and without prejudice to any other right or remedy, whether contained herein or not.

17.4 Limited Effect of Waiver. The failure of Operator or Subscriber to enforce any of the provisions of the Agreement, or the waiver thereof, shall not be construed as a general waiver or relinquishment on its part of any such provision, in any other instance or of any other provision in any instance.

17.5 Survival. The obligations under Section 8.3 (Exclusion of Warranties), Section 9 (Taxes and Governmental Fees), Section 13 (Notices), Section 14 (Data Practices), Section 15 (Indemnification and Insurance), Section 17 (Miscellaneous), or pursuant to other provisions of this Agreement that, by their sense and context, are intended to survive termination of this Agreement, shall survive the expiration or termination of this Agreement for the period of the applicable statute of limitation.

17.6 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Minnesota without reference to any choice of law principles. The Parties agree that the courts of Minnesota and the federal Courts sitting therein shall have jurisdiction over any action or proceeding arising under the Agreement to the fullest extent permitted by Applicable Law.

17.7 Severability. If any term, covenant or condition in the Agreement shall, to any extent, be invalid or unenforceable in any respect under Applicable Law, the remainder of the Agreement shall not be affected thereby, and each term, covenant or condition of the Agreement shall be valid and enforceable to the fullest extent permitted by Applicable Law and, if appropriate, such invalid or unenforceable provision shall be modified or replaced to give effect to the underlying intent of the Parties and to the intended economic benefits of the Parties.

17.8 Relation of the Parties. The relationship between Operator and Subscriber shall not be that of partners, agents, or joint ventures for one another, and nothing contained in the Agreement



shall be deemed to constitute a partnership or agency agreement between them for any purposes, including federal income tax purposes. Operator and Subscriber, in performing any of their obligations hereunder, shall be independent contractors or independent parties and shall discharge their contractual obligations at their own risk.

17.9 Successors and Assigns. This Agreement and the rights and obligations under the Agreement are binding upon and shall inure to the benefit of Operator and Subscriber and their respective successors and permitted assigns.

17.10 Counterparts. This Agreement may be executed in one or more counterparts, all of which taken together shall constitute one and the same instrument

17.11 No Reliance. Subscriber is not relying on any representation, warranty or promise with respect to the Solar\*Rewards Community Solar Program or the Solar System made by or on behalf of NSP or Operator, except to the extent specifically stated in this Agreement.

17.12 Records-Keeping. Operator will maintain books, records, documents and other evidence directly pertinent to performance of the work under this Agreement in accordance with generally accepted accounting and utility metering principles and practices, including all meter production records and adjustments thereto. Operator will also maintain the financial information and data used in preparation or support of the cost submission for any negotiated Agreement amendment and provide electronic, printed or copied documentation to the Subscriber as requested. These books, records, documents, and data must be retained for at least 6 years after the term of the Agreement, except in the event of litigation or settlement of claims arising from the performance of this Agreement, in which case the Operator agrees to maintain them until the Subscriber and any of its duly authorized representatives have disposed of the litigation or claims.

17.13 Audit. As required by Minnesota Statutes, section 16C.05, subdivision 5, the records, books, documents, and accounting procedures and practices of the Operator and of any subcontractor relating to work performed pursuant to this Agreement shall be subject to audit and examination by the Subscriber and the Legislative Auditor or State Auditor. The Operator and any subcontractor shall permit the Subscriber or its designee to inspect, copy, and audit its accounts, records, and business documents at any time during regular business hours, as they may relate to the performance under this Agreement. Audits conducted by the Subscriber under this provision shall be in accordance with generally accepted auditing standards. Financial adjustments resulting from any audit by the Subscriber shall be paid in full within thirty (30) days of the Operator's receipt of audit.

17.14 Dispute Resolution. Claims by the Operator disputing the meaning and intent of this Agreement or arising from performance of this Agreement must be referred in writing to the General Manager of Environmental Services of Subscriber for a written decision within 60 days after the dispute arises. The General Manager of Environmental Services or his/her designee must respond to the Operator in writing with a decision within 60 calendar days following receipt of the Operator's claim. Submission of a dispute or claim to Dispute Resolution is a condition precedent to the Operator initialing any litigation relating to this Agreement.

Pending final decision of a dispute, the Parties will proceed diligently with the performance of the Agreement. Failure by the Operator comply precisely with the time deadlines under this paragraph as to any claim shall operate as a release of that claim and a presumption of prejudice to the Subscriber.

17.15 Goodwill and Publicity. Operator shall have the right to use graphical representations or photography of the System in marketing and promotional materials. Subscriber agrees to the use by Operator of Subscriber's name as a subscriber, if applicable, in Operator's marketing materials in connection with the System and any future Community Solar Garden program or similar projects undertaken by Operator. Operator agrees not to disclose any other Subscriber information in connection with Operator's marketing and promotional materials. Subscriber agrees not to use Operator's name, logo, trademark, trade name, service mark, or other Operator intellectual property in any marketing or promotional materials without the prior written consent of Operator. To avoid any conflicts with fair trade rules regarding claims of solar or renewable energy use and to help ensure that Environmental Attributes will be certified by Green-e® or a similar organization, Subscriber and Operator will consult with each other about press releases or public communications to help ensure that the Operator's rights to claim Environmental Attributes are not compromised while allowing both Parties to claim publicity. This section will not be construed to require Subscriber to obtain consent for any postings or publications required by law or undertaken by Subscriber in its capacity as a government entity.

17.16 Trade Secret Data Provided to Governmental Entities. Operator may provide data that it designates as trade secret to Subscriber. Under Minnesota Statutes section 13.37, subdivision 1(b), Subscriber is responsible for determining whether data marked as trade secret by Operator qualifies as trade secret under the law. For Operator data that Subscriber determines is trade secret, Subscriber will not share the data with any other Person or entity except as required by law. If Subscriber receives a request under the Minnesota Government Data Practices Act for access to data that Operator designated as trade secret but subscriber has determined is not trade secret, then Subscriber will use its best efforts to give the Operator ten (10) days' notice before releasing the data in order to permit the Operator to exercise whatever legal remedies are available to the Operator to prevent such disclosure.

**IN WITNESS WHEREOF**, the Parties have caused this Contract to be executed by their duly authorized officers on the dates set forth below.

**OPERATOR**

By: \_\_\_\_\_

Name: \_\_\_\_\_

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

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

**City of Dundas**

By: \_\_\_\_\_

Name: \_\_\_\_\_

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

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

**Exhibit A**

**Insert form of Subscriber Agency Agreement and Consent Form as required by PPA**

|   |  |
|---|--|
| <b>Community Solar Garden Name:</b>     | <b>Community Solar Garden Address:</b>   |
| <b>Community Solar Garden Operator:</b> | <b>Community Solar Garden contact information for Subscriber questions and complaints:</b> |
|   | <b>Address (if different from above);</b>  |
|   | <hr/> <hr/>  |

**Solar\*Rewards Community**

**Subscriber Agency Agreement and Consent Form**

|  |  |
|--|--|
| <b>Subscriber Name:</b>  | <b>Subscriber Service Address where receiving electrical service from Northern States Power Company:</b> |
| <b>Subscriber's Account Number with Northern States Power Company:</b> |  |

The undersigned ("Subscriber") has a Subscription to the following Community Solar Garden:

By signing this Solar\*Rewards Community Subscriber Agency Agreement and Consent Form, the Subscriber agrees to all of the following:

1. Assignment of Renewable Energy Credits ("RECs"), Energy and Capacity to Northern States Power Company, a Minnesota corporation. The Subscriber agrees that the Community Solar Garden Operator has authority to assign all energy produced and capacity associated with the photovoltaic energy system at the Community Solar Garden to Northern States Power Company, and the Subscriber agrees that all energy produced, and capacity associated with the Subscriber's share of the photovoltaic energy system at the Community Solar Garden shall belong to Northern States Power Company. The Subscriber also agrees that the Community Solar Garden Operator has authority to assign all RECs associated with the photovoltaic energy system at the Community Solar Garden to Northern States Power Company, and that if the Community Solar Garden or a person or entity on its behalf has assigned the RECs to Northern States Power Company, then all RECs associated with the Subscriber's share of the photovoltaic energy system at the Community Solar Garden shall belong to Northern States Power Company.

2. Tax Implications. The Community Solar Garden Operator has provided the Subscriber with a statement that Northern States Power Company makes no representations concerning the taxable consequences to the Subscriber with respect to its Bill Credits to the Subscriber or other tax issues relating to participation in the Community Solar Garden.

3. Northern States Power Company hereby discloses to the Subscriber that it recognizes that not all production risk factors, such as grid-failure events or atypically cloudy weather, are within the Community Solar Garden Operator's control.

4. Information Sharing. Participating in the Solar\*Rewards Community Program will require sharing **Subscriber's Account Information** (name, account number, service address, telephone number, email address, web site URL, information on Subscriber participation in other distributed generation serving the premises of the Subscriber, Subscriber specific Bill Credit(s)) and **Subscriber's Energy Use Data** (the past, present and future electricity usage attributable to the Subscriber for the service address and account number identified for participation in the Community Solar Garden). The following outlines the type of information that will be shared, and how that information will be used.

a. Subscriber's Account Information and Subscriber Energy Usage Data. The Subscriber authorizes Northern States Power Company to provide the Community Solar Garden Operator (and the Community Solar Garden Operator's designated subcontractors and agents) with the Subscriber's Account Information and Subscriber's Energy Usage Data as described in Section 4 above. This information is needed to allow the Community Solar Garden Operator determine the extent to which the Subscriber is entitled to participate in the Community Solar Garden, and to validate the amount of the Bill Credits to be provided by Northern States Power Company to the Subscriber. The current data privacy policies of Northern States Power Company

applicable to its Solar\*Rewards Community Program provided to the Subscriber by the Community Solar Garden Operator pursuant Section 3 above are attached as Exhibit 1 of this **Solar\*Rewards Community Subscriber Agency Agreement and Consent Form**. These privacy policies include definitions of “Subscriber’s Account Information” and “Subscriber’s Energy Usage Data.”

b. Subscriber’s Subscription Information: The Subscriber authorizes the Community Solar Garden Operator to provide information to Northern States Power Company identifying the Subscriber (with the Subscriber’s name, service address, and account number) and detailing the Subscriber’s proportional share in kilowatts of the Community Solar Garden and to provide additional updates of this information to Northern States Power Company as circumstances change. This information is needed to allow Northern States Power Company to properly apply Bill Credits for the photovoltaic energy generated by the Community Solar Garden. Also, this information is needed to allow Northern States Power Company to send to the Subscriber notices or other mailings pertaining to their involvement in the Solar\*Rewards Community Program. The Community Solar Garden Operator shall not disclose Subscriber information in annual reports or other public documents absent explicit, informed consent from the Subscriber. The Community Solar Garden Operator will not release any Subscriber data to third parties except to fulfill the regulated purposes of the Solar\*Rewards Community Program, to comply with a legal or regulatory requirement, or upon explicit, informed consent from the Subscriber.

c. Aggregated Information. Aggregated information concerning production at the Community Solar Garden may be publicly disclosed to support regulatory oversight of the Solar\*Rewards Community Program. This includes annual reports available to the public related to specific Community Solar Gardens, including but not limited to production from the Community Solar Gardens; size, location and the type of Community Solar Garden subscriber groups; reporting on known complaints and the resolution of these complaints; lessons learned and any potential changes to the Solar\*Rewards Community Program; reporting on Bill Credits earned and paid; and reporting on the application process. Aggregated information will not identify individual Subscribers or provide Subscriber-Specific Account Information, Subscriber-Specific Energy Usage Data or Subscriber-specific Bill Credits unless a Subscriber provides explicit informed consent. Depending on the nature of the aggregated information, however, it may still be possible to infer the amount of production attributed to individual Subscribers to the Community Solar Garden. The Subscriber agrees to the inclusion of its production information in the creation of the aggregated information. The Community Solar Garden Operator will not use aggregated information for purposes unrelated to the Solar\*Rewards Community Program without first providing notice and obtaining further consent, unless the aggregated information is otherwise available as public information. The policies of Northern States Power Company related to sharing aggregated information are part of the data privacy policies contained in the attached Exhibit 1 of this **Solar\*Rewards Community Subscriber Agency Agreement and Consent Form** and should be provided to the Subscriber by the Community Solar Garden Operator pursuant Section 3 above.

d. Information Requests from the MPUC or the Department of Commerce. The Subscriber agrees that the Community Solar Garden Operator and Northern States Power Company are authorized to provide any information they possess related to the

Subscriber or the Subscriber’s participation in the Community Solar Garden to the Minnesota Public Utilities Commission (MPUC), the Minnesota Department of Commerce, or the Minnesota Office of Attorney General. This information is needed to allow proper regulatory oversight of Northern States Power Company and of the Solar\*Rewards Community Program.

e. Liability Release. Northern States Power Company shall not be responsible for monitoring or taking any steps to ensure that the Community Solar Garden Operator maintains the confidentiality of the Subscriber’s Account Information, the Subscriber’s Energy Usage or the Bill Credits received pertaining to the Subscriber’s participation in the Community Solar Garden. However, Northern States Power Company shall remain liable for its own inappropriate release of Subscriber’s Account Information and Subscriber’s Energy Use Data.

f. Duration of Consent. The Subscriber’s consent to this information sharing shall be ongoing for the Term of the Contract between the Community Solar Garden Operator and Northern States Power Company, or until the Subscriber no longer has a Subscription to the Community Solar Garden and the Community Solar Garden Operator notifies Northern States Power Company of this fact through the CSG Application System. Provided, however, the Subscriber’s consent shall also apply thereafter to all such information of the Subscriber pertaining to that period of time during which the Subscriber had a Subscription to the Community Solar Garden.

g. Modification. The above provisions addressing data privacy and in Exhibit 1 shall remain in place until and unless other requirements are adopted by the MPUC in its generic privacy proceeding, Docket No. E,G999/CI- 12 1344, or other MPUC Order. Northern States Power Company shall file necessary revisions to its tariffs and contracts within thirty (30) days of such Order.

Subscriber’s Name: \_\_\_\_\_

Subscriber’s Signature: \_\_\_\_\_

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

**EXHIBIT B**

**Certain Agreements for the Benefit of the Financing Parties**

1. Lender Conditions. In order to finance the development and operation of the System, Owner may borrow money from a Lender (as defined in the Agreement). Subscriber acknowledges that Owner may finance the acquisition, development, installation, operation and maintenance of the System with financing or other accommodations from one or more financial institutions and that Owner's obligations to the Lender may be secured by, among other collateral, a pledge or collateral assignment of the Agreement and a first priority security interest in the System (collectively, the "Security Interest"). In order to facilitate the necessary financing, Subscriber consents to Owner's granting to the Lender the Security Interest.

Subscriber acknowledges and agrees that: (i) Subscriber and all of Subscriber's rights under the Agreement are and will be subject and subordinate to the Security Interest (and as later modified by any and all renewals, modifications, supplement, amendments, consolidations, replacements, substitutions, additions, and extensions); and (ii) no amendment or modifications of the Agreement is permitted without the Lender's written consent.

2. Lender's Default Rights. If Owner defaults under the financing documents with the Lender, the following provisions apply:
  - A. The Lender, through its Security Interest, will be entitled to exercise any of Owner's rights and remedies under the Agreement. The Lender will also be entitled to exercise all rights and remedies of secured parties generally with respect to the Agreement and the System.
  - B. The Lender will have the right, but not the obligations, to pay all sums due from Owner under the Agreement and to perform any other act, duty, or obligation required of Owner, and to cure any default by Owner in the time and manner provided by the terms of the Agreement. Nothing requires the Lender to cure any default by Owner (an "Owner Default") under the Agreement, to perform any act, duty or obligation of Owner under the Agreement, unless the Lender has succeeded to Owner's rights under the Agreement, but Subscriber hereby gives Lender the option to do so.



- C. If the Lender exercises its remedies under the Security Interest in the System, including any sale by the Lender, whether by judicial proceeding or under any power of sale, or any conveyance from Owner to Lender (or its assignee) in lieu of sale, the Lender will give Subscriber notice of the transfer or assignment of the Agreement. If Lender exercises these remedies, it will not constitute a default under the Agreement, and will not require Subscriber consent.
  - D. Upon any rejection or other termination of the Agreement under any process undertaken with respect to Owner under the United States Bankruptcy Code, Subscriber agrees to enter into a new agreement with Lender or its assignee under substantially the same terms as the Agreement if Lender so requests within ninety (90) days of the termination or rejection of the Agreement.
  - E. At Owner's request, Subscriber agrees to execute and deliver to Lender and Owner such acknowledgment consent as may be required by Lender and in which Subscriber acknowledges and confirms that the legal and beneficial ownership of the System remains in Owner, or its affiliate, and that the System is the property of Owner, or its affiliate.
3. Lender's Right to Cure. Regardless of any contrary terms in the Agreement:
- A. Subscriber will not terminate or suspend the Agreement unless Subscriber has given the Lender prior written notice of Subscriber's intent to terminate or suspend the Agreement describing the event giving rise to the alleged Owner Default, and provide the Lender with the opportunity to cure the Owner Default within sixty (60) days after such notice or any longer period provided for in the Agreement. If the Owner Default reasonably cannot be cured by the Lender within the period established under the Agreement, and the Lender commences and continuously pursues the cure of such Owner Default within that period, the period for cure will be extended for a reasonable period of time under the circumstances, but not to exceed an additional thirty (30) days. Owner's and Subscriber's respective obligations will otherwise remain in effect during the cure period.
  - B. If the Lender or its lawful assignee (including any buyer or transferee) acquires title to or control of Subscriber's assets and within the applicable time period cures all defaults under the Agreement existing as of the date of such change in control in the manner required by the Agreement and which are capable of cure by a third party, then the Lender or such third party buyer or transferee will no longer be in default under the Agreement, and the Agreement will continue in full force and effect.

- C. At the request of Lender and/or its assignee, Subscriber agrees to execute and deliver any document, instrument, or statement (but not including any payment) required by law or otherwise as reasonably requested by Lender or its assignee in order to create, perfect, continue, or terminate the security interest in favor of Lender in all assets of Owner, and to secure the obligations evidenced by the Security Interest.

## **Schedule 1**

### **Description of System**

Solar System Site Location: **Dodge Solar Garden Unit 2/Dodge County**  
Site Owned/Controlled by: Operator

Anticipated Commercial  
Operation Date: 12/31/16

Solar System Size: 1,000 kw (AC) (representing an initial  
estimate, which may vary depending  
on the final design of the System)

Retail Service Address:

1185 BRIDGEWATER PKWY WELLHSE  
215 RAILWAY ST N

Subscribers Allocated  
Percentage: Allocated Percentage: 10.05%

## Schedule 2

The kWh Rate shall be 12.2¢/kWh (“kWh Rate”) with 1% annual escalator

### Estimated Annual Delivered Energy

Estimated Annual Delivered Energy commencing on the Commercial Operation Date, and continuing through the Term, with respect to the System under the Agreement shall be as follows:

| Year of System Term | Estimated Annual Delivered Energy | Subscriber Allocated Percentage | Estimated Electricity Allocated to Subscriber | kWh Rate |
|---------------------|-----------------------------------|---------------------------------|---|----------|
| 1                   | 1,599,563                         | 10.05%                          | 160,757                                       | \$0.1220 |
| 2                   | 1,591,565                         | 10.05%                          | 159,953                                       | \$0.1232 |
| 3                   | 1,583,607                         | 10.05%                          | 159,153                                       | \$0.1245 |
| 4                   | 1,575,689                         | 10.05%                          | 158,358                                       | \$0.1257 |
| 5                   | 1,567,811                         | 10.05%                          | 157,566                                       | \$0.1270 |
| 6                   | 1,559,972                         | 10.05%                          | 156,778                                       | \$0.1282 |
| 7                   | 1,552,172                         | 10.05%                          | 155,994                                       | \$0.1295 |
| 8                   | 1,544,411                         | 10.05%                          | 155,214                                       | \$0.1308 |
| 9                   | 1,536,689                         | 10.05%                          | 154,438                                       | \$0.1321 |
| 10                  | 1,529,005                         | 10.05%                          | 153,666                                       | \$0.1334 |
| 11                  | 1,521,360                         | 10.05%                          | 152,898                                       | \$0.1348 |
| 12                  | 1,513,754                         | 10.05%                          | 152,133                                       | \$0.1361 |
| 13                  | 1,506,185                         | 10.05%                          | 151,372                                       | \$0.1375 |
| 14                  | 1,498,654                         | 10.05%                          | 150,616                                       | \$0.1388 |
| 15                  | 1,491,161                         | 10.05%                          | 149,863                                       | \$0.1402 |
| 16                  | 1,483,705                         | 10.05%                          | 149,113                                       | \$0.1416 |
| 17                  | 1,476,286                         | 10.05%                          | 148,368                                       | \$0.1431 |
| 18                  | 1,468,905                         | 10.05%                          | 147,626                                       | \$0.1445 |
| 19                  | 1,461,560                         | 10.05%                          | 146,888                                       | \$0.1459 |
| 20                  | 1,454,253                         | 10.05%                          | 146,153                                       | \$0.1474 |
| 21                  | 1,446,981                         | 10.05%                          | 145,422                                       | \$0.1489 |
| 22                  | 1,439,746                         | 10.05%                          | 144,695                                       | \$0.1504 |
| 23                  | 1,432,548                         | 10.05%                          | 143,972                                       | \$0.1519 |
| 24                  | 1,425,385                         | 10.05%                          | 143,252                                       | \$0.1534 |
| 25                  | 1,418,258                         | 10.05%                          | 142,536                                       | \$0.1549 |

\* For the purposes of the table Term year 1 shall commence on the Commercial Operation Date. The values set forth in the table above are estimates of (i) the kWhs of Delivered Energy expected to be generated annually by the System and (ii) the portion of the Delivered Energy generated annually that is to be allocated to Subscriber pursuant to Subscriber’s Allocated Percentage, which amount is derived by multiplying the estimated Delivered Energy by the Subscriber’s Allocated Percentage in each year. The table will be updated upon final design of the System; provided, however, any such updated values shall also be estimates and in no event shall any such values (whether or not updated) be considered to be binding in any way on Owner.

### **Schedule 3**

#### **Termination Fee**

| <b>Year of System Term</b> | <b>Subscriber Allocated Percentage</b> | <b>Termination Fee</b> |
|----------------------------|--|------------------------|
| 1                          | 10%                                    | \$191,198              |
| 2                          | 10%                                    | \$186,789              |
| 3                          | 10%                                    | \$182,213              |
| 4                          | 10%                                    | \$177,459              |
| 5                          | 10%                                    | \$172,517              |
| 6                          | 10%                                    | \$167,377              |
| 7                          | 10%                                    | \$162,027              |
| 8                          | 10%                                    | \$156,456              |
| 9                          | 10%                                    | \$150,651              |
| 10                         | 10%                                    | \$144,599              |
| 11                         | 10%                                    | \$138,286              |
| 12                         | 10%                                    | \$131,696              |
| 13                         | 10%                                    | \$124,816              |
| 14                         | 10%                                    | \$117,627              |
| 15                         | 10%                                    | \$110,114              |
| 16                         | 10%                                    | \$102,257              |
| 17                         | 10%                                    | \$94,037               |
| 18                         | 10%                                    | \$85,435               |
| 19                         | 10%                                    | \$76,428               |
| 20                         | 10%                                    | \$66,994               |
| 21                         | 10%                                    | \$57,110               |
| 22                         | 10%                                    | \$46,750               |
| 23                         | 10%                                    | \$35,888               |
| 24                         | 10%                                    | \$24,495               |
| 25                         | 10%                                    | \$12,543               |

\* For the purposes of the table Term year 1 shall commence on the Commercial Operation Date

\*\* The Termination Fee is based on the Subscriber's Allocated Percentage at the time of termination. The Termination Fee listed on the Effective Date is based on Subscriber's Allocated Percentage on the Effective Date.

## **Schedule 4**

### **Legal Description**

[To be attached within 120 days of execution of the PPA]

## DEVELOPMENT AGREEMENT

THIS AGREEMENT is made as of the 18<sup>th</sup> day of April, 2016 by and between the City of Dundas, a Minnesota municipal corporation, (the "CITY") having its principal office at 216 Railway Street N, Dundas, Minnesota 55019, and Dundas Dome, LLC, ("OWNER") having its principal offices at 3238 Circle Bluff Trail, Faribault, MN 55021.

WHEREAS, the Owner has received approvals for the DUNDAS DOME ADDITION plat (Resolution 2016-11), the overlay PUD Zoning District ("PUD") (Ordinance 2016-02) and for the Site and Building Plan (Resolution 2016-12), subject to certain conditions; and

WHEREAS, the Owner intends to construct and operate a membrane structure "sports dome" on the newly platted Lot 1, Block 1, DUNDAS DOME ADDITION located in the City of Dundas, Minnesota (the "PROJECT SITE"); and

WHEREAS, as of this date, OWNER has purchased all of the land included in the DUNDAS DOME ADDITION plat and warrants that it is the Owner of the PROJECT SITE.

NOW, THEREFORE, IN CONSIDERATION OF THE PROMISES AND THE MUTUAL OBLIGATIONS OF THE PARTIES HERETO, EACH OF THEM DOES HEREBY COVENANT AND AGREE WITH THE OTHER AS FOLLOWS:

1. The above recitals are incorporated herein as part of this Agreement.
2. Trail Easements. Developer shall convey to the CITY trail easements over those portion of the Property identified generally on the plat as follows: 25 feet along Cannon Rd for Outlot A; 25 feet along Cannon Rd for Lot 1, Block 1; 25 feet along Cannon Rd for Lot 2, Block 1 and 25 feet along CSAH 1 for Lot 2, Block 1.
3. Landscaping. The Applicant shall submit an enhanced landscaping plan depicting plantings as required by city code in and along Cannon Road and in the areas around the stormwater management pond areas and also to include natural prairie and wetland plantings and pollinator plants, said plan subject to approval by the City Administrator.

4. Overflow Parking. The overflow parking area depicted on the site plan may be of a gravel surface for up to two years from the date of the certificate of occupancy for the principal structure. Upon the expiration of this two year period, the property owner shall surface the lot in a manner consistent with the requirements of the Dundas Zoning Ordinance or landscape the area with grass and other plantings.

5. Hold Harmless and Indemnification.

OWNER agrees to indemnify the CITY, their officers, employees, agents and others acting on behalf, to hold them harmless, and to defend and protect them, from and against any and all loss, damage, liability, cost and expense (specifically including attorney fees and other costs and expenses of defense), of any sort whatsoever, to the extent based upon, resulting from, or otherwise arising in connection with any actions, claims or proceedings (from any source whatsoever) brought, or any loss, damage or injury of any type whatsoever sustained, by reason of any negligent act or omission of OWNER, it's officers, employees or agents, or any other person(s) or entity(ies) for whose acts or negligent omissions OWNER is legally responsible, in the performance of any of OWNER's obligations under this Agreement.

6. Right of Entry. OWNER grants to the City, its agents, employees, officers and contractors a license to enter the Property to perform all work and inspections necessary to insure compliance with the plans and applicable regulations in conjunction with this Agreement. Such entry for work and inspections shall be during business hours and OWNER shall be provided reasonable notice of such work or inspections.

7. Escrow. OWNER shall deposit an escrow in the amount of \$3,000.00 to reimburse the City for staff and consultant costs for review and processing of all permits, approvals and licenses and to ensure compliance with the landscaping and overflow parking requirements. Actual staff and consultant expenses and direct costs related to the processing of the OWNER's zoning and development applications and any expenses related to the Development Agreement, including attorney fees and costs, shall be charged against the escrow account. Any unused escrow account balance shall be refunded to OWNER upon completion of all requirements of this Agreement by OWNER.

8. Binding Effect. The terms and provisions of this Agreement shall run with the Property and be binding upon the parties hereto and their heirs, representatives, successors and assigns, including future owners of all or any part of the Project. This Agreement may be recorded against the title to the Property. Upon satisfaction by OWNER of its obligations hereunder, the CITY shall provide written certification thereof in such form as is recordable among the county land records. Such certification shall be conclusive evidence of the satisfaction of the agreements and covenants in this Agreement. If the CITY shall refuse to provide such certification, it shall deliver to OWNER a written statement describing in detail in what respect OWNER has not satisfied its obligation hereunder. Such statement shall be provided by the CITY within ten (10) business days after written request therefore by OWNER.

9. Separability. In case any one or more of the provisions contained in this Agreement shall be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of









**NOTICE OF PUBLIC HEARING**  
**City of Dundas**  
**Rice County**

NOTICE IS HEREBY GIVEN that the Dundas Planning Commission will conduct a Public Hearing on **Thursday, May 19, 2016, at 7:00 p.m.**, or as soon thereafter as possible, at Dundas City Hall, 216 Railway St. N., Dundas, MN to consider a Preliminary Development Plan & Planned Unit Development (PUD) Overlay and a Final Development Plan & PUD as permitted by Dundas City Code Chapter 1500, Sec. 16, Sub. 13 for a proposed brewery and taproom as submitted by The Meeting House, LLC, located at 15 Hester Street East in Dundas, Rice County (PID 17.15.1.01.019, Minnesota).

The application for The Meeting House, LLC is for the construction of brewery production and retail taproom on above property location.

Public comment may be given at the Hearing or prior to the Hearing in writing to City of Dundas, PO Box 70, Dundas MN 55019, or by email to [jmccarthy@dundas.us](mailto:jmccarthy@dundas.us). Letters and emails must be received by 4:30 p.m. Thursday, May 18, 2016, in order to be considered at the Public Hearing.

Descriptions and plans of the proposed facility are available at Dundas City Hall during normal business hours: Monday 8:00 a.m. to 6:00 p.m. and Tuesday through Thursday, 8:00 a.m. to 5:00 p.m.

Submitted by: John M. McCarthy, City Administrator/Clerk  
Published *Faribault Daily News*: May 7, 2016



Faribault: 507-332-6100  
 Northfield: 507-645-9576  
 Lonsdale: 507-744-5185

[Government](#) | [Property & Roads](#) | [Law & Public Safety](#) | [Licenses & Records](#) | [Environment](#) | [Human Services](#) | [Economic Development](#)

[Home](#) > 2016 Road Construction Season

## 2016 Road Construction Season

May 04, 2016

The Rice County Highway Department's construction season is scheduled to begin on or about May 9, 2016, weather permitting. This year's projects include the following:

- Culvert Replacements & Rehabilitation on CSAH No. 11 (Roberds Lake Blvd), CSAH No. 8 (130th St E), CSAH No. 23 (Gates Ave) and CSAH No. 48 (Lyndale Ave) – Replace or rehabilitate existing culverts in preparation for future pavement resurfacing projects. Work scheduled to begin in June and be completed in August. Daily road closures, travel delays and the use of alternate routes should be expected.
  - A failure of a culvert on CSAH No. 11 has required the closure of the roadway at this location. Work on the failed CSAH No. 11 culvert is scheduled to begin on Monday, May 9th
- CSAH No. 46 (Bagley Ave) – Grading, pavement resurfacing and shoulder paving on 7 miles between MN TH No. 21 (Shieldsville Blvd) and CSAH No. 1 (Millersburg Blvd). Construction scheduled to begin in May and be completed in September. The roadway will be closed to thru traffic and detours will be posted.
- CR No. 99 (245th St W) – Complete the pavement resurfacing on 3.6 miles between Le Sueur County line and MN TH No. 60 (Morristown Blvd) initiated in the fall of 2015. Construction anticipated in June or July. The roadway will remain open to traffic; however, single lane closures and travel delay should be expected.
- CSAH No. 4 (Independence Ave) – Construction of left turn lanes between CSAH No. 1 (100th St W) and CSAH No. 1 (Millersburg Blvd). Construction anticipated in July/August. The roadway will remain open to traffic; however, single lane closures and travel delay should be expected.
- Culvert L3923 Replacement on Lamb Ave (Northfield Township) – Culvert removal and replacement located just north of 150th St E. Construction anticipated in August. The roadway will be closed and the use of an alternate route should be expected.
- Culvert L9516 Replacement on Decker Ave (Bridgewater Township) – Culvert removal and replacement located approximately 0.5 miles south of MN TH 19 (Lonsdale Blvd) over Heath Creek. Construction anticipated in August. The roadway will be closed and the use of an alternate route should be expected.
- Culvert L3915 Replacement on CR No. 90 (255th St E) – Culvert removal and replacement located between Ibson Ave and Irwin Ave. Construction anticipated in September. The roadway will be closed and a detour route will be posted.
- Pavement chip seal, striping, miscellaneous culvert replacements, pavement overlays, and other maintenance projects requiring temporary road closures at various locations throughout the County are planned for the duration of the construction season.

Additional construction project information is available on the Rice County website at: [www.co.rice.mn.us/construction-projects](http://www.co.rice.mn.us/construction-projects)

### CONTACTS:

Dennis Luebbe, Rice County Engineer, (507) 332-6110  
 Jack Kemme, Rice County Interim Administrator, (507) 332-6121

**REGIONAL PARK  
ENGINEERING, CONSTRUCTION, AND MAINTENANCE COOPERATIVE PROJECT  
AGREEMENT**

THIS AGREEMENT (“Agreement”) is made and entered into this \_\_\_ day of \_\_\_\_\_, 2016, by and between the City of Northfield, a municipal corporation under the laws of the State of Minnesota, (hereinafter referred to as “Northfield”); and the City of Dundas, a municipal corporation under the laws of the State of Minnesota, (hereinafter referred to as “Dundas”); (collectively the “Parties”).

WITNESSETH:

WHEREAS, the Parties have been negotiating to bring about a Regional Park as shown in Exhibit 1 crossing jurisdictional boundaries (the “Regional Park Project” or “Project”); and

WHEREAS, the Parties desire to also construct and install certain amenities in the Regional Park including a Shelter, Access Walkways, and a Fishing Access, the locations of which are shown on Exhibit 1 (the “Project Improvements” or “Improvements”); and

WHEREAS, the above described Regional Park Project as well as the Improvements are located within the corporate limits of both Northfield and Dundas; and

WHEREAS, the Parties have prepared a cost estimate of quantities and unit prices of material and labor, engineering, administration and legal for the above described Project and Improvements (the “Project Costs”), which has a total estimated Project cost of, five hundred and sixty thousand dollars (\$560,000) which includes land acquisition costs in addition to the costs of the Improvements. A copy of said engineer’s estimate is attached hereto as Exhibit 2 and by this reference is made a part hereof; and

WHEREAS, Minn. Stat. § 471.59 authorizes two or more governmental units to enter into agreements to jointly or cooperatively exercise any power common to the contracting parties or any similar power.

NOW, THEREFORE, IT IS HEREBY AGREED:

1. Improvements Design. Northfield shall prepare the preliminary and final design for the Improvements within the Project area. Northfield shall provide for construction, engineering and administrative work for the Project Improvements.
2. Improvement Quotes. Upon approval of all applicable Permit requirements, Northfield shall solicit quotes pursuant to municipal contracting law for the Improvements. Prior to soliciting quotes, Northfield will prepare an updated construction estimate for the Improvements based upon final estimated quantities and submit the same to Dundas. Northfield shall review quotes for the Improvements and provide Dundas all quotes, prepare an updated probable cost estimate utilizing the quotes, and make a recommendation of the preferred contractors based upon the quotes received. Dundas will thereafter promptly review Northfield’s recommendation(s), and upon written concurrence from the Dundas City Administrator, Northfield shall enter into a contract(s) with the successful contractor(s) at the quoted

prices specified. The contract(s) shall be in a form and include the plans and specifications prepared by Northfield for the respective Improvements.

3. Administration. Northfield shall have overall authority to administer the construction of the Project Improvements and the contract(s) for the Project Improvements awarded to the selected contractor(s) as well as the responsibility to inspect the construction of the contract work for the Project Improvements. The same shall be performed in consultation with the Dundas City Administrator. Dundas agrees that Northfield may make changes in the plans and specifications, in the Project or Improvements, or in the character of the construction of the Project or Improvements, which are reasonably necessary to cause the construction of the Project and Improvements therein to be performed and completed in a satisfactory manner. Dundas also agrees that Northfield may enter into any change orders or supplemental agreements for the performance of any additional construction or construction occasioned by any necessary, advantageous or desirable changes in plans, as long as these are within the original scope of the Project and Improvements. Any change orders that affect the Project or Improvements cost exceeding \$25,000 and would increase Dundas’s local share must be approved by both Parties prior to execution of work. The Dundas City Administrator shall cooperate with the Northfield City Engineer or their designees at their request to the extent necessary. Final completion of the construction of the Project and Improvements and determination of final quantities must be approved by both the Northfield City Engineer and Dundas City Administrator.
  
4. Dundas Construction Permission. Dundas hereby grants permission and access for the construction of the Project and Improvements within Dundas city limits to Northfield and its agent(s) and contractor(s).
  
5. Grant Proceeds Allocation. All Minnesota Grants received for the Project will be allocated between the Parties to pay for Project costs. The \$408,000.00 grant requires a partial local match both from Dundas and Northfield. The grant proceeds will be split in accordance with the table below. This allocation of grant proceeds will be applied to the 2014 Regional Park Legacy Grant. Northfield will receive all grant dollars for the Project (\$408,000.00) in accordance with the table below and shall apply the grant dollars to the respective Parties in accordance with the Project and Project Improvement cost split discussed in paragraph 6 of this Agreement.

| ITEM           | 2014 PARK LEGACY GRANT | Dundas       | Northfield   |
|----------------|------------------------|--------------|--------------|
| Acquisition    | \$326,764.29           | \$243,875.00 | \$82,889.29  |
| Shelter        | \$51,000.00            | \$25,550.00  | \$25,550.00  |
| Access Walkway | \$22,950.00            | \$11,475.00  | \$11,475.00  |
| Fishing Access | \$7,285.71             | \$3,642.86   | \$3,642.86   |
| Total          | \$408,000.00           | \$284,492.86 | \$123,507.14 |

6. Project and Project Improvement Cost Split. The total estimated Project cost, including the Project Improvements, is five hundred and sixty thousand dollars (\$560,000.00). This cost shall be paid by the Parties through a combination of the above grant dollars (\$408,000.00) allocated to each Party and through the contribution of local matching funding by the Parties. The combined local match for the Parties of \$152,000.00 shall be split in accordance with the table below.

| ITEM           | Local Match<br>Dundas &<br>Northfield | Dundas      | Northfield  |
|----------------|---------------------------------------|-------------|-------------|
| Acquisition    | \$121,735.71                          | \$43,625.00 | \$78,110.71 |
| Shelter        | \$19,000.00                           | \$9,500.00  | \$9,500.00  |
| Access Walkway | \$8,550.00                            | \$4,275.00  | \$4,275.00  |
| Fishing Access | \$2,714.29                            | \$1,357.14  | \$1,357.15  |
| Total          | \$152,000.00                          | \$58,757.14 | \$93,242.86 |

Northfield shall pay to Dundas from the grant proceeds received by Northfield (total combined grant proceeds equal \$408,000.00) a total amount of \$328,017.86, which amount includes the Dundas share of the above-referenced grant proceeds equal to \$284,492.86 plus the Dundas local match for land acquisition of \$43,525.00 less the Dundas local share of the costs of the Improvements (Shelter, Access Walkways, and Fishing Access), which Dundas local share is estimated to be \$15,132.14 based on the above table. Northfield shall pay their local of \$93,242.86 for the Project and Project Improvements.

The Parties understand and agree that construction costs for the contract work on the Project and Improvements contained herein and Exhibit 2 are estimates. The prices and actual costs set forth in the contract(s) awarded to the successful contractor(s) and the final quantities as measured by Northfield and approved by the Dundas City Administrator shall govern in computing the total final actual construction contract costs for the Project and Improvements allocated to the Parties.

7. Payment of Project and Improvement Costs. The Northfield City Engineer shall be responsible to submit copies of all Project and Improvement payments to Dundas for review. In accordance with Paragraph 6 above, Northfield shall pay Dundas for its share of Project and Improvement costs as follows:
  - a. Initial Payment. Northfield shall, based on the contract(s) price, pay to Dundas one hundred percent (100%) of the grant dollars allocated to Dundas for the Project less Dundas’s local share contribution for the Shelter, Access Walkways, and fishing access. Those costs shall be paid to Dundas within thirty (30) days after the award of a contract(s) by Northfield for the Project Improvements or following receipt of the total grant proceeds, whichever is later.
  - b. Additional Payment if Actual Costs are less than Share Payments. In the event that actual costs for the Improvements are less than the amount that Dundas has paid for its local share of the Project Improvements, Northfield shall reimburse to Dundas such amount of overpayment, based on the actual total costs of the Project Improvements following certification of completion by the Northfield City Engineer. Such overpayment shall be returned to Dundas by Northfield within thirty (30) days of determination of the same by the Northfield City Engineer.
  - c. Additional Payment if Actual Costs Exceed Share Payments. In the event that actual costs for the Improvements exceed the amount that Dundas has paid for its share of the Improvements,

Dundas shall make an additional payment to Northfield for such amount, based on the actual total costs of the Improvements, within thirty (30) days of completion of the Improvements and a submittal to the Dundas City Administrator of a final, itemized, statement of the costs of the Improvements.

- d. Excess Grant Dollars. In the event that the Project and Improvements do not fully utilize the grant dollars distributed to Northfield and Dundas, the excess grant received by the respective Parties remaining unspent for the Project and Improvements shall be paid back to the State of Minnesota. Dundas is solely responsible and liable for the entirety of the grant dollars allocated to Dundas as provided in this Agreement. Dundas agrees to indemnify, save and hold harmless Northfield for any claims of any kind or nature whatsoever related to the use of grant dollars allocated to Dundas under this Agreement.
8. Ownership and Future Maintenance and Replacement. Each Party will own the portion of the Project and Improvements located within its respective city boundaries. The Parties will each be responsible for all operation, maintenance, re-construction and replacement costs associated with the Project and any other improvements thereto in each of their respective jurisdictional boundaries, with the exception however of the Project Improvements (Shelter, Access Walkways, and Fishing Access). With respect to the Project Improvements, Northfield and Dundas shall each respectively pay for 50% of the future maintenance and replacement costs of the Project Improvements (Shelter, Access Walkways, and Fishing Access). Each Party shall pay the costs of future maintenance and replacement of the Project Improvements in its respective jurisdiction as needed and shall, following completion thereof, invoice the other Party for reimbursement of 50% of those costs incurred for the same. The invoice presented by the invoicing Party seeking reimbursement for costs incurred shall itemize all costs incurred by it in the invoice for which it is seeking 50% reimbursement. Upon receipt of such itemized invoice, the invoiced Party shall make a reimbursement payment to the invoicing Party who has completed the work and incurred costs for maintenance and/or replacement of the Project Improvements, within thirty (30) days of receipt of the same, unless such invoice is disputed by the invoiced in writing within ten (10) days of receipt in which case the dispute shall proceed through dispute resolution as provided in this Agreement. Invoicing a Party for future maintenance and replacement costs of the Project Improvements located in the invoicing Party's respective jurisdiction shall occur no more than two times per year. Where the total estimated costs for maintenance and/or replacement of Project Improvements in its respective jurisdiction in any year will exceed \$5,000, the Party seeking to incur such costs for maintenance and/or replacement of Project Improvements, shall obtain the approval of the other Party prior to undertaking such work.
9. Liability and Indemnification.
    - a. Neither Northfield, its officers, agents nor employees, either in their individual or official capacity, shall be responsible or liable in any manner to Dundas for any claim, demand, action or cause of action of any kind or character arising out of, allegedly arising out of or by reason of the performance, negligent performance or nonperformance by Dundas of this Agreement, or arising out of the negligence of any contractor under any contract let by Dundas for the performance of said work; and the City of Dundas agrees to defend, save and keep Northfield, its officers, agents and employees harmless from all claims, demands, actions or causes of action arising out of negligent performance by Dundas, its officers, agents or employees.



- b. Neither Dundas, its officers, agents or employees, either in their individual or official capacity, shall be responsible or liable in any manner to Northfield for any claim, demand, action or cause of action of any kind or character arising out of, allegedly arising out of or by reason of the performance, negligent performance or nonperformance by Northfield of this Agreement, or arising out of the negligence of any contractor under any contract let by Northfield for the performance of said work; and Northfield agrees to defend, save and keep Dundas, its officers, agents and employees harmless from all claims, demands, actions or causes of action arising out of negligent performance by Northfield, its officers, agents or employees.
- c. Each Party to this Agreement shall not be responsible or liable to the other or to any other person for any claims, damages, actions, or causes of actions of any kind or character arising out of, allegedly arising out of or by reason of the performance, negligent performance or nonperformance of any work or part hereof by the other as provided herein; and each Party further agrees to defend at its sole cost and expense any action or proceeding commenced for the purpose of asserting any claim of whatsoever character arising in connection with or by virtue of performance of its own work as provided herein.
- d. Under no circumstances will either Party be required to pay on behalf of itself and the other Party any amounts in excess of the limits on liability established in Minnesota Statutes Chapter 466 applicable to any one Party. The limits of liability for both Parties may not be added together to determine the maximum amount of liability for either Party. The intent of this paragraph is to impose on each Party a limited duty to defend and indemnify the other for acts or omissions in each respective jurisdiction subject to the limits of liability under Minnesota Statutes Chapter 466. The purpose of creating this duty to defend and indemnify is to simplify the defense of claims by eliminating conflicts among the Parties and to permit liability claims against both Parties from a single occurrence to be defended by a single attorney.

#### 10. Employment Status.

- a. All employees of Dundas and all other persons engaged by Dundas in the performance of any work or services required or provided herein to be performed by Dundas shall not be considered employees, agents or independent contractors of Northfield, and that any and all claims that may or might arise under the Worker's Compensation Act or the Unemployment Compensation Act of the State of Minnesota on behalf of said Dundas employees while so engaged and any and all claims made by any third parties as a consequence of any act or omission on the part of said Dundas employees while so engaged in any of the work or services to be rendered pursuant to this Agreement shall be the sole responsibility of Dundas and shall in no way be the obligation or responsibility of Northfield.
- b. Any and all employees of Northfield and all other persons engaged by Northfield in the performance of any work or services required or provided for herein to be performed by Northfield shall not be considered employees, agents or independent contractors of Dundas, and that any and all claims that may or might arise under the Worker's Compensation Act or the Unemployment Compensation Act of the State of Minnesota on behalf of said Northfield employees while so engaged and any and all claims made by any third parties as a consequence of any act or omission on the part of said Northfield employees while so engaged in any of the

work or services to be rendered pursuant to this Agreement, shall be the sole responsibility of Northfield and shall in no way be the obligation or responsibility of Dundas.

11. Government Approvals. In the event that either Party does not timely complete those government or other approvals required herein prior to and as necessary for Northfield to award contract(s) for construction of the Project and Improvements as provided herein, then in such event, this Agreement shall be null and void without further obligation of either Party, except to the extent provided in this Agreement regarding grant dollars.
12. Duration. This Agreement shall be in effect for a period of ten (10) years from the date first written above, or as otherwise provided in this Agreement, whichever comes first. Notwithstanding anything to the contrary contained herein, if either Party fails to perform or comply with any of the provisions of this Agreement, this shall constitute default. Unless the default is excused by the non-defaulting Party or cured by the defaulting Party within thirty (30) days of notice of default, the non-defaulting Party may, upon written notice to the defaulting Party, immediately terminate this Agreement or exercise any other rights or remedies available under this Agreement or law.
13. General Terms.
  - a. Voluntary and Knowing Action. The Parties, by executing this Agreement, state that they have carefully read this Agreement and understand fully the contents thereof; that in executing this Agreement they voluntarily accept all terms described in this Agreement without duress, coercion, undue influence, or otherwise, and that they intend to be legally bound thereby.
  - b. Authorized Signatories. The Parties each represent and warrant to the other that (1) the persons signing this Agreement are authorized signatories for the entities represented, and (2) no further approvals, actions or ratifications are needed for the full enforceability of this Agreement against it; each Party indemnifies and holds the other harmless against any breach of the foregoing representation and warranty.
  - c. Notices. The Parties' representatives for notification for all purposes are:

NORTHFIELD:  
City Administrator  
City of Northfield  
801 Washington St.  
Northfield, MN 55057-2565  
(507) 645-8833

DUNDAS:  
City Administrator  
City of Dundas  
PO Box 70  
Dundas, MN 55019-0070  
(507) 645-2852

- d. Assignment. This Agreement may not be assigned by any Party without the written consent of the others.
- e. Dispute Resolution. Northfield and Dundas agree to negotiate all disputes between them in good faith for a period of 30 days from the date of notice of dispute prior to proceeding to formal dispute resolution or exercising their rights under law. Any claims or disputes unresolved after good faith negotiations shall first be submitted to mediation utilizing the Minnesota District Court Rule 114 Roster. The Parties agree to each pay 50% of the costs for the mediator, but each Party shall otherwise be responsible for its own mediation costs and attorneys fees.
- f. Modifications/Amendment. Any alterations, variations, modifications, amendments or waivers of the provisions of this Agreement shall only be valid when they have been reduced to writing, and signed by authorized representative of all of the Parties hereto.
- g. Records—Availability and Retention. Pursuant to Minn. Stat. § 16C.05, subd. 5, the Parties agree that any Party, the State Auditor, or any of their duly authorized representatives at any time during normal business hours and as often as they may reasonably deem necessary, shall have access to and the right to examine, audit, excerpt, and transcribe any books, documents, papers, records, etc., which are pertinent to the accounting practices and procedures of the Parties and involve transactions relating to this Agreement.
- h. Force Majeure. The Parties shall each be excused from performance under this Agreement while and to the extent that either of them are unable to perform, for any cause beyond its reasonable control. Such causes shall include, but not be restricted to fire, storm, flood, earthquake, explosion, war, total or partial failure of transportation or delivery facilities, raw materials or supplies, interruption of utilities or power, and any act of government or military authority. In the event either Party is rendered unable wholly or in part by force majeure to carry out its obligations under this Agreement then the Party affected by force majeure shall give written notice with explanation to the other Party immediately.
- i. Governing Law. This Agreement shall be deemed to have been made and accepted in Rice County, Minnesota, and the laws of the State of Minnesota shall govern any interpretations or constructions of the Agreement without regard to its choice of law or conflict of laws principles.
- j. Data Practices. The Parties acknowledge that this Agreement is subject to the requirements of Minnesota's Government Data Practices Act, Minnesota Statutes, Section 13.01 *et seq.*
- k. No Waiver. Any Party's failure in any one or more instances to insist upon strict performance of any of the terms and conditions of this Agreement or to exercise any right herein conferred shall not be construed as a waiver or relinquishment of that right or of that Party's right to assert or rely upon the terms and conditions of this Agreement. Any express waiver of a term of this Agreement shall not be binding and effective unless made in writing and properly executed by the waiving party.
- l. Entire Agreement. These terms and conditions constitute the entire Agreement between the Parties regarding the subject matter hereof. All discussions and negotiations are deemed merged in this Agreement.

- m. Headings and Captions. Headings and captions contained in this Agreement are for convenience only and are not intended to alter any of the provisions of this Agreement and shall not be used for the interpretation of the validity of the Agreement or any provision hereof.
- n. Survivability. All covenants, indemnities, guarantees, releases, representations and warranties by any party or parties, and any undischarged obligations of the City and the County arising prior to the expiration of this Agreement (whether by completion or earlier termination), shall survive such expiration.
- o. Recitals. The recitals hereto are made a part hereof.
- p. Counterparts. This Agreement may be executed in several counterparts, each of which shall be an original, and all of which shall constitute but one and the same instrument.

IN TESTIMONY WHEREOF, the Parties hereto have caused this Agreement to be executed by their respective duly authorized officers as of the day and year first above written.

**CITY OF NORTHFIELD:**

By: \_\_\_\_\_ Date: \_\_\_\_\_  
Dana Graham, Its Mayor

By: \_\_\_\_\_ Date: \_\_\_\_\_  
Deb Little, Its City Clerk

**CITY OF DUNDAS:**

By: \_\_\_\_\_ Date: \_\_\_\_\_  
Glenn Switzer, Its Mayor

By: \_\_\_\_\_ Date: \_\_\_\_\_  
John McCarthy, Its City Administrator






**EXHIBIT 1**

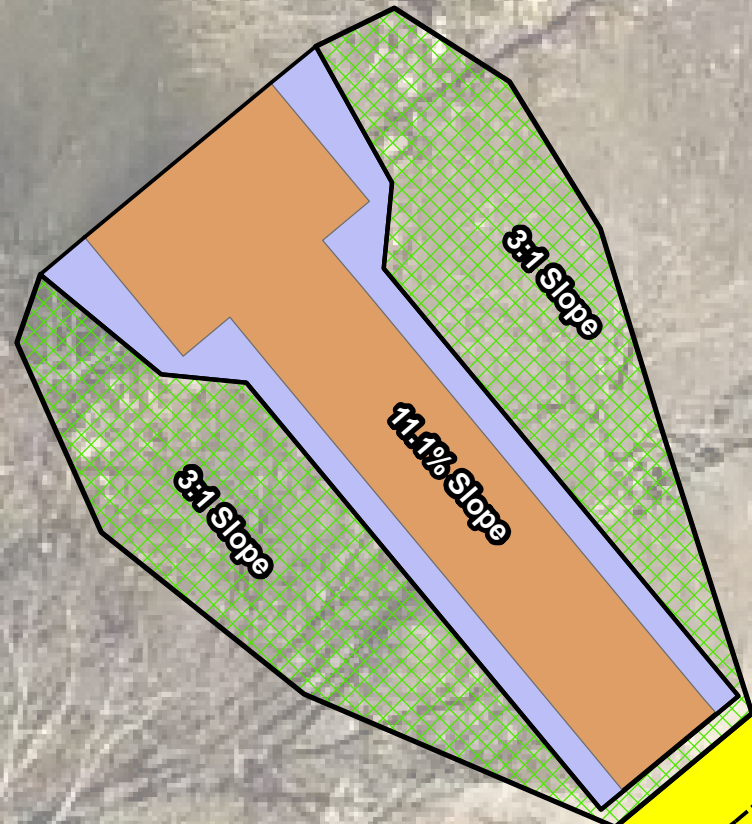
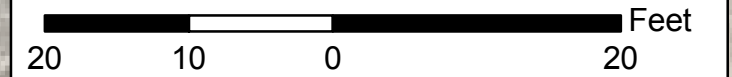
**Depiction of Regional Park**

**EXHIBIT 2**  
**Engineer's Estimate**

# REGIONAL PARK REST AREA AND SHELTER SITE PLAN

## Legend

-  Concrete Areas
-  Class II Rip-Rap
-  Prairie Grass Mix
-  Fabric/Geocell/Class V
-  Trail



**Bench and Signage Slab**  
 2 - (4'x4') Panels  
 1/2 rebar - 12" OC  
 2% Cross Slope  
 6" Concrete  
 12" Class V Sub Base  
 0.6 yd<sup>3</sup>

**Access Walkway Concrete Slab**  
 861 ft<sup>2</sup> - (5'x5') Panels  
 1/2 rebar - 12" OC  
 2% Cross Slope  
 6" Concrete  
 12" Class V Sub Base  
 16 yd<sup>3</sup>

**Shelter Concrete Slab**  
 21 - (8'x8') Panels  
 1/2 rebar - 12" OC  
 2% Cross Slope  
 6" Concrete  
 12" Class V Sub Base  
 25 yd<sup>3</sup>

**Portable Bathroom Slab**  
 4 - (4'x4') Panels  
 1/2 rebar - 12" OC  
 2% Cross Slope  
 6" Concrete  
 12" Class V Sub Base  
 1.2 yd<sup>3</sup>

**Bicycle Rack/Repair Area Slab**  
 8 - (4'x4') Panels  
 1/2 rebar - 12" OC  
 2% Cross Slope  
 6" Concrete  
 12" Class V Sub Base  
 2.4 yd<sup>3</sup>



**City Council Meeting Date:**

**To:** Mayor and City Council  
City Administrator

**From:** Jasper J. Kruggel, GISP, GIS & Engineering Technician  
Brian Erickson, P.E., Interim Public Works Director/City Engineer

**Subject:**

**..TITLE**

Approve Amendment of 2014 Regional Park Grant Agreement

**..BODY**

**Action Requested:**

The Northfield City Council approves an amendment to the 2014 Regional Park Grant, reallocating funds from “Trails” to “Land Acquisition”.

**Summary Report:**

The City of Northfield, partnering with the City of Dundas, was awarded a Regional Park Grant in 2014. This grant was designated to primarily purchase property along the east side of the Cannon River to be used for developing a regional park, in particular, the East Cannon River Trail that connects the City of Dundas and the City of Northfield. Through an evaluation by Legacy Trail Grant Coordinator Traci Vibo and Legacy Park Grant Coordinator Audrey Mularie, the MN DNR staff indicated that the line item described in our Regional Park Grant called “Trails”, could not be used for the East Cannon River Trail since that trail is proposed to be constructed with assistance from a Legacy Trail Grant.

With that information, along with a new appraisal for the 40.68 acre parcel located in Dundas, staff is recommending moving the \$144,000 allocated for “Trails” in the grant agreement to “Land Acquisition”. This will allow the City of Dundas to pursue the acquisition of the 40.68 acre parcel, helping satisfy the requirements of the grant agreement. MN DNR staff is agreeable to this amendment and has provided a grant amendment worksheet to describe the changes which are attached. There is also an added line item for “Access Walkways” in the amount of \$25,000 that is designated to connect the shelter area and the fishing access area to the East Cannon River Trail. This satisfies the requirements in the grant agreement and will be funded via the approved budget allocation to trail connections in conjunction with a share from the City of Dundas.

With the partnership, both the City of Dundas and the City of Northfield need to agree to the grant agreement amendment; the City of Dundas will be bringing this item forward at their January 12, 2014 meeting.

**Alternative Options:**

Council may decide not to agree to this grant agreement amendment, forcing the City of Dundas to find other means of acquiring the described parcel.

**Financial Impacts:**

Funds from the “Trail Connections” line item located in the approved 2015 budget will be earmarked for trail connections to the shelter area and the fishing access area. The actual total amount will not exceed \$12,500, as that would be a 50% - 50% split between the City of Dundas and the City of Northfield. Moving the \$144,000 from “Trail” to “Land Acquisition” will not affect the City of Northfield’s local contribution, as that portion of the grant was unusable in its pre-grant amendment form.

**Tentative Timelines:**

If Council approves this amendment, Dundas will proceed with negotiations with the landowner immediately.

## NAFRS Board Meeting Minutes –March 31, 2016 - DRAFT

Meeting called to order at 9am

### Board Meeting Attendance

| Voting Members:  | present | absent | late |
|------------------|---------|--------|------|
| Gary Bolinger    | X       |        |      |
| Glen Castore     | X       |        |      |
| David Drenth     |         | x      |      |
| Dana Graham      | X       |        |      |
| Paul Liebenstein |         | x      |      |
| Glenn Switzer    | X       |        |      |
| Bron Scherer     | X       |        |      |
| Bernie Street    | x       |        |      |

| Ex-officio Members:      | present | absent | late |
|--------------------------|---------|--------|------|
| Jerry Anderson           |         | x      |      |
| Brian Edwards            |         | x      |      |
| CC Linstroth, City Admin | x       |        |      |
| John McCarthy            | X       |        |      |
| Monte Nelson             | X       |        |      |
| Gerry Franek             | x       |        |      |

|   |  |   |
|---|--|---|
| 1 | Approve Agenda   | <p>The agenda was approved with the following changes:</p> <ol style="list-style-type: none"> <li>1) Move memo on internal controls to follow audit report.</li> <li>2) Move SOG's to April</li> <li>3) Move Annual Report to 30-60 days in consideration of incoming Administrator.</li> </ol> |
| 2 | Approve Minutes of 2/28/16   | Minutes were approved.  |
| 3 | <p>Audit Report</p> <p style="text-align: center;">*and*</p> <p>Memo on Internal Control Environment</p> | <p>Tom Olinger from Abdo, Eick, &amp; Meyers reviewed the Audit Report and Management Letter and took questions.</p> <p>Scherer moved to accept the Audit report; Bollinger seconded; approved by all present.</p> <p>The memo distributed to the JP Board on 3/21/16 was discussed.</p>        |

|   |                      |  |
|---|----------------------|--|
| 4 | Chief's Report       | <ul style="list-style-type: none"> <li>-Fire calls included one suspected arson</li> <li>-New Firefighters have passed FF1; FF2 and HazMat training continue</li> <li>-Proposed house-burn for early-May</li> <li>-Egg-hunt collaboration with VFW</li> <li>-Food shelf collection Sat., April 2</li> </ul>  |
| 5 | EXPLORE Program      | <p>Gerry Franek provided an overview of the program as it relates to the Fire Department</p> <p>Currently, 18 participants in the organization (Law Enforcement, Fire, and EMS). Upcoming is Governor's Conference. Farmington Fire is forwarding to NAFRS, both gear and funds, from their defunct program.</p> <p>Monty Nelson suggested adding EXPLORE program information to the NAFRS Web site.</p> |
| 6 | Finance Report       | <p>Scherer reviewed YTD statements.</p> <p>Scherer moves for approval of Batches 35 and 36, Switzer seconded; approved by all present</p>  |
| 7 | Facility Location    | <p>Information was presented. The Board agreed that we will pull together information about location, flood proofing, ownership, and then there will be a Board Work Session.</p>  |
| 8 | Administrative Items | <p>A request was made to send agenda items for future board meetings, to Char.</p> <p>Char requested feedback on the NAFRS Web site.</p>   |

**Meeting Adjourned at 10:13am**