

**LAUDERDALE CITY COUNCIL MEETING AGENDA**  
**7:30 P.M. TUESDAY, OCTOBER 27, 2015**  
**LAUDERDALE CITY HALL, 1891 WALNUT STREET**

The City Council is meeting as a legislative body to conduct the business of the City according to Robert's Rules of Order and the Standing Rules of Order and Business of the City Council. Unless so ordered by the Mayor, citizen participation is limited to the times indicated and always within the prescribed rules of conduct for public input at meetings.

1. **CALL THE MEETING TO ORDER**
2. **ROLL CALL**
3. **APPROVALS**
  - a. Agenda
  - b. Minutes of the October 13, 2015 City Council Meeting
  - c. Claims Totaling \$31,991.67
4. **CONSENT**
  - a. September Financial Report
  - b. Quarterly Investment Report
  - c. PCIC Minutes
  - d. SCORE Grant Request
5. **SPECIAL ORDER OF BUSINESS/RECOGNITIONS/PROCLAMATIONS**
6. **INFORMATIONAL PRESENTATIONS / REPORTS**
  - a. Halloween Update
7. **PUBLIC HEARINGS**

Public hearings are conducted so that the public affected by a proposal may have input into the decision. During hearings all affected residents will be given an opportunity to speak pursuant to the Robert's Rules of Order and the standing rules of order and business of the City Council.

- a. CenturyLink Cable Franchise Application
  - b. Resolution 102715A – Special Assessments for Delinquent Miscellaneous Accounts Receivable
  - c. Ordinance No. 15-07, Revisions to Driveway and Parking Pad Requirements
8. **DISCUSSION / ACTION ITEMS**
    - a. Resolution 102715B – Benedictine Health Systems Conduit Financing
  9. **ITEMS REMOVED FROM THE CONSENT AGENDA**
  10. **ADDITIONAL ITEMS**
  11. **SET AGENDA FOR NEXT MEETING**
    - a. 2016 Special Revenue Fund Budgets
    - b. Amendments to Animal Control Ordinance

**12. WORK SESSION**

- a. Opportunity for the Public to Address the City Council

Any member of the public may speak at this time on any item not on the agenda. In consideration for the public attending the meeting, this portion of the meeting will be limited to fifteen (15) minutes. Individuals are requested to limit their comments to four (4) minutes or less. If the majority of the Council determines that additional time on a specific issue is warranted, then discussion on that issue shall be continued at the end of the agenda. Before addressing the City Council, members of the public are asked to step up to the microphone, give their name, address, and state the subject to be discussed. All remarks shall be addressed to the Council as a whole and not to any member thereof. No person other than members of the Council and the person having the floor shall be permitted to enter any discussion without permission of the presiding officer.

Your participation, as prescribed by the Robert's Rules of Order and the standing rules of order and business of the City Council, is welcomed and your cooperation is greatly appreciated.

- b. Sex Offender Residency Restrictions  
c. Community Development Update

**13. CLOSED SESSION**

- a. Purchase of 1821 Eustis Street

**14. ADJOURNMENT**

LAUDERDALE CITY COUNCIL  
MEETING MINUTES  
Lauderdale City Hall  
1891 Walnut Street  
Lauderdale, MN 55113

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October 13, 2015

Mayor Dains called the Regular City Council meeting to order at 7:33 p.m.

Councilors present: Mayor Jeff Dains, Mary Gaasch, Roxanne Grove, Denise Hawkinson, and Lara Mac Lean.

Councilors absent: None.

Staff present: Heather Butkowski, City Administrator; Jim Bownik, Assistant City Administrator; and Terry Berg, Deputy City Clerk.

**Approvals**

Mayor Dains asked for changes to the meeting agenda. City Administrator Butkowski noted an additional accounts payable in the amount of \$80.00. Motion was made by Councilor Grove to approve the agenda with the additional accounts payable, seconded by Councilor Mac Lean and carried unanimously.

Councilor Gaasch moved to approve the City Council meeting minutes of September 22, 2015. Councilor Hawkinson seconded the motion and carried unanimously.

Councilor Grove moved and seconded by Councilor Hawkinson to approve the claims totaling \$138,097.05. Motion carried unanimously.

**Consent**

Mayor Dains asked if any Councilors wished to remove items from the Consent Agenda. There being none, Councilor Mac Lean moved and seconded by Councilor Hawkinson to approve the Consent Agenda thereby approving the Snow Removal Contract and acknowledging the August Financial Report. Motion carried unanimously.

**Informational Presentations / Reports**

A. Presentation by University of Minnesota Sustainability Students

City Administrator Butkowski introduced Haley Fisher, Jack Kuderko, and Nathan Engfer as the students in attendance for the tri-city project for Lauderdale, Falcon Heights, and St. Anthony.

Ms. Fisher is working on the housing redevelopment project for Lauderdale. The project coincides with the Council's efforts to acquire homes of less than 700 square feet and in need of repair. Students are developing a request for proposal for developers to construct new homes that fit into the neighborhood and are energy efficient.

Jack Kuderko's responsibility is the coordination of the Sustainability Fair that is scheduled for November 19 from 5:30 p.m. until 8:00 p.m. at Silverwood Park, where the tri-city projects are presented.

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October 13, 2015

Mr. Engfer is working on a Falcon Heights project which focuses on transportation issues such as the Rapid Bus Transit planned for Snelling Avenue and bike lanes.

B. Tech Dump Event on October 17

Assistant City Administrator Bownik highlighted the tri-city electronics recycling event scheduled for Saturday, October 17. Electronics can be dropped off at the Falcon Heights or St. Anthony city halls.

C. Halloween Event on October 31

Assistant City Administrator Bownik updated the council on the long-standing event for Saturday, October 31 from 5:00 p.m. until 7:00 p.m. with free food, events, and treat bags.

**Public Hearings**

A. Ordinance No. 15-05 Regarding Peddlers, Solicitors, Transient Merchants, and Door-to-Door Advocates

City Administrator Butkowski noted the ordinance amendment was in response to issues encountered in 2015. The ordinance establishes a more formal process to receive a solicitors permit that includes a thorough application, background check, fee, and a defined timeline. Exemptions exist for youth, religious, and political groups.

Mayor Dains opened the public hearing at 7:55 p.m.

There being no public comment, Mayor Dains closed the public hearing at 7:56 p.m.

Motion was made by Councilor Gaasch and seconded by Councilor Hawkinson to adopt Ordinance No. 15-05 amending Title 4, Chapter 6 of the Code of Ordinances Regarding Peddling, Canvassing and Soliciting and Creating Title 3, Chapter 10 Peddlers, Solicitors, Transient Merchants, and Door-to-Door Advocates as presented. Motion carried unanimously on a roll call vote.

B. Ordinance No. 15-06 Regarding Assessable Current Services for Snow Removal

Administrator Butkowski reported that the lack of prompt snow removal can be addressed using the City's snow removal contractor. Before proceeding, staff asked the city attorney to amend the City's nuisance ordinance as needed so the City can provide snow removal services and invoice property owners for costs incurred.

Mayor Dains opened the public hearing at 8:00 p.m.

Jack Kuderko inquired if the City has salt application rules for sidewalks. Administrator Butkowski responded that the City does not regulate.

There being no further public comment, Mayor Dains closed the public hearing at 8:02 p.m.

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October 13, 2015

Motion was made by Councilor Hawkinson and seconded by Councilor Mac Lean to adopt Ordinance No. 15-06 amending Title 4, Chapter 6 of the Code of Ordinances Regarding Assessable Current Services for Snow Removal. Motion carried unanimously on a roll call vote.

**Discussion / Action Items**

C. Revisions to Driveway Ordinance

Administrator Butkowski noted the draft revisions are focused on the implementation of a parking pad permit. The revisions would treat parking pads like fences, retaining walls, sidewalks, and driveways in that they require a zoning permit. Acceptable materials include concrete and bituminous with standards for pavers developed with the assistance of the city engineer. City Attorney Batty is reviewing the proposed ordinance and drafting an enforcement section. This ordinance should be finalized for council consideration at their next meeting.

**Work Session**

A. Public Comment. None.

B. 2016 Special Revenue Fund Budgets

City Administrator Butkowski noted that the first draft of the 2016 special revenue budget were available for the Council's review. The capital funds and enterprise funds contain projects or equipment included in the draft 2016 Capital Improvement Plan. The items for public works include a replacement truck and mower.

The Chart of Accounts will be changed as part of the financial management software conversion to reflect the State Auditor's recommendation and GASB.

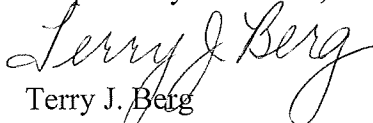
C. Community Development Update

Administrator Butkowski reported on the new home construction on Pleasant Street and the renovated property at 1821 Eustis Street. The Chinese Christian Church remains on the market at the same selling price.

Mayor Dains inquired if the City had received a response from Ramsey County regarding the group home discussion with the response being none.

There being no further business on the council agenda, motion was made by Councilor Hawkinson and seconded by Councilor Mac Lean, carried unanimously, to adjourn the meeting at 8:15 p.m.

Respectfully submitted,

  
Terry J. Berg  
Deputy City Clerk

**CITY OF LAUDERDALE**

**CLAIMS FOR APPROVAL**

**October 27, 2015 City Council Meeting**

Payroll

10/23/15 Payroll: Direct Deposit # 502106-502116	\$10,526.57
10/23/15 Payroll: Payroll Liabilities, e-payments 1042E-1045E	\$9,102.69

Vendor Claims

10/27/15 Claims: Check #'s 23020-23041	\$12,362.41
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**SUBTOTAL \$31,991.67**

**Total Claims for Approval**

**\$31,991.67**

LAUDERDALE, MN

10/22/15 9:43 AM

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Payments

Current Period: OCTOBER 2015

Batch Name 102315 PR  
 Payment Computer Dollar Amt \$9,102.69 Posted

Refer	5017 ICMA RETIREMENT TRUST - 457	Ck# 001042E 10/23/2015			
Cash Payment	G 101-21705 ICMA RETIREMENT	October 23 2015 Payroll			\$1,869.46
Invoice	102052563	10/23/2015			
Transaction Date	10/23/2015	Due 0	NORTH STAR CHE	10100	<b>Total</b> \$1,869.46
Refer	5018 MN DEPARTMENT OF REVENUE	Ck# 001043E 10/23/2015			
Cash Payment	G 101-21702 STATE WITHHOLDING	October Payroll			\$1,371.25
Invoice	October	10/23/2015			
Transaction Date	10/23/2015	Due 0	NORTH STAR CHE	10100	<b>Total</b> \$1,371.25
Refer	5019 NORTH STAR BANK, CHECKING S	Ck# 001044E 10/23/2015			
Cash Payment	G 101-21701 FEDERAL TAXES	October 23 2015 Payroll			\$1,489.97
Invoice		10/23/2015			
Cash Payment	G 101-21703 FICA WITHHOLDING.	October 23 2015 Payroll			\$2,578.46
Invoice		10/23/2015			
Transaction Date	10/23/2015	Due 0	NORTH STAR CHE	10100	<b>Total</b> \$4,068.43
Refer	5020 PUBLIC EMPLOYEES INS PROGRA	Ck# 001045E 10/23/2015			
Cash Payment	G 101-21704 PERA	October 23 2015 Payroll			\$1,793.55
Invoice		10/23/2015			
Transaction Date	10/23/2015	Due 0	NORTH STAR CHE	10100	<b>Total</b> \$1,793.55

Fund Summary

	10100 NORTH STAR CHECKING	
101 GENERAL		\$9,102.69
		<u>\$9,102.69</u>

Pre-Written Check	\$9,102.69
Checks to be Generated by the Computer	\$0.00
<b>Total</b>	<b>\$9,102.69</b>

**\*Check Detail Register©**

OCTOBER 2015

Check Amt Invoice Comment

**10100 NORTH STAR CHECKING**

Paid Chk# 023020	10/27/2015	ABDO EICK & MEYERS LLP			
E 101-41200-308		TRAINING & EDUCATION	\$75.00		Financial Seminar - TJB
		<b>Total ABDO EICK &amp; MEYERS LLP</b>	<b>\$75.00</b>		

Paid Chk# 023021	10/27/2015	AFSCME			
G 101-21709		UNION DUES	\$140.25	October	October Union Dues
		<b>Total AFSCME</b>	<b>\$140.25</b>		

Paid Chk# 023022	10/27/2015	BERG, TERRY			
E 101-41200-201		GENERAL SUPPLIES	\$108.42		Paper, Labels, Post-its, Pens
E 101-41200-331		TRAVEL EXPENSE	\$50.03		Mileage
		<b>Total BERG, TERRY</b>	<b>\$158.45</b>		

Paid Chk# 023023	10/27/2015	BUTKOWSKI, HEATHER			
E 101-41200-331		TRAVEL EXPENSE	\$90.74		2Q2015 Mileage
E 101-41200-331		TRAVEL EXPENSE	\$43.82		1Q2015 Mileage
E 101-41200-331		TRAVEL EXPENSE	\$81.48		3Q2015 Mileage
		<b>Total BUTKOWSKI, HEATHER</b>	<b>\$216.04</b>		

Paid Chk# 023024	10/27/2015	CITY OF FALCON HEIGHTS			
E 101-42100-321		FIRE CALLS	\$686.53	September	September False Alarms
		<b>Total CITY OF FALCON HEIGHTS</b>	<b>\$686.53</b>		

Paid Chk# 023025	10/27/2015	CROIX OIL			
E 101-43000-212		MOTOR FUELS	\$155.46	435906	September Fuel
E 601-49000-212		MOTOR FUELS	\$33.32	435906	September Fuel
E 602-49100-212		MOTOR FUELS	\$33.31	435906	September Fuel
		<b>Total CROIX OIL</b>	<b>\$222.09</b>		

Paid Chk# 023026	10/27/2015	EUREKA RECYCLING			
E 203-50000-389		RECYCLING CONTRACTOR	\$2,510.28	15311	September Recycling
E 203-50000-389		RECYCLING CONTRACTOR	\$2,520.75	15397	October Recycling
		<b>Total EUREKA RECYCLING</b>	<b>\$5,031.03</b>		

Paid Chk# 023027	10/27/2015	GROVE, ROXANNE			
E 201-45600-379		HALLOWEEN EVENT	\$104.90		Halloween Decorations
E 201-45600-379		HALLOWEEN EVENT	\$17.14		Halloween Decorations
		<b>Total GROVE, ROXANNE</b>	<b>\$122.04</b>		

Paid Chk# 023028	10/27/2015	INTEGRA			
E 101-41200-391		TELEPHONE/PAGERS	\$50.75	13361954	Fax Line
		<b>Total INTEGRA</b>	<b>\$50.75</b>		

Paid Chk# 023029	10/27/2015	LEAGUE OF MINNESOTA CITIES			
E 101-41200-308		TRAINING & EDUCATION	\$40.00	222888	2015 Regional Meeting - HB
		<b>Total LEAGUE OF MINNESOTA CITIES</b>	<b>\$40.00</b>		

Paid Chk# 023030	10/27/2015	MAMA			
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**\*Check Detail Register©**

OCTOBER 2015

			Check Amt	Invoice	Comment
E 101-41200-331	TRAVEL EXPENSE		\$20.00	1893	Luncheon Meeting 10/8/15 - HB
	<b>Total MAMA</b>		\$20.00		
<hr/>					
Paid Chk# 023031	10/27/2015	NORTH STAR BANK, PETTY CASH			
E 201-45600-379	HALLOWEEN EVENT		\$7.50		Halloween Decorations
E 201-45600-379	HALLOWEEN EVENT		\$26.78		Halloween Plastic Sheeting
E 201-45600-379	HALLOWEEN EVENT		\$17.08		Halloween Lights
E 101-41200-331	TRAVEL EXPENSE		\$6.00		U of M Parking - HB
E 101-41200-331	TRAVEL EXPENSE		\$10.00		SRA Meeting Lunch 10/21/15- HB
	<b>Total NORTH STAR BANK, PETTY CASH</b>		\$67.36		
<hr/>					
Paid Chk# 023032	10/27/2015	NORTH SUBURBAN ACCESS CORP			
E 202-49500-327	OTHER SERVICES		\$738.36	15-127	3Q2015 Webstreaming/Programming
	<b>Total NORTH SUBURBAN ACCESS CORP</b>		\$738.36		
<hr/>					
Paid Chk# 023033	10/27/2015	NORTHERN CAPITAL INSURANCE			
E 602-49100-361	GENERAL LIABILITY		\$130.50	145568	2015-2016 Insurance Agent Fee
E 101-41100-361	GENERAL LIABILITY		\$418.00	145568	2015-2016 Insurance Agent Fee
E 601-49000-361	GENERAL LIABILITY		\$130.50	145568	2015-2016 Insurance Agent Fee
E 101-41200-361	GENERAL LIABILITY		\$366.00	145568	2015-2016 Insurance Agent Fee
	<b>Total NORTHERN CAPITAL INSURANCE</b>		\$1,045.00		
<hr/>					
Paid Chk# 023034	10/27/2015	ON SITE SANITATION			
E 101-45200-427	PORTA POTTY RENTAL		\$125.00	136483	10/10-11/6/15 Portable Restroom
	<b>Total ON SITE SANITATION</b>		\$125.00		
<hr/>					
Paid Chk# 023035	10/27/2015	PREMIUM WATERS, INC			
E 101-41200-208	WATER DELIVERY		\$38.42	619861-09-15	September
	<b>Total PREMIUM WATERS, INC</b>		\$38.42		
<hr/>					
Paid Chk# 023036	10/27/2015	PUBLIC EMPLOYEES INS PROGRAM			
G 101-21706	HEALTH INSURANCE		\$1,676.96	374110	November Insurance Premiums
	<b>Total PUBLIC EMPLOYEES INS PROGRAM</b>		\$1,676.96		
<hr/>					
Paid Chk# 023037	10/27/2015	RAPIT PRINTING			
E 101-41200-353	NEWSLETTER PRINTING		\$658.60	151875	3Q2015 Newsletter
	<b>Total RAPIT PRINTING</b>		\$658.60		
<hr/>					
Paid Chk# 023038	10/27/2015	UNIVERSITY OF MINNESOTA			
E 101-43400-308	TRAINING & EDUCATION		\$550.00	2016	2016 Building Officials Institute
	<b>Total UNIVERSITY OF MINNESOTA</b>		\$550.00		
<hr/>					
Paid Chk# 023039	10/27/2015	US BANK EQUIPMENT FINANCE			
E 101-41200-401	COPIER CONTRACT		\$149.00	289117517	Copier Contract
	<b>Total US BANK EQUIPMENT FINANCE</b>		\$149.00		
<hr/>					
Paid Chk# 023040	10/27/2015	VERIZON WIRELESS			
E 101-43000-391	TELEPHONE/PAGERS		\$32.33	9753157130	September
E 602-49100-391	TELEPHONE/PAGERS		\$16.17	9753157130	September

**\*Check Detail Register©**

OCTOBER 2015

	Check Amt	Invoice	Comment
E 601-49000-391 TELEPHONE/PAGERS	\$16.17	9753157130	September
<b>Total VERIZON WIRELESS</b>	<b>\$64.67</b>		
<hr/>			
Paid Chk# 023041 10/27/2015 XCEL ENERGY, STREET LIGHTING			
E 101-43000-380 STREET LIGHTING	\$486.86	474228691	September Street Lights
<b>Total XCEL ENERGY, STREET LIGHTING</b>	<b>\$486.86</b>		
<b>10100 NORTH STAR CHECKING</b>	<b>\$12,362.41</b>		

Fund Summary

<b>10100 NORTH STAR CHECKING</b>	
101 GENERAL	\$6,059.65
201 COMMUNITY EVENTS	\$173.40
202 COMMUNICATIONS	\$738.36
203 RECYCLING	\$5,031.03
601 SEWER UTILITIES	\$179.99
602 STORM SEWER ENTERPRISE FUND	\$179.98
	<hr/>
	\$12,362.41

**LAUDERDALE COUNCIL  
ACTION FORM**

**Action Requested**

Consent              X    
Public Hearing                
Discussion                   
Action                        
Resolution                   
Work Session              

Meeting Date                      October 27, 2015

ITEM NUMBER                      September Financial Report

STAFF INITIAL                      AS

APPROVED BY ADMINISTRATOR

**DESCRIPTION OF ISSUE AND PAST COUNCIL ACTION:**

Every month I provide the Council with an updated copy of the city's finances. Following are the revenue, expense, and cash balance reports for September 2015.

**OPTIONS:**

**STAFF RECOMMENDATION:**

By approving the consent agenda, the Council acknowledges the city's financial report for September 2015.

**COUNCIL ACTION:**

LAUDERDALE, MN

10/21/15 3:56 PM

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Cash Balances

Current Period: SEPTEMBER 2015

FUND Descr	Account	MTD Debit	MTD Credit	Current Balance
<b>CASH</b>				
GENERAL	G 101-10100	\$109,648.24	\$105,580.77	-\$2,279,469.89
COMMUNITY EVENTS	G 201-10100	\$152.36	\$631.07	\$11,386.97
COMMUNICATIONS	G 202-10100	\$0.00	\$1,308.46	-\$338.20
RECYCLING	G 203-10100	\$14.28	\$38,604.44	\$68,999.81
CAPITAL IMPROVEMENT STREETS	G 401-10100	\$122.65	\$0.00	\$592,698.42
CAPITAL IMPROVEMENTS	G 402-10100	\$10.10	\$0.00	\$48,838.41
CAPITAL IMPROVE STORM WATER	G 403-10100	\$37.66	\$0.00	\$181,992.57
PARK IMPROVEMENT	G 404-10100	\$58.94	\$0.00	\$284,818.15
TIF-PROJECTS	G 405-10100	\$1.62	\$1,192.00	\$7,848.60
SEWER IMPROVEMENT	G 407-10100	\$125.12	\$0.00	\$604,626.40
DEVELOPMENT	G 414-10100	\$22.14	\$15,300.00	\$106,992.17
SEWER UTILITIES	G 601-10100	\$43,331.66	\$23,168.54	\$369,874.08
STORM SEWER ENTERPRISE FUND	G 602-10100	\$12,100.43	\$7,147.44	\$113,503.47
<b>Total CASH</b>		\$165,625.20	\$192,932.72	\$111,770.96
<b>PETTY CASH</b>				
GENERAL	G 101-10200	\$0.00	\$0.00	\$400.00
<b>Total PETTY CASH</b>		\$0.00	\$0.00	\$400.00
<b>INVESTMENTS</b>				
GENERAL	G 101-10400	\$609.63	\$100,000.00	\$2,833,887.01
<b>Total INVESTMENTS</b>		\$609.63	\$100,000.00	\$2,833,887.01
<b>Grand Total</b>		\$166,234.83	\$292,932.72	\$2,946,057.97

**LAUDERDALE, MN**  
**\*Revenue Guideline©**

10/21/15 3:59 PM

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Current Period: SEPTEMBER 2015

		2015	2015	SEPTEMBER	2015	% of YTD
		YTD Budget	YTD Amt	MTD Amt	YTD Balance	Budget
<b>GENERAL</b>						
Active	R 101-31010 CURRENT AD VALORE	\$495,281.00	\$254,920.66	\$0.00	\$240,360.34	51.47%
Active	R 101-31020 DELINQUENT AD VALO	\$0.00	\$3,536.87	\$0.00	-\$3,536.87	0.00%
Active	R 101-31030 FORFEITED TAX SALE	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 101-31040 FISCAL DISPARITIES	\$129,076.00	\$66,459.43	\$0.00	\$62,616.57	51.49%
Active	R 101-31055 EXCESS TAX INCREME	\$0.00	\$578.17	\$0.00	-\$578.17	0.00%
Active	R 101-31910 PENALTIES AND INTER	\$0.00	-\$46.47	\$0.00	\$46.47	0.00%
Active	R 101-32000 LICENSE AND PERMIT	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 101-32110 3.2 ALCOHOL LICENSE	\$150.00	\$0.00	\$0.00	\$150.00	0.00%
Active	R 101-32120 CIGARETTE LICENSE	\$400.00	\$0.00	\$0.00	\$400.00	0.00%
Active	R 101-32130 GARBAGE HAULERS LI	\$1,300.00	\$1,425.00	\$0.00	-\$125.00	109.62%
Active	R 101-32140 HEATING/AC LICENSE	\$600.00	\$750.00	\$50.00	-\$150.00	125.00%
Active	R 101-32150 TREE COMPANIES LIC	\$400.00	\$350.00	\$0.00	\$50.00	87.50%
In-Active	R 101-32170 DRIVEWAY CONTRACT	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 101-32180 RENTAL HOUSING LIC	\$5,000.00	\$1,025.00	\$192.00	\$3,975.00	20.50%
Active	R 101-32210 BUILDING PERMITS	\$12,500.00	\$14,378.75	\$3,790.80	-\$1,878.75	115.03%
Active	R 101-32211 ZONING PERMIT APPLI	\$500.00	\$1,000.00	\$150.00	-\$500.00	200.00%
Active	R 101-32225 PLAN REVIEW FEE	\$2,500.00	\$3,045.92	\$445.35	-\$545.92	121.84%
Active	R 101-32230 PLUMBING PERMITS	\$1,000.00	\$2,976.00	\$96.00	-\$1,976.00	297.60%
Active	R 101-32240 ANIMAL LICENSES	\$150.00	\$150.00	\$0.00	\$0.00	100.00%
Active	R 101-32270 HEATING A/C PERMIT	\$1,500.00	\$1,427.00	\$153.00	\$73.00	95.13%
Active	R 101-32280 STREET EXCAVATION	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 101-33401 LOCAL GOVERNMENT	\$536,736.00	\$268,368.00	\$0.00	\$268,368.00	50.00%
Active	R 101-33402 HOMESTEAD CREDIT	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 101-33405 PERA RATE INCREASE	\$1,198.00	\$599.00	\$0.00	\$599.00	50.00%
Active	R 101-33406 MARKET VAL HOM CR	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 101-33623 MET COUNCIL - LIV CO	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 101-33624 LIVABLE COMMUNITIE	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 101-34101 CITY HALL/PARK RENT	\$7,500.00	\$5,959.50	\$840.00	\$1,540.50	79.46%
Active	R 101-34103 ADMINISTRATIVE FEE	\$0.00	\$25.00	\$0.00	-\$25.00	0.00%
Active	R 101-34105 SALE OF PUBLICATION	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 101-34107 ASSESSMENT SEARCH	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 101-34109 COPIES	\$100.00	\$0.00	\$0.00	\$100.00	0.00%
In-Active	R 101-34110 VARIANCE FEES	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 101-34111 LEGAL FEES	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 101-34112 CONDITIONAL USE PE	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 101-34113 ZONING AMENDMENT	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 101-34114 ADVERTISING SALES	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 101-34115 GENERAL GOVERNME	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 101-34116 ENGINEERING FEES	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 101-34201 FALSE SECURITY ALA	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 101-34202 FALSE FIRE ALARM - FI	\$500.00	\$0.00	\$0.00	\$500.00	0.00%
Active	R 101-34203 FIRE INSPECTION FEE	\$500.00	\$0.00	\$0.00	\$500.00	0.00%
Active	R 101-34205 FIRE CALL REIMBURSE	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 101-35101 COURT FINES	\$45,000.00	\$33,741.17	\$2,958.42	\$11,258.83	74.98%
Active	R 101-35104 OTHER FINES	\$0.00	\$200.00	\$0.00	-\$200.00	0.00%
Active	R 101-36100 SPECIAL ASSESSMENT	\$0.00	\$499.70	\$0.00	-\$499.70	0.00%
Active	R 101-36101 SPECIAL ASSESMEN	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 101-36102 PENALTIES & INTERES	\$0.00	\$343.17	\$0.00	-\$343.17	0.00%
Active	R 101-36103 TREE REMOVAL	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 101-36200 MISCELLANEOUS REV	\$0.00	\$0.25	\$0.00	-\$0.25	0.00%
Active	R 101-36211 INVESTMENT INTERES	\$1,400.00	\$1,771.93	\$114.73	-\$371.93	126.57%

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		2015	2015	SEPTEMBER	2015	% of YTD
		YTD Budget	YTD Amt	MTD Amt	YTD Balance	Budget
Active	R 101-36230 DONATIONS	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 101-36231 DOG PARK DONATION	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 101-36240 SURCHARGES	\$500.00	\$832.51	\$171.51	-\$332.51	166.50%
Active	R 101-36250 REFUNDS & REIMBUR	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 101-36252 LMC INSURANCE REFU	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
In-Active	R 101-36255 MISCELLANEOUS	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 101-39101 SALES CAPITAL ASSET	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 101-39200 INTERFUND OPERATIN	\$20,461.00	\$0.00	\$0.00	\$20,461.00	0.00%
Active	R 101-39999 PRIOR PERIOD ADJUS	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
<b>Total GENERAL</b>		<b>\$1,264,252.00</b>	<b>\$664,316.56</b>	<b>\$8,961.81</b>	<b>\$599,935.44</b>	<b>52.55%</b>
<b>COMMUNITY EVENTS</b>						
Active	R 201-34785 PARK EVENTS	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 201-34786 WINTER EVENT	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 201-34787 GARAGE SALE	\$75.00	\$75.00	\$0.00	\$0.00	100.00%
Active	R 201-34788 DAY IN THE PARK	\$1,000.00	\$2,000.00	\$0.00	-\$1,000.00	200.00%
Active	R 201-34789 MUSIC UNDER THE TR	\$400.00	\$0.00	\$0.00	\$400.00	0.00%
Active	R 201-34790 MUGS	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 201-34791 POP SALES	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 201-34792 MERCHANDISE SALES	\$100.00	\$88.00	\$0.00	\$12.00	88.00%
Active	R 201-34793 FUN RUN/WALK	\$400.00	\$450.00	\$150.00	-\$50.00	112.50%
Active	R 201-34794 NATIONAL NIGHT OUT	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 201-34795 HALLOWEEN DONATIO	\$1,000.00	\$0.00	\$0.00	\$1,000.00	0.00%
Active	R 201-36211 INVESTMENT INTERES	\$25.00	\$39.43	\$2.36	-\$14.43	157.72%
Active	R 201-36230 DONATIONS	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 201-36250 REFUNDS & REIMBUR	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 201-36255 MISCELLANEOUS	\$0.00	\$58.06	\$0.00	-\$58.06	0.00%
Active	R 201-39200 INTERFUND OPERATIN	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 201-39201 TRANSFER FROM GENE	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
<b>Total COMMUNITY EVENTS</b>		<b>\$3,000.00</b>	<b>\$2,710.49</b>	<b>\$152.36</b>	<b>\$289.51</b>	<b>90.35%</b>
<b>COMMUNICATIONS</b>						
Active	R 202-33600 GRANTS & AID FROM L	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 202-36211 INVESTMENT INTERES	\$25.00	\$3.30	\$0.00	\$21.70	13.20%
Active	R 202-36250 REFUNDS & REIMBUR	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 202-36253 CABLE FRANCHISE RE	\$20,000.00	\$9,909.35	\$0.00	\$10,090.65	49.55%
Active	R 202-36255 MISCELLANEOUS	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
<b>Total COMMUNICATIONS</b>		<b>\$20,025.00</b>	<b>\$9,912.65</b>	<b>\$0.00</b>	<b>\$10,112.35</b>	<b>49.50%</b>
<b>RECYCLING</b>						
Active	R 203-33621 METROPOLITAN COUN	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 203-33622 COUNTY GRANTS	\$6,369.00	\$6,369.00	\$0.00	\$0.00	100.00%
Active	R 203-36100 SPECIAL ASSESMENT	\$35,000.00	\$18,113.89	\$0.00	\$16,886.11	51.75%
Active	R 203-36101 SPECIAL ASSESMEN	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 203-36102 PENALTIES & INTERES	\$0.00	\$187.23	\$0.00	-\$187.23	0.00%
Active	R 203-36211 INVESTMENT INTERES	\$400.00	\$370.63	\$14.28	\$29.37	92.66%
Active	R 203-36250 REFUNDS & REIMBUR	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 203-36255 MISCELLANEOUS	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 203-39200 INTERFUND OPERATIN	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
<b>Total RECYCLING</b>		<b>\$41,769.00</b>	<b>\$25,040.75</b>	<b>\$14.28</b>	<b>\$16,728.25</b>	<b>59.95%</b>
<b>TAX INCREMENT DEBT SERVICE</b>						
Active	R 301-31040 FISCAL DISPARITIES	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 301-31050 TAX INCREMENT	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 301-31051 DELINQUENT TAX INC	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 301-33402 HOMESTEAD CREDIT	\$0.00	\$0.00	\$0.00	\$0.00	0.00%

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Active	R 301-33406 MARKET VAL HOM CR	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 301-36100 SPECIAL ASSESMENT	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 301-36211 INVESTMENT INTERES	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 301-39200 INTERFUND OPERATIN	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 301-39205 TRANS FROM TIF PRO	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 301-39999 PRIOR PERIOD ADJUS	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
<b>Total TAX INCREMENT DEBT SERVICE</b>		\$0.00	\$0.00	\$0.00	\$0.00	0.00%
<b>00 ST/UTIL IMP DEBT SERVICE</b>						
Active	R 302-36100 SPECIAL ASSESMENT	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 302-36102 PENALTIES & INTERES	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 302-36211 INVESTMENT INTERES	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 302-36250 REFUNDS & REIMBUR	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 302-39200 INTERFUND OPERATIN	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 302-39310 GENERAL OBLIGATION	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
<b>Total 00 ST/UTIL IMP DEBT SERVICE</b>		\$0.00	\$0.00	\$0.00	\$0.00	0.00%
<b>02 ST/UTIL IMP DEBT SERVICE</b>						
Active	R 303-36100 SPECIAL ASSESMENT	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 303-36102 PENALTIES & INTERES	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 303-36211 INVESTMENT INTERES	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 303-39200 INTERFUND OPERATIN	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 303-39310 GENERAL OBLIGATION	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
<b>Total 02 ST/UTIL IMP DEBT SERVICE</b>		\$0.00	\$0.00	\$0.00	\$0.00	0.00%
<b>03 ST/UTIL IMP DEBT SERVICE</b>						
Active	R 304-36100 SPECIAL ASSESMENT	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 304-36102 PENALTIES & INTERES	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 304-36211 INVESTMENT INTERES	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 304-39200 INTERFUND OPERATIN	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 304-39310 GENERAL OBLIGATION	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
<b>Total 03 ST/UTIL IMP DEBT SERVICE</b>		\$0.00	\$0.00	\$0.00	\$0.00	0.00%
<b>CAPITAL IMPROVEMENT STREETS</b>						
Active	R 401-33431 SMALL CITIES ASSIST	\$0.00	\$12,815.50	\$0.00	-\$12,815.50	0.00%
Active	R 401-36100 SPECIAL ASSESMENT	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 401-36102 PENALTIES & INTERES	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 401-36200 MISCELLANEOUS REV	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 401-36211 INVESTMENT INTERES	\$2,000.00	\$2,162.63	\$122.65	-\$162.63	108.13%
Active	R 401-39200 INTERFUND OPERATIN	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 401-39201 TRANFER FROM GENE	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 401-39999 PRIOR PERIOD ADJUS	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
<b>Total CAPITAL IMPROVEMENT STREETS</b>		\$2,000.00	\$14,978.13	\$122.65	-\$12,978.13	748.91%
<b>CAPITAL IMPROVEMENTS</b>						
Active	R 402-36211 INVESTMENT INTERES	\$400.00	\$179.00	\$10.10	\$221.00	44.75%
Active	R 402-36250 REFUNDS & REIMBUR	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 402-39101 SALES CAPITAL ASSET	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 402-39200 INTERFUND OPERATIN	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 402-39201 TRANFER FROM GENE	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 402-39999 PRIOR PERIOD ADJUS	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
<b>Total CAPITAL IMPROVEMENTS</b>		\$400.00	\$179.00	\$10.10	\$221.00	44.75%
<b>CAPITAL IMPROVE STORM WATER</b>						
Active	R 403-36211 INVESTMENT INTERES	\$600.00	\$675.93	\$37.66	-\$75.93	112.66%
Active	R 403-36250 REFUNDS & REIMBUR	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 403-37230 PENALTIES	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 403-37300 STORM SEWER FEE	\$0.00	\$0.00	\$0.00	\$0.00	0.00%

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Active	R 403-39200 INTERFUND OPERATIN	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 403-39201 TRANFER FROM GENE	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 403-39999 PRIOR PERIOD ADJUS	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
<b>Total CAPITAL IMPROVE STORM WATER</b>		\$600.00	\$675.93	\$37.66	-\$75.93	112.66%
<b>PARK IMPROVEMENT</b>						
Active	R 404-33130 CDBG/DNR	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 404-33400 STATE GRANTS AND AI	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 404-36211 INVESTMENT INTERES	\$1,000.00	\$1,075.37	\$58.94	-\$75.37	107.54%
Active	R 404-36230 DONATIONS	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 404-36255 MISCELLANEOUS	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 404-39200 INTERFUND OPERATIN	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 404-39201 TRANFER FROM GENE	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 404-39204 TRANS FROM COMMU	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 404-39999 PRIOR PERIOD ADJUS	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
<b>Total PARK IMPROVEMENT</b>		\$1,000.00	\$1,075.37	\$58.94	-\$75.37	107.54%
<b>TIF-PROJECTS</b>						
Active	R 405-31050 TAX INCREMENT	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 405-31051 DELINQUENT TAX INC	\$0.00	-\$2,103.00	\$0.00	\$2,103.00	0.00%
Active	R 405-33406 MARKET VAL HOM CR	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 405-33419 LARPENTEUR AVE REI	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 405-36210 INTEREST EARNINGS	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 405-36211 INVESTMENT INTERES	\$0.00	\$127.75	\$1.62	-\$127.75	0.00%
Active	R 405-36255 MISCELLANEOUS	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 405-39200 INTERFUND OPERATIN	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 405-39207 TRANS FROM DEBT SE	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 405-39999 PRIOR PERIOD ADJUS	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
<b>Total TIF-PROJECTS</b>		\$0.00	-\$1,975.25	\$1.62	\$1,975.25	0.00%
<b>SEWER IMPROVEMENT</b>						
Active	R 407-36200 MISCELLANEOUS REV	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 407-36211 INVESTMENT INTERES	\$1,500.00	\$2,248.73	\$125.12	-\$748.73	149.92%
Active	R 407-37240 SEWER CONNECTION	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 407-39200 INTERFUND OPERATIN	\$35,000.00	\$130,000.00	\$0.00	-\$95,000.00	371.43%
<b>Total SEWER IMPROVEMENT</b>		\$36,500.00	\$132,248.73	\$125.12	-\$95,748.73	362.33%
<b>WATER UTILITY</b>						
Active	R 409-36211 INVESTMENT INTERES	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 409-36251 ST PAUL WATER SURC	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
<b>Total WATER UTILITY</b>		\$0.00	\$0.00	\$0.00	\$0.00	0.00%
<b>02 ST/UTIL CONSTRUCTION</b>						
Active	R 412-36211 INVESTMENT INTERES	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
<b>Total 02 ST/UTIL CONSTRUCTION</b>		\$0.00	\$0.00	\$0.00	\$0.00	0.00%
<b>03 ST/UTIL CONSTRUCTION</b>						
Active	R 413-33000 INTERGOVERNMENTA	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 413-33600 GRANTS & AID FROM L	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 413-36100 SPECIAL ASSESMENT	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 413-36211 INVESTMENT INTERES	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 413-36250 REFUNDS & REIMBUR	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 413-39200 INTERFUND OPERATIN	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 413-39310 GENERAL OBLIGATION	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
<b>Total 03 ST/UTIL CONSTRUCTION</b>		\$0.00	\$0.00	\$0.00	\$0.00	0.00%
<b>DEVELOPMENT</b>						
Active	R 414-36211 INVESTMENT INTERES	\$0.00	\$451.06	\$22.14	-\$451.06	0.00%



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Active	R 414-36255 MISCELLANEOUS	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 414-39200 INTERFUND OPERATIN	\$38,000.00	\$0.00	\$0.00	\$38,000.00	0.00%
<b>Total DEVELOPMENT</b>		\$38,000.00	\$451.06	\$22.14	\$37,548.94	1.19%
<b>SEWER UTILITIES</b>						
Active	R 601-33000 INTERGOVERNMENTA	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 601-36100 SPECIAL ASSESMENT	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 601-36101 SPECIAL ASSESSMEN	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 601-36102 PENALTIES & INTERES	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 601-36104 SEWER ASSESSMENT	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 601-36211 INVESTMENT INTERES	\$1,800.00	\$1,327.05	\$76.54	\$472.95	73.73%
Active	R 601-36230 DONATIONS	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 601-36250 REFUNDS & REIMBUR	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 601-36255 MISCELLANEOUS	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 601-37210 SEWER SALES AND SE	\$251,125.00	\$195,962.00	\$43,255.12	\$55,163.00	78.03%
Active	R 601-37215 DELINQUENT SEWER	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 601-37230 PENALTIES	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 601-37240 SEWER CONNECTION	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 601-39101 SALES CAPITAL ASSET	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 601-39202 CONTRIB FROM ENTE	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 601-39999 PRIOR PERIOD ADJUS	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
<b>Total SEWER UTILITIES</b>		\$252,925.00	\$197,289.05	\$43,331.66	\$55,635.95	78.00%
<b>STORM SEWER ENTERPRISE FUND</b>						
Active	R 602-36211 INVESTMENT INTERES	\$300.00	\$384.58	\$23.49	-\$84.58	128.19%
Active	R 602-37300 STORM SEWER FEE	\$68,200.00	\$69,118.02	\$12,076.94	-\$918.02	101.35%
Active	R 602-39200 INTERFUND OPERATIN	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 602-39999 PRIOR PERIOD ADJUS	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
<b>Total STORM SEWER ENTERPRISE FUND</b>		\$68,500.00	\$69,502.60	\$12,100.43	-\$1,002.60	101.46%
<b>GASB34</b>						
Active	R 999-31010 CURRENT AD VALORE	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 999-36100 SPECIAL ASSESMENT	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 999-39101 SALES CAPITAL ASSET	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 999-39202 CONTRIB FROM ENTE	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
<b>Total GASB34</b>		\$0.00	\$0.00	\$0.00	\$0.00	0.00%
<b>Report Total</b>		\$1,728,971.00	\$1,116,405.07	\$64,938.77	\$612,565.93	64.57%



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		2015	2015	SEPTEMBER	Enc	2015	% of YTD
		YTD Budget	YTD Amt	MTD Amt	Current	YTD Balance	Budget
Active	E 101-41200-538 COMPUTER SO	\$1,000.00	\$1,191.50	\$0.00	\$0.00	-\$191.50	119.15%
Active	E 101-41500-101 FULL TIME EMP	\$9,953.00	\$6,926.64	\$745.50	\$0.00	\$3,026.36	69.59%
Active	E 101-41500-103 PART TIME EMP	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 101-41500-104 TEMPORARY E	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 101-41500-121 PERA CONTRIB	\$746.00	\$501.68	\$55.90	\$0.00	\$244.32	67.25%
Active	E 101-41500-122 FICA/MC CONTR	\$761.00	\$529.77	\$57.02	\$0.00	\$231.23	69.61%
Active	E 101-41500-131 HEALTH INSURA	\$1,620.00	\$1,013.70	\$129.98	\$0.00	\$606.30	62.57%
Active	E 101-41500-133 LIFE INSURANC	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 101-41500-151 WORKERS CO	\$80.00	\$72.13	\$0.00	\$0.00	\$7.87	90.16%
Active	E 101-41500-201 GENERAL SUPP	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 101-41500-202 PERMANENT SU	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 101-41500-300 LEGAL FEES - P	\$11,500.00	\$7,650.00	\$850.00	\$0.00	\$3,850.00	66.52%
Active	E 101-41500-301 AUDITING	\$14,500.00	\$11,680.00	\$0.00	\$0.00	\$2,820.00	80.55%
Active	E 101-41500-305 LEGAL FEES - C	\$12,000.00	\$5,832.55	\$0.00	\$0.00	\$6,167.45	48.60%
Active	E 101-41500-327 OTHER SERVIC	\$500.00	\$0.00	\$0.00	\$0.00	\$500.00	0.00%
Active	E 101-41500-331 TRAVEL EXPEN	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 101-41500-352 PUBLIC INFORM	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 101-41500-355 PRINTING SERV	\$0.00	\$16.00	\$0.00	\$0.00	-\$16.00	0.00%
Active	E 101-41500-409 OTHER EQUIPM	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 101-41500-440 MEETING EXPE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 101-41500-442 MISCELLANEOU	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 101-41500-530 FURNITURE & E	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 101-41500-539 VOTING MACHI	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 101-42100-202 PERMANENT SU	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 101-42100-318 911 DISPATCH	\$16,433.00	\$9,422.15	\$1,345.13	\$0.00	\$7,010.85	57.34%
Active	E 101-42100-319 POLICE CONTR	\$634,386.00	\$475,789.50	\$52,865.50	\$0.00	\$158,596.50	75.00%
Active	E 101-42100-320 FIRE CONTRAC	\$18,000.00	\$17,303.00	\$0.00	\$0.00	\$697.00	96.13%
Active	E 101-42100-321 FIRE CALLS	\$16,000.00	\$6,865.28	\$2,517.27	\$0.00	\$9,134.72	42.91%
Active	E 101-42100-322 FIRE FALSE ALA	\$500.00	\$0.00	\$0.00	\$0.00	\$500.00	0.00%
Active	E 101-42100-323 FIRE INSPECTIO	\$500.00	\$0.00	\$0.00	\$0.00	\$500.00	0.00%
Active	E 101-42100-355 PRINTING SERV	\$0.00	\$1,345.13	\$0.00	\$0.00	-\$1,345.13	0.00%
Active	E 101-42100-360 INSURANCE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 101-42100-391 TELEPHONE/PA	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 101-42100-442 MISCELLANEOU	\$100.00	\$43.68	\$6.24	\$0.00	\$56.32	43.68%
Active	E 101-42100-530 FURNITURE & E	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 101-43000-101 FULL TIME EMP	\$30,079.00	\$25,246.81	\$3,246.32	\$0.00	\$4,832.19	83.94%
Active	E 101-43000-102 OVERTIME	\$3,000.00	\$775.43	\$0.00	\$0.00	\$2,224.57	25.85%
Active	E 101-43000-104 TEMPORARY E	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 101-43000-121 PERA CONTRIB	\$2,481.00	\$1,444.47	\$173.80	\$0.00	\$1,036.53	58.22%
Active	E 101-43000-122 FICA/MC CONTR	\$2,531.00	\$2,236.27	\$276.46	\$0.00	\$294.73	88.36%
Active	E 101-43000-131 HEALTH INSURA	\$5,400.00	\$2,800.71	\$429.24	\$0.00	\$2,599.29	51.87%
Active	E 101-43000-151 WORKERS CO	\$1,522.00	\$1,286.30	\$0.00	\$0.00	\$235.70	84.51%
Active	E 101-43000-202 PERMANENT SU	\$0.00	\$695.42	\$0.00	\$0.00	-\$695.42	0.00%
Active	E 101-43000-212 MOTOR FUELS	\$3,100.00	\$1,412.13	\$91.13	\$0.00	\$1,687.87	45.55%
Active	E 101-43000-213 LUBRICANTS &	\$0.00	\$94.12	\$0.00	\$0.00	-\$94.12	0.00%
Active	E 101-43000-225 LANDSCAPING	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 101-43000-226 SIGNS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 101-43000-227 TOOLS & EQUIP	\$0.00	\$121.60	\$0.00	\$0.00	-\$121.60	0.00%
Active	E 101-43000-228 REPAIR SUPPLI	\$1,500.00	\$1,032.34	\$379.48	\$0.00	\$467.66	68.82%
Active	E 101-43000-304 ENGINEERING	\$1,000.00	\$666.00	\$0.00	\$0.00	\$334.00	66.60%
Active	E 101-43000-308 TRAINING & ED	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 101-43000-313 SNOW & ICE RE	\$19,000.00	\$6,598.37	\$0.00	\$0.00	\$12,401.63	34.73%

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		2015	2015	SEPTEMBER	Enc	2015	% of YTD
		YTD Budget	YTD Amt	MTD Amt	Current	YTD Balance	Budget
Active	E 101-43000-314 STREET SWEEP	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 101-43000-317 TREE SERVICE	\$8,000.00	\$0.00	\$0.00	\$0.00	\$8,000.00	0.00%
Active	E 101-43000-324 ALLEY REPAIR	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 101-43000-327 OTHER SERVIC	\$500.00	\$603.26	\$0.00	\$0.00	-\$103.26	120.65%
Active	E 101-43000-328 STREET REPAIR	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 101-43000-333 CLEANING CON	\$4,500.00	\$2,007.00	\$0.00	\$0.00	\$2,493.00	44.60%
Active	E 101-43000-380 STREET LIGHTI	\$7,000.00	\$4,245.03	\$519.86	\$0.00	\$2,754.97	60.64%
Active	E 101-43000-381 ELECTRIC UTILI	\$3,000.00	\$2,337.97	\$211.10	\$0.00	\$662.03	77.93%
Active	E 101-43000-382 WATER UTILITIE	\$200.00	\$177.76	\$0.00	\$0.00	\$22.24	88.88%
Active	E 101-43000-383 GAS UTILITIES	\$3,500.00	\$1,584.27	\$29.10	\$0.00	\$1,915.73	45.26%
Active	E 101-43000-384 REFUSE DISPO	\$3,000.00	\$2,487.33	\$644.25	\$0.00	\$512.67	82.91%
Active	E 101-43000-391 TELEPHONE/PA	\$500.00	\$352.36	\$32.62	\$0.00	\$147.64	70.47%
Active	E 101-43000-402 CITY TRUCK RE	\$3,000.00	\$465.01	\$0.00	\$0.00	\$2,534.99	15.50%
Active	E 101-43000-426 MACHINERY RE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 101-43000-442 MISCELLANEOU	\$100.00	\$53.49	\$0.00	\$0.00	\$46.51	53.49%
Active	E 101-43000-530 FURNITURE & E	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 101-43400-101 FULL TIME EMP	\$37,875.00	\$27,333.73	\$2,883.12	\$0.00	\$10,541.27	72.17%
Active	E 101-43400-104 TEMPORARY E	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 101-43400-121 PERA CONTRIB	\$2,841.00	\$2,023.26	\$216.22	\$0.00	\$817.74	71.22%
Active	E 101-43400-122 FICA/MC CONTR	\$2,897.00	\$2,260.41	\$238.92	\$0.00	\$636.59	78.03%
Active	E 101-43400-126 ICMA RETIREME	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 101-43400-131 HEALTH INSURA	\$6,480.00	\$4,060.32	\$475.18	\$0.00	\$2,419.68	62.66%
Active	E 101-43400-133 LIFE INSURANC	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 101-43400-151 WORKERS CO	\$1,435.00	\$1,197.97	\$0.00	\$0.00	\$237.03	83.48%
Active	E 101-43400-201 GENERAL SUPP	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 101-43400-202 PERMANENT SU	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 101-43400-203 POSTAGE	\$300.00	\$307.80	\$68.94	\$0.00	-\$7.80	102.60%
Active	E 101-43400-306 CONSULTING F	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 101-43400-308 TRAINING & ED	\$500.00	\$401.25	\$216.25	\$0.00	\$98.75	80.25%
Active	E 101-43400-310 PLUMBING INSP	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 101-43400-311 HEATING INSPE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 101-43400-312 BUILDING INSPE	\$1,000.00	\$0.00	\$0.00	\$0.00	\$1,000.00	0.00%
Active	E 101-43400-327 OTHER SERVIC	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 101-43400-331 TRAVEL EXPEN	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 101-43400-355 PRINTING SERV	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 101-43400-386 GOPHER STATE	\$500.00	\$428.30	\$56.55	\$0.00	\$71.70	85.66%
Active	E 101-43400-388 SAC UNIT CHAR	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 101-43400-437 SALES TAX	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 101-43400-442 MISCELLANEOU	\$100.00	\$1,097.65	\$378.84	\$0.00	-\$997.65	1097.65%
Active	E 101-43400-443 SURCHARGE R	\$500.00	\$379.05	\$0.00	\$0.00	\$120.95	75.81%
Active	E 101-45200-101 FULL TIME EMP	\$43,853.00	\$33,191.33	\$4,349.36	\$0.00	\$10,661.67	75.69%
Active	E 101-45200-103 PART TIME EMP	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 101-45200-104 TEMPORARY E	\$6,000.00	\$4,956.75	\$0.00	\$0.00	\$1,043.25	82.61%
Active	E 101-45200-121 PERA CONTRIB	\$3,289.00	\$1,761.54	\$228.64	\$0.00	\$1,527.46	53.56%
Active	E 101-45200-122 FICA/MC CONTR	\$3,814.00	\$3,253.13	\$370.89	\$0.00	\$560.87	85.29%
Active	E 101-45200-131 HEALTH INSURA	\$8,100.00	\$4,089.49	\$642.03	\$0.00	\$4,010.51	50.49%
Active	E 101-45200-133 LIFE INSURANC	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 101-45200-142 UNEMPLOYMEN	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 101-45200-151 WORKERS CO	\$1,345.00	\$1,131.93	\$0.00	\$0.00	\$213.07	84.16%
Active	E 101-45200-201 GENERAL SUPP	\$200.00	\$122.44	\$22.36	\$0.00	\$77.56	61.22%
Active	E 101-45200-202 PERMANENT SU	\$0.00	\$553.65	\$444.90	\$0.00	-\$553.65	0.00%
Active	E 101-45200-212 MOTOR FUELS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%

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		2015	2015	SEPTEMBER	Enc	2015	% of YTD
		YTD Budget	YTD Amt	MTD Amt	Current	YTD Balance	Budget
Active	E 101-45200-225 LANDSCAPING	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 101-45200-228 REPAIR SUPPLI	\$500.00	\$117.59	\$0.00	\$0.00	\$382.41	23.52%
Active	E 101-45200-317 TREE SERVICE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
In-Active	E 101-45200-327 OTHER SERVIC	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 101-45200-370 PARK & RECRE	\$700.00	\$800.00	\$0.00	\$0.00	-\$100.00	114.29%
Active	E 101-45200-371 NON-RESIDENT	\$1,500.00	\$968.00	\$0.00	\$0.00	\$532.00	64.53%
Active	E 101-45200-381 ELECTRIC UTILI	\$500.00	\$328.98	\$0.00	\$0.00	\$171.02	65.80%
Active	E 101-45200-382 WATER UTILITIE	\$200.00	\$169.37	\$0.00	\$0.00	\$30.63	84.69%
Active	E 101-45200-383 GAS UTILITIES	\$700.00	\$428.76	\$0.00	\$0.00	\$271.24	61.25%
Active	E 101-45200-384 REFUSE DISPO	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 101-45200-391 TELEPHONE/PA	\$50.00	\$0.00	\$0.00	\$0.00	\$50.00	0.00%
Active	E 101-45200-403 TRACTOR/MOW	\$1,000.00	\$432.07	\$432.07	\$0.00	\$567.93	43.21%
Active	E 101-45200-412 WARMING HOU	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 101-45200-427 PORTA POTTY	\$1,000.00	\$481.68	\$153.50	\$0.00	\$518.32	48.17%
Active	E 101-45200-442 MISCELLANEOU	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 101-45200-540 MACHINERY & E	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 101-45200-550 OTHER IMPROV	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 101-45300-444 CONTINGENCY	\$20,000.00	\$0.00	\$0.00	\$0.00	\$20,000.00	0.00%
Active	E 101-45300-710 OPERATING TR	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 101-45400-710 OPERATING TR	\$38,000.00	\$0.00	\$0.00	\$0.00	\$38,000.00	0.00%
Active	E 101-45400-721 OPERATING TR	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 101-45400-731 OPERATING TR	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 101-45400-732 OPERATING TR	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 101-45400-733 OPERATING TR	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 101-45400-734 OPERATING TR	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 101-45400-741 OPERATING TR	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 101-45400-742 OPERATING TR	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 101-45400-743 OPERATING TR	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 101-45400-744 OPERATING TR	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 101-45400-745 OPERATING TR	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 101-45400-747 OPERATING TR	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 101-45400-749 OPERATING TR	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 101-48100-306 CONSULTING F	\$20,000.00	\$735.00	\$0.00	\$0.00	\$19,265.00	3.68%
Active	E 101-48100-442 MISCELLANEOU	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 101-48411-550 OTHER IMPROV	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 101-48412-306 CONSULTING F	\$0.00	\$1,557.50	\$0.00	\$0.00	-\$1,557.50	0.00%
Active	E 101-48412-442 MISCELLANEOU	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 101-48412-550 OTHER IMPROV	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 101-48412-555 LARPENTEUR A	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
<b>Total GENERAL</b>		<b>\$1,264,252.00</b>	<b>\$863,309.86</b>	<b>\$104,903.14</b>	<b>\$0.00</b>	<b>\$400,942.14</b>	<b>68.29%</b>
<b>COMMUNITY EVENTS</b>							
Active	E 201-45600-201 GENERAL SUPP	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 201-45600-202 PERMANENT SU	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 201-45600-327 OTHER SERVIC	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 201-45600-352 PUBLIC INFORM	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 201-45600-368 FUN RUN/WALK	\$500.00	\$0.00	\$0.00	\$0.00	\$500.00	0.00%
Active	E 201-45600-369 MUSIC UNDER T	\$400.00	\$0.00	\$0.00	\$0.00	\$400.00	0.00%
Active	E 201-45600-372 MUGS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 201-45600-373 T-SHIRTS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 201-45600-374 POP	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 201-45600-375 WINTER EVENT	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 201-45600-376 GARAGE SALE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%





**LAUDERDALE, MN**  
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Current Period: SEPTEMBER 2015

		2015	2015	SEPTEMBER	Enc	2015	% of YTD
		YTD Budget	YTD Amt	MTD Amt	Current	YTD Balance	Budget
Active	E 403-48403-102 OVERTIME	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 403-48403-121 PERA CONTRIB	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 403-48403-122 FICA/MC CONTR	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 403-48403-131 HEALTH INSURA	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 403-48403-133 LIFE INSURANC	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 403-48403-151 WORKERS CO	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 403-48403-201 GENERAL SUPP	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 403-48403-304 ENGINEERING	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 403-48403-327 OTHER SERVIC	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 403-48403-328 STREET REPAIR	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 403-48403-442 MISCELLANEOU	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 403-48403-444 CONTINGENCY	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 403-48403-554 CATCH BASIN R	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 403-48403-710 OPERATING TR	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
<b>Total CAPITAL IMPROVE STORM WATER</b>		<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>0.00%</b>
<b>PARK IMPROVEMENT</b>							
Active	E 404-48404-304 ENGINEERING	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 404-48404-437 SALES TAX	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 404-48404-510 LAND	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 404-48404-524 PICNIC SHELTE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 404-48404-525 PLAYGROUND (	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 404-48404-526 PARK PATH (CD	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 404-48404-527 GENERAL PARK	\$25,000.00	\$5,800.00	\$0.00	\$0.00	\$19,200.00	23.20%
Active	E 404-48404-528 COURT IMPROV	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
<b>Total PARK IMPROVEMENT</b>		<b>\$25,000.00</b>	<b>\$5,800.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$19,200.00</b>	<b>23.20%</b>
<b>TIF-PROJECTS</b>							
Active	E 405-48500-101 FULL TIME EMP	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 405-48500-121 PERA CONTRIB	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 405-48500-122 FICA/MC CONTR	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 405-48500-131 HEALTH INSURA	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 405-48500-133 LIFE INSURANC	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 405-48500-301 AUDITING	\$0.00	\$780.00	\$780.00	\$0.00	-\$780.00	0.00%
Active	E 405-48500-304 ENGINEERING	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 405-48500-305 LEGAL FEES - C	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 405-48500-325 LARPENTEUR A	\$0.00	\$40,117.55	\$184.00	\$0.00	-\$40,117.55	0.00%
Active	E 405-48500-327 OTHER SERVIC	\$0.00	\$228.00	\$228.00	\$0.00	-\$228.00	0.00%
Active	E 405-48500-408 LIFT STATION R	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 405-48500-442 MISCELLANEOU	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 405-48500-444 CONTINGENCY	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 405-48500-530 FURNITURE & E	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 405-48500-540 MACHINERY & E	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 405-48500-710 OPERATING TR	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
<b>Total TIF-PROJECTS</b>		<b>\$0.00</b>	<b>\$41,125.55</b>	<b>\$1,192.00</b>	<b>\$0.00</b>	<b>-\$41,125.55</b>	<b>0.00%</b>
<b>SEWER IMPROVEMENT</b>							
Active	E 407-48407-304 ENGINEERING	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 407-48407-500 CAPITAL OUTLA	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
<b>Total SEWER IMPROVEMENT</b>		<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>0.00%</b>
<b>WATER UTILITY</b>							
Active	E 409-48409-328 STREET REPAIR	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 409-48409-710 OPERATING TR	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
<b>Total WATER UTILITY</b>		<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>0.00%</b>
<b>02 ST/UTIL CONSTRUCTION</b>							





**LAUDERDALE, MN**  
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Current Period: SEPTEMBER 2015

		2015	2015	SEPTEMBER	Enc	2015	% of YTD
		YTD Budget	YTD Amt	MTD Amt	Current	YTD Balance	Budget
Active	E 602-49100-301 AUDITING	\$1,800.00	\$1,460.00	\$0.00	\$0.00	\$340.00	81.11%
Active	E 602-49100-304 ENGINEERING	\$3,000.00	\$6,128.83	\$444.00	\$0.00	-\$3,128.83	204.29%
Active	E 602-49100-308 TRAINING & ED	\$500.00	\$14.00	\$0.00	\$0.00	\$486.00	2.80%
Active	E 602-49100-314 STREET SWEEP	\$5,500.00	\$2,950.00	\$0.00	\$0.00	\$2,550.00	53.64%
Active	E 602-49100-327 OTHER SERVIC	\$3,500.00	\$755.94	\$77.35	\$0.00	\$2,744.06	21.60%
Active	E 602-49100-352 PUBLIC INFORM	\$100.00	\$48.00	\$0.00	\$0.00	\$52.00	48.00%
Active	E 602-49100-361 GENERAL LIABI	\$2,200.00	\$1,973.00	\$1,973.00	\$0.00	\$227.00	89.68%
Active	E 602-49100-391 TELEPHONE/PA	\$300.00	\$135.24	\$16.31	\$0.00	\$164.76	45.08%
Active	E 602-49100-402 CITY TRUCK RE	\$400.00	\$67.09	\$0.00	\$0.00	\$332.91	16.77%
Active	E 602-49100-425 CLOTHING	\$700.00	\$417.16	\$53.04	\$0.00	\$282.84	59.59%
Active	E 602-49100-438 DUES & SUBSC	\$500.00	\$410.00	\$0.00	\$0.00	\$90.00	82.00%
Active	E 602-49100-442 MISCELLANEOU	\$0.00	\$53.31	\$0.00	\$0.00	-\$53.31	0.00%
Active	E 602-49100-444 CONTINGENCY	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 602-49100-501 DEPRECIATION	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 602-49100-540 MACHINERY & E	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 602-49100-554 CATCH BASIN R	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 602-49100-710 OPERATING TR	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
<b>Total STORM SEWER ENTERPRISE FUND</b>		<b>\$72,514.00</b>	<b>\$48,855.76</b>	<b>\$7,147.44</b>	<b>\$0.00</b>	<b>\$23,658.24</b>	<b>67.37%</b>
<b>GASB34</b>							
Active	E 999-41000-100 WAGES AND SA	\$0.00	-\$23,882.79	\$0.00	\$0.00	\$23,882.79	0.00%
Active	E 999-41000-420 RENTALS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 999-41000-500 CAPITAL OUTLA	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 999-43000-100 WAGES AND SA	\$0.00	-\$5,074.63	\$0.00	\$0.00	\$5,074.63	0.00%
Active	E 999-43000-420 RENTALS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 999-43000-499 LOSS ON DISPO	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 999-43000-500 CAPITAL OUTLA	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 999-45000-100 WAGES AND SA	\$0.00	-\$6,422.67	\$0.00	\$0.00	\$6,422.67	0.00%
Active	E 999-45000-420 RENTALS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 999-45000-500 CAPITAL OUTLA	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 999-47000-601 BOND PRINCIPA	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 999-47000-611 BOND INTERES	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 999-49000-420 RENTALS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 999-49000-500 CAPITAL OUTLA	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 999-49500-100 WAGES AND SA	\$0.00	-\$1,492.05	\$0.00	\$0.00	\$1,492.05	0.00%
Active	E 999-50000-100 WAGES AND SA	\$0.00	-\$3,444.33	\$0.00	\$0.00	\$3,444.33	0.00%
<b>Total GASB34</b>		<b>\$0.00</b>	<b>-\$40,316.47</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$40,316.47</b>	<b>0.00%</b>
<b>Report Total</b>		<b>\$2,053,675.00</b>	<b>\$1,441,300.46</b>	<b>\$192,255.09</b>	<b>\$0.00</b>	<b>\$612,374.54</b>	<b>70.18%</b>

**LAUDERDALE COUNCIL  
ACTION FORM**

<b>Action Requested</b>	
Consent	<u>  X  </u>
Public Hearing	<u>          </u>
Discussion	<u>          </u>
Action	<u>          </u>
Resolution	<u>          </u>
Work Session	<u>          </u>

Meeting Date	<u>October 27, 2015</u>
ITEM NUMBER	<u>3Q15 Investment Report</u>
STAFF INITIAL	<u>TJB</u> 
APPROVED BY ADMINISTRATOR	

**DESCRIPTION OF ISSUE AND PAST COUNCIL ACTION:**

In the past, a spreadsheet reflecting the City's investment activity for the quarter was included for council review. That information has been reformatted to summarize depository accounts, types of investments, term and interest rates. With your consent, staff would like to continue with the new format that also includes history of investment earnings and comparison of interest rates.

**OPTIONS:**

**STAFF RECOMMENDATION:**

By approving the consent agenda, the Council acknowledges the investment report for July, August and September 2015.

**COUNCIL ACTION:**



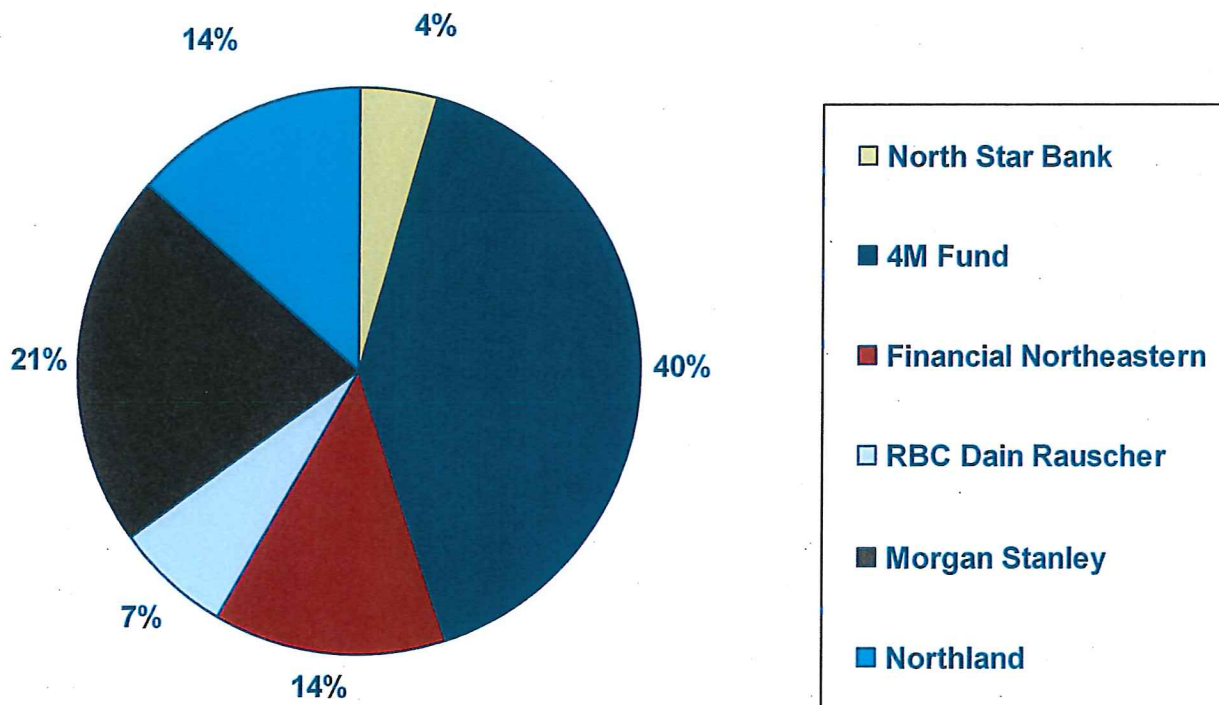
**Third Quarter 2015  
Investment Report**

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## INVESTMENTS

As of September 31, 2015, the City had the following amounts with official depositories:

North Star Bank	\$ 130,988
4M Fund	1,196,436
Financial Northeastern	401,096
RBC Dain Rauscher	200,000
Morgan Stanley	635,779
Northland	400,576
<b>TOTAL</b>	<b>\$ 2,964,875</b>



## DEPOSITORIES AND INVESTMENT TYPES

North Star Bank		
Checking Account	\$	130,988
4M Fund		
Joint Powers Investment	\$	1,196,436
Financial Northwestern		
Money Market Account	\$	1,096
Certificates of Deposit	\$	400,000 (4)
RBC Dain Rauscher		
Certificates of Deposit	\$	200,000 (2)
Morgan Stanley		
Money Market Account	\$	35,759
Certificates of Deposit	\$	600,020 (6)
Northland		
Money Market Account	\$	1,607
Certificates of Deposit	\$	398,969 (4)

The City's Investment Policy sets some perimeters for investments, such as no more than 60% of the investment portfolio, or \$2,000,000 (whichever is less) shall be invested with any one investment company. No investments shall be made with a term over ten years unless with prior approval from the City Council.

## **INVESTMENT TERM**

Liquid assets are money market accounts.

1-5 Years are made up of certificate of deposit and US Government Instrumentality Securities.

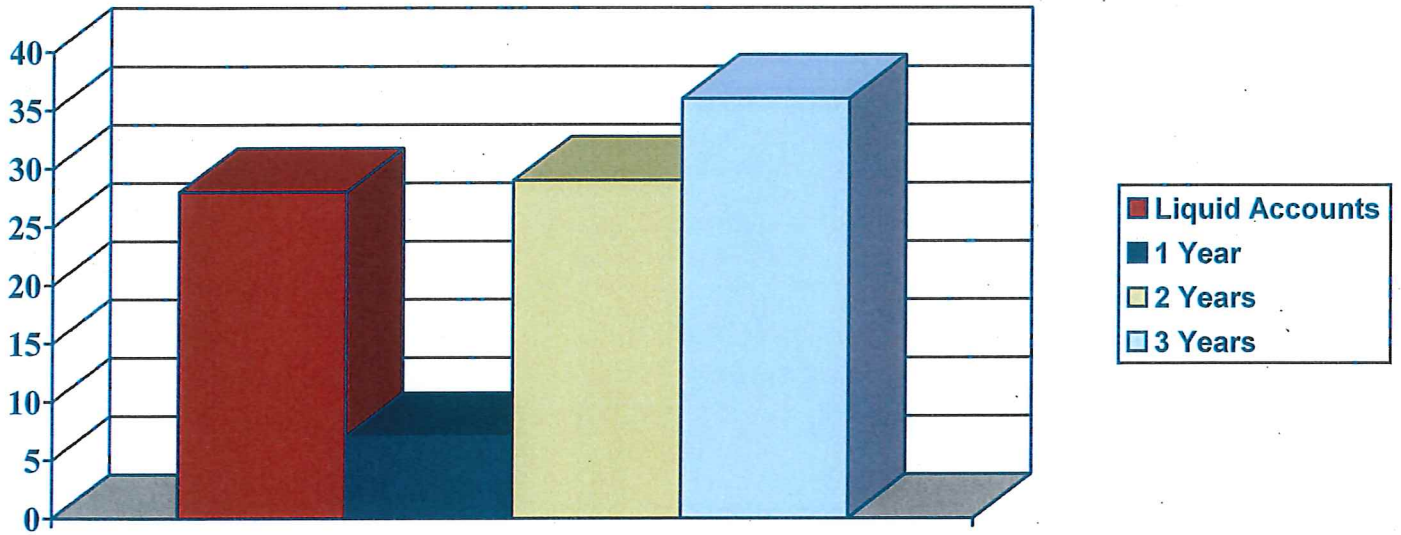
6-10 Years are US Government Instrumentality Securities.

11-15 Years are US Government Instrumentality Securities.

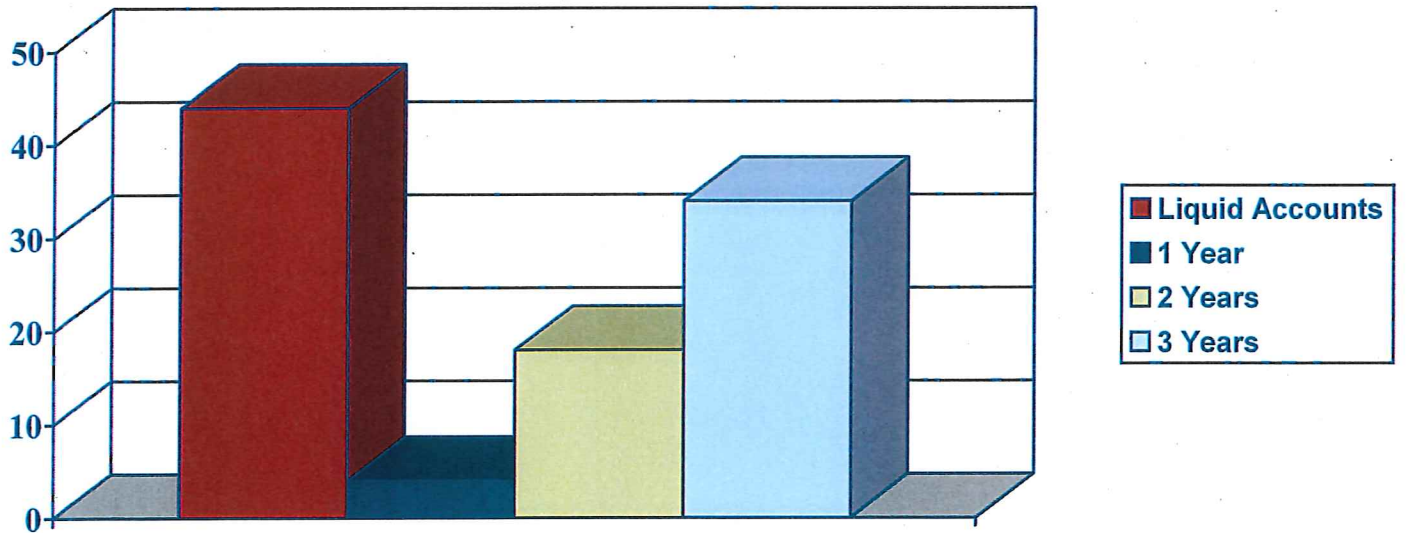
15+ Years are US Government Instrumentality Securities and bonds.

US Government Instrumentality Securities are financial intermediaries established by the federal government to fund loans to certain groups of borrowers, such as homeowners, farmers and students. Most active issuers are Federal Home Loan Bank, Federal National Mortgage Association (Fannie Mae) and Tennessee Valley Authority. Maturities range from three months to 30 years with fixed interest rates.

2014



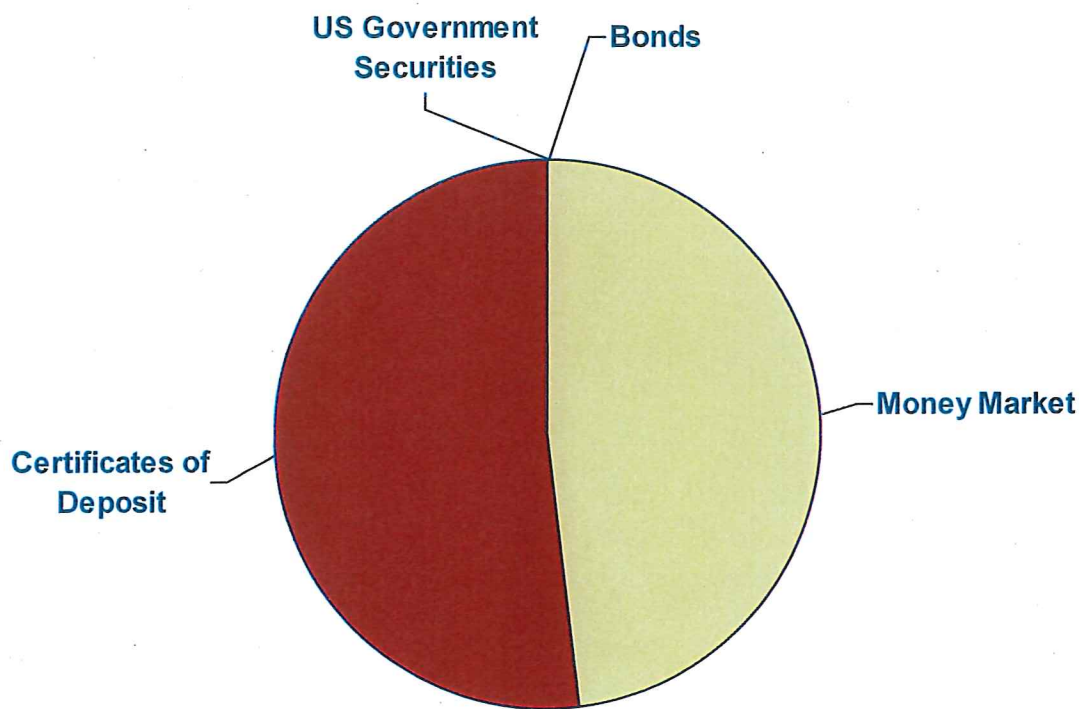
2015





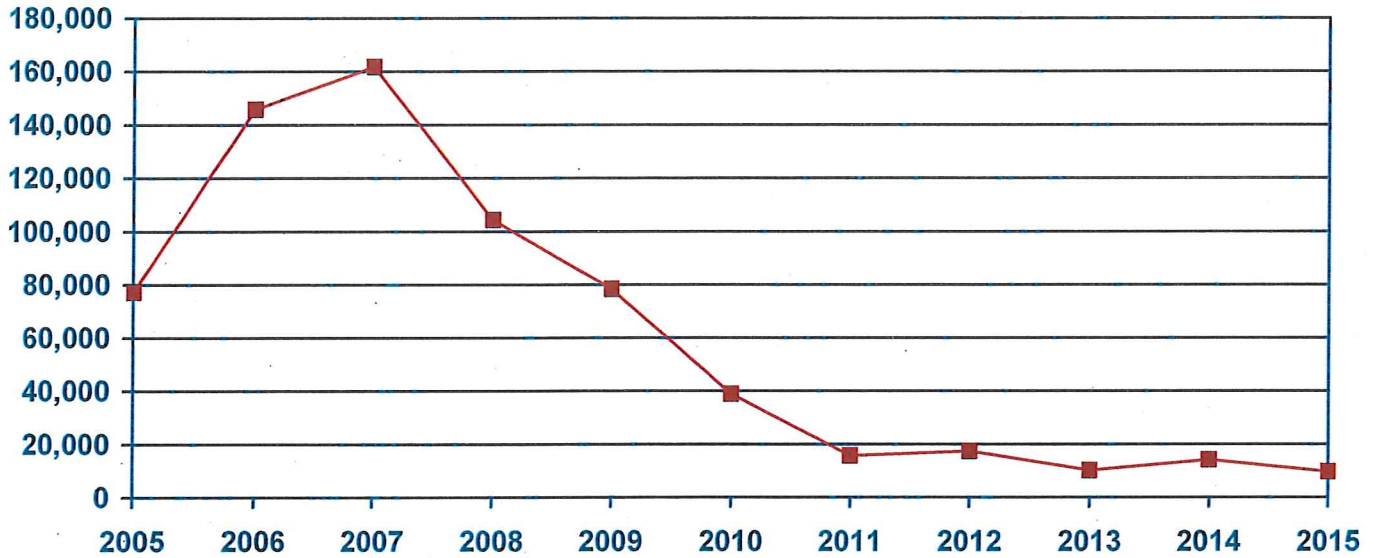
# INVESTMENT TYPES

Money Market	\$	1,235,340
Bonds		0
Certificates of Deposit		1,328,959
US Government Securities		0



The following chart shows the interest earnings since 2005 with 2007 being our best year with earnings of \$161,884. Please note that fiscal year 2015 is shown through September 31, while in comparison the other years are through December 31.

### INTEREST EARNINGS



### INTEREST RATE COMPARISON

(Average of city portfolio)

	2014	2015
<u>Money Market Rates</u>		
January	0.03	0.03
July	0.03	0.03
<u>Certificate of Deposit Rates</u>		
January	0.73	0.75
July	0.71	0.91

ACTION REQUESTED	LAUDERDALE COUNCIL	
Consent	_____ X _____	MEETING DATE <u>October 27, 2015</u>
Special	_____	
Public Hearing	_____	ITEM NUMBER <u>PCIC Minutes</u>
Report	_____	
Discussion/Action	_____	STAFF INITIAL <u>Jim</u>
Resolution	_____	
Work session	_____	APPROVED BY ADMINISTRATOR _____

**DESCRIPTION OF ISSUE AND PAST COUNCIL ACTION:**

Attached are the minutes from the Park & Community Involvement Committee meeting of October 5, 2015.

**OPTIONS:**

- 1) Approve as consent item.
- 2) Remove from consent for discussion and/or action.

**STAFF RECOMMENDATION:**

By approving the consent agenda, the Council acknowledges receipt of and placing on file the attached minutes of the Park & Community Involvement Committee.

**COUNCIL ACTION:**



**MINUTES**  
**MONDAY, OCTOBER 5, 2015**  
**PARK & COMMUNITY INVOLVEMENT COMMITTEE**

---

1. CALL TO ORDER

Eisenschenk called the meeting to order at 6:36 p.m.

2. ROLL CALL

Members Present: Matt Eisenschenk, Susie Zahratka, April Brandt,  
Dan Murphy, Marilyn Smith

Members Absent: Monica Gallagher

Staff & Council Present: Jim Bownik

Others Present:

3. APPROVAL OF THE AGENDA

Murphy motioned to approve the agenda, second by Smith. Motion carried unanimously.

4. APPROVAL OF MINUTES OF AUGUST 3, 2015 MEETING

Zahratka motioned to approve the minutes, second by Murphy. Motion carried unanimously.

5. REPORTS

A. Farmers Market Report

Zahratka updated the Committee on the September and October events. Even though we say the events will happen rain or shine, the September event was cancelled due to weather including probable lightning. The last event for the season is Thursday, October 15 from 4-7 p.m. Zahratka provided a vendor lineup and information about music and food. She said the musician from September will perform but there may not be a food truck this time.

Smith asked if the farmers market was part of the Minnesota Grown Program or had a website. Zahratka replied that it is not part of the Minnesota Grown Program and does not have a website. However, these are things to consider for next year. Murphy suggested adding that information to the signage in the future. Brandt suggested Craigslist as a way to advertise the events.

B. MN Night to Unite Wrap Up

Bownik reported there were 10 block parties this year, which is the same as last year. The City provided barricades and street closed signs. Sue Wilberts

shared some photos from her block party. Eisenschenk stated he also hosted a block party. Murphy asked how people become Block Club Captains and suggested every block could have one and represent their block at a meeting.

C. Day in the Park Wrap Up

Bownik started by thanking those that volunteered to help. Brandt suggested ice cream would have been nice since it was a hot day. She also suggested food that is less expensive for families such as a hotdog cart or pizza. Murphy said a neighbor commented what a great event it was and that they enjoyed it. Further comments included liking the fire truck spraying water by the water slide, a suggestion for a dunk tank and a juggler, and not bringing back the face painter.

6. DISCUSSION/ACTION

A. Halloween Planning (1 of 1)

The Committee discussed various aspects of the event including set up, volunteers, supplies, the maze, donations and assignments. Set up is Sunday, Oct. 25, from 12-4 p.m. Bownik said he will be working on confirming and recruiting people for assignments as needed, applying for a food license and getting supplies. No changes are planned to the menu or activities. Smith said she would pass out trick-or-treat bags. Eisenschenk said he will help set up the maze. Murphy and Zahratka said they can also help with the set up. Brandt said she is able to help with final details on Friday evening before the event.

7. OTHER BUSINESS

8. SET PRELIMINARY AGENDA FOR NEXT MEETING

Zahratka read the preliminary agenda for the next meeting.

9. SET DATE FOR NEXT MEETING

The committee meets on Mondays at 6:30 p.m. The next meeting will be Monday, November 30.

10. ADJOURNMENT

Smith motioned to adjourn the meeting, second by Brandt. The meeting was adjourned at 8:12 p.m.

Respectfully submitted,

Jim Bownik  
Assistant City Administrator / PCIC Staff Liaison

ACTION REQUESTED	LAUDERDALE COUNCIL
Consent <u>    X    </u>	MEETING DATE <u>October 27, 2015</u>
Special <u>          </u>	ITEM NUMBER <u>SCORE Funding for Recycling Program</u>
Public Hearing <u>          </u>	
Report <u>          </u>	
Discussion/Action <u>          </u>	STAFF INITIAL <u>Jim</u>
Resolution <u>    X    </u>	APPROVED BY ADMINISTRATOR <u>          </u>
Work session <u>          </u>	

**DESCRIPTION OF ISSUE AND PAST COUNCIL ACTION:**

In 1989, the Minnesota Legislature adopted comprehensive waste reduction and recycling legislation based on the recommendations of the **Governor's Select Committee on Recycling and the Environment**. This set of laws, commonly referred to as SCORE, is a part of Minnesota's Waste Management Act. The SCORE legislation has provided counties with a funding source to develop effective waste reduction, recycling and solid waste management programs.

SCORE funding grants are automatically provided to municipalities in Ramsey County on an annual basis with submittal of a grant application. In 2015, Lauderdale received \$6,369 to help cover expenses related to the City's recycling program such as administration, promotion, equipment, and collection. Lauderdale is eligible for \$5,977 in 2016.

A resolution is required as part of the grant application. Adopting the attached resolution means the city accepts the funding. A grant agreement should be ready for signing in November.

**OPTIONS:**

- Adopt the prepared resolution as part of the consent agenda.
- Remove from the consent agenda for discussion and action.

**STAFF RECOMMENDATION:**

By approving the consent agenda, the Council is adopting the attached resolution.

**COUNCIL ACTION:**

**RESOLUTION NO. 102715A**

**CITY OF LAUDERDALE  
COUNTY OF RAMSEY  
STATE OF MINNESOTA**

**A RESOLUTION ACCEPTING 2016 SCORE FUNDING FROM RAMSEY  
COUNTY FOR THE LAUDERDALE RECYCLING PROGRAM**

**WHEREAS**, SCORE Funding Grants are available to municipalities in Ramsey County for reimbursement of expenses related to administration, promotion, and collection of, recycling materials; and,

**WHEREAS**, the City of Lauderdale has a comprehensive curbside residential recycling program currently in use; and,

**WHEREAS**, these funds will provide Lauderdale with a method of paying for some incurred costs related to the administration of this program, thus aiding in keeping the cost to the residents low;

**NOW THEREFORE, BE IT RESOLVED** that the Lauderdale City Council does hereby authorize staff to submit an application to the St. Paul - Ramsey County Department of Public Health - Environmental Health Section for allocation of 2016 SCORE Funding Grant Monies in the amount of \$5,977.00.

**I CERTIFY THAT** the above resolution was adopted by the City Council of the City of Lauderdale on this 27th day of October, 2015.

---

Jeffrey Dains, Mayor

(ATTEST)

(SEAL)

---

Heather Butkowski, City Administrator

# LAUDERDALE COUNCIL ACTION FORM

### Action Requested

Consent \_\_\_\_\_  
Public Hearing   X    
Discussion   X    
Action \_\_\_\_\_  
Resolution \_\_\_\_\_  
Work Session \_\_\_\_\_

Meeting Date October 27, 2015

ITEM NUMBER CenturyLink

STAFF INITIAL AS

APPROVED BY ADMINISTRATOR \_\_\_\_\_

### DESCRIPTION OF ISSUE AND PAST COUNCIL ACTION:

CenturyLink's application for a cable franchise in the member cities of the North Suburban Cable Commission has been moving ahead since the Council last discussed the issue in the spring. Cable Commission staff and legal counsel have negotiated a franchise which the Cable Commission members recommend the city council's adopt. Attached is a memo that summarizes the process that has lead to the agreement presented and the key components of the franchise agreement. Following that is a draft letter from CenturyLink which commits them to providing cable and connectivity services to Lauderdale City Hall. Following that is a draft of the franchise agreement (presented in ordinance form) and findings of fact that would go with adoption of the ordinance.

Staff published notice that the City Council would take public comment at this meeting. This meeting is also an opportunity for the Council to review and comment on the draft ordinance. Unless the Council has concerns or recommends changes, the franchise agreement will be on the next agenda for consideration.

### OPTIONS:

### STAFF RECOMMENDATION:



**STAFF MEMO**  
**CenturyLink Cable Franchise**

**INTRODUCTION**

The City is one of nine member cities of the North Suburban Communications Commission (the "NSCC"). Following the submission of an application for a cable television franchise for each member city of the NSCC, the above-entitled matter initially came before the NSCC for a public hearing on Thursday, March 5, 2015, at the NSCC's Office in Roseville. The public hearing was held open through Friday, March 13, 2015, for the purpose of allowing additional written public comments. Following the public hearing, the NSCC's Executive Director prepared a detailed report entitled "Staff Report on CenturyLink Cable Franchise Application" (the "Staff Report"). The NSCC received and filed the Staff Report and directed NSCC staff to negotiate a cable television franchise with CenturyLink. NSCC staff negotiated a cable television franchise with CenturyLink and presented it to the NSCC on October 7, 2015. The NSCC adopted a Findings of Fact and Recommendation on October 7, 2015, which recommended approval of the negotiated cable television franchise with CenturyLink by each member city. The CenturyLink Cable Television Franchise is now before the City Council for consideration.

**DISCUSSION**

**Supporting information**

On February 20, 2015, the NSCC received a cable franchise application covering each member city from CenturyLink. Comcast Cable currently has a non-exclusive franchise agreement with the City, which means the City Council may grant additional franchises to provide cable service in the City.

A public hearing on the application was held on March 5, 2015, and additional written comments from the public were accepted through March 13, 2015. Following the public hearing, staff prepared a Staff Report ("Report"), which recommended that the NSCC receive and file the Report and direct staff to negotiate a cable franchise with CenturyLink, consistent with the Report. On April 10, 2015, the NSCC adopted the recommendation. This action did not approve a franchise.

The NSCC's outside attorney, Mike Bradley, Bradley Hagen & Gullikson, LLC, in consultation with NSCC Executive Director, Coralie Wilson, engaged in cable franchise negotiations with CenturyLink. The attached cable franchise is the product of those negotiations.

In reviewing the CenturyLink cable franchise, there are two primary issues to consider. The first is whether federal law preempts Minnesota's 5-Year Build Statute. Minnesota Statutes Section 238.084, subdivision 1(m) requires all initial franchises to have a provision that requires a cable operator build out its cable system at a rate of 50 plant miles per year and that its cable system be substantially complete within 5 years. As the Report indicated, CenturyLink claims that this 5-Year Build Statute is an unlawful barrier to entry and is preempted by federal law and an FCC

decision referred to as the 621 Order. The Report also indicated that there is no case law in Minnesota directly addressing preemption of the 5-Year Build Statute. The Report concluded that CenturyLink has a good faith basis on its preemption claim and is willing to indemnify the NSCC and its Member Cities related to any litigation surrounding the grant of a franchise to CenturyLink. CenturyLink refused to incorporate the language of the 5-Year Build Statute in the proposed franchise, based on its preemption argument. As described below, the proposed CenturyLink franchise ordinance has provisions for a reasonable build-out of the City. The proposed franchise ordinance also has provision for defense and indemnification of the NSCC and the City regarding this issue.

The next issue is whether the CenturyLink franchise contains a reasonable build-out schedule. The franchise ordinance recognizes that CenturyLink has already constructed a legacy communications system throughout the City, which is capable of providing telephone and internet service. The build-out provisions in the franchise are related to upgrades of the legacy system to make it capable of providing cable service to all area residents. The proposed CenturyLink Franchise addresses build-out as follows:

- Complete Equitable Build-Out. Goal is to build-out the entire City over 5-year term, based on market success, with a significant investment targeted to areas below the median income in the City.
- Initial Minimum Build-Out Commitment. 15% of the city over two years.
  - CenturyLink must make its best effort to complete the initial deployment in a shorter period of time.
  - Equitable Deployment to households in the City.
  - Must include a significant number of households below the medium income of the City.
  - CenturyLink permitted to serve more households than the initial commitment.
- Quarterly Meetings. Starting January 1, 2016, CenturyLink must meet with the City [and/or City designee at NSCC] and show to the City's satisfaction:
  - Number of households capable of being served and actually served.
  - Compliance with anti-redlining requirements.
  - Maps and documentation "showing exactly where within the City the Grantee is currently providing cable service."
- Additional Build-Out Based on Market Success. Starting January 1, 2016, the CenturyLink build-out commitment will increase if its penetration rate is at least 27.5% in the areas that it is offering service.
  - Example: If CenturyLink is offering service to 60% of a City and CenturyLink has penetration of 30% in that area, then the build-out commitment will increase by 15%, to cover 75% of the City.
  - Additional build-out commitment continues until all households are served.
- Line Extension. No initial mandatory line extension, unless CenturyLink becomes

the dominate cable provider. Then the City decides CenturyLink's build-out schedule, including a density requirement that is the same or similar to Comcast's density requirement.

The City may consider whether the Initial Minimum Build-Out Commitment of 15% of each member city over two years is reasonable. CenturyLink claimed in its application that it initially would be providing service to a greater portion of the City. During negotiations however, CenturyLink was concerned about having too high a commitment in the franchise ordinance and that cities in Minnesota and elsewhere would use a greater commitment as a new standard. CenturyLink refused to increase the Initial Minimum Build-Out Commitment above 15%. However, the provisions related to Quarterly Meetings and Additional Build-Out Based on Market Success are designed to quicken and increase CenturyLink's initial Build-Out Commitment. The franchise also has provisions requiring that residents of each member city be included in an equitable initial build commitment and that a significant number of households below the medium income of the city also be included in the initial build-out. CenturyLink must also use its best efforts to complete its initial build faster than two years.

Another issue related to the reasonable build-out is whether the penetration rate triggering additional build-out is reasonable. CenturyLink claims that it needs a penetration rate of 27.5% in order to commit to an additional mandatory build in the City. This penetration number is based on internal CenturyLink return on investment models. Given Comcast's penetration rate in the City is around 40-50%, a penetration rate of 27.5% may be difficult to obtain and, therefore, it is possible that CenturyLink may not be required to build-out more than its initial commitment.

Economic redlining or "cherry picking" was identified as a concern through the public hearing process. As the Report noted, cherry picking is prohibited by the Federal Cable Act. *See* 47 U.S.C. § 541(a)(3). The proposed CenturyLink franchise prohibits cherry picking, identical to the Comcast franchise. To ensure compliance, CenturyLink has an additional \$500 per day penalty/liquidated damage for violating the build-out and economic redlining provisions of the Franchise.

The Report also described the State's level playing field statute, which requires competitive cable franchises not to be more favorable or less burdensome than an incumbent's franchise as it relates to franchise fees, support of public, educational, and governmental access television and the area served. CenturyLink is required to pay a franchise fee of 5% of its Gross Revenues (Identical to Comcast Franchise). The Franchise Area is the entire city (Identical to Comcast Franchise). The Public, Educational, and Governmental ("PEG") Access Requirements of the CenturyLink franchise meet, and in places exceed, Comcast's franchise commitments.

The CenturyLink PEG commitments are summarized as follows:

- Number of Access Channels. CenturyLink will provide 16 Access Channels (greater overall number of Access Channels than Comcast).

- Format of Access Channels. CenturyLink will provide all 16 Access Channels in HD if the Commission sends them in HD format (Comcast will provide one Access Channels in HD over time).
- Electronic Programming Guide. CenturyLink will have similar requirement as Comcast.
- Channel Placement. CenturyLink will make all Access Channels accessible at Channel 15 through the “North Suburban Mosaic.” The Access Channels will be physically located in the 8000s. (Comcast has no mosaic and is required to have the HD Access Channel located near the broadcast channels).
- Public Service Announcements. CenturyLink will allow the Commission to air PSA’s on non-Access channels during periods of unsold/unused airtime (Exceeds Comcast’s commitment).
- Video On-Demand. CenturyLink will provide 25 hours of VOD per member city (Exceeds Comcast’s PEG commitment).
- PEG Support. CenturyLink will pay a PEG Fee in support of the Access Channels of \$4.15 (This fee is equal to the fee that Comcast currently passes through to its subscribers in the City).

Overall, the CenturyLink cable franchise is substantially similar to the Comcast cable franchise in most respects. The following highlights the differences between the two cable franchises:

- Term. CenturyLink’s Franchise term is 5 years. Comcast’s term is 15+ years.
- Indemnification of the City/NSCC. CenturyLink has an additional indemnification commitment that Comcast does not have.
- Access Channel Commitments. CenturyLink may provide more channels in HD than Comcast. CenturyLink is providing VOD programming, while Comcast is not providing any. PEG support may be used for capital and operational support under the CenturyLink franchise.
- Twin Cities Metro PEG Interconnect Network. CenturyLink will provide a network to allow cities throughout the metro area to share live programming with one another. We believe this will be the only such network in the country.
- Penalties/Liquidated Damages. CenturyLink franchise has additional damages for violating the Build-Out and Economic Redlining provisions of the franchise that is not in the Comcast franchise.
- Build-Out. CenturyLink Franchise has a reasonable build-out commitment based on market success. Comcast does not have a build-out provision, as it built-out the member cities many years ago.

- Line Extension. The CenturyLink franchise does not have an immediate line extension requirement. The Commission will determine a line extension obligation similar to Comcast's line extension if CenturyLink obtains a 50% penetration level in the city. Comcast has a line extension requirement.

Since a cable franchise is granted by ordinance, the City must hold a public hearing on the cable franchise ordinance. At a following meeting, the City should take action to approve or deny the proposed franchise ordinance and direct staff to draft findings consistent with its decision.

**RECOMMENDATION**

That the City (1) Hold a public hearing on the CenturyLink Cable Franchise Ordinance; (2) at a following Council Meeting, take action on the CenturyLink Cable Franchise Ordinance; and (3) adopt written findings of fact to support the action taken.

(To appear on CenturyLink letterhead)

October \_\_, 2015

Mr. Michael R. Bradley  
Bradley Hagen & Gullikson, LLC  
1976 Wooddale Drive, Suite 3A  
Woodbury, MN 55125

**Re: Voluntary Commitments**

Dear Mr. Bradley:

The purpose of this Letter is to set forth voluntary commitments by Qwest Broadband Services, Inc. d/b/a CenturyLink (“QBSI”) to the North Suburban Communications Commission (the “Commission”) and its Member Cities (the “Member Cities”) that are in addition to the obligations contained in the Franchise Agreement, to be adopted by each Member City and executed by QBSI (hereinafter the “Franchise”). The items set forth below have been negotiated in good faith and mutually agreed to by the parties. QBSI agrees that at no time shall it be permitted to in any way offset from franchise fee payments owed the City or pass through as a separate line item on Subscriber bills any costs associated with the voluntary commitments set forth within.

1. **Complimentary Prism Cable Service.** This letter will confirm that any City/Member City/Commission will not need to purchase separate internet service or any equipment in order to receive complimentary cable service from QBSI as set forth in the Franchise. The City will be allowed to choose any QBSI converter equipment for its complimentary equipment.
2. **Simulcasting PEG Channels.** This letter will confirm that QBSI may simulcast the City/Member City’s PEG channels in high definition (HD) and standard definition (SD). QBSI may simulcast the PEG channels in other formats provided from the City/Member City to QBSI. Simulcasting does not change the number of PEG channels being provided under each Franchise. For example, if the City is provided nine (9) PEG channels in the Franchise, QBSI may simulcast each of the 9 PEG channels in HD, and SD.
3. **Cost Reimbursement.** To the extent the Commission’s expenses exceeded the franchise application fee, QBSI will fully reimburse the City for all of its reasonable costs and expenses within 60 days of granting the Franchise.
4. **Twin Cities Metro PEG Interconnect.** The Commission and each Member City shall have the right to fully participate in the Twin Cities Metro PEG Interconnect, which will allow participants to share (send and receive) live PEG programming with one another provided the other City has agreed with QBSI to share its PEG programming.

Mr. Michael R. Bradley

October \_\_\_\_, 2015

Page 2 of 2

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5. **Complimentary broadband service to a City facility location.** Within 90 days of executing the Franchise, QBSI shall make available complimentary commercial grade Wi-Fi enabled internet service and associated equipment at the highest speed available by Grantee to one public location (such as a community center) within each Member City. The Member City and/or the Commission shall determine the location in consultation with QBSI. QBSI shall have the option of co-branding the free public Wi-Fi with the City at said location. The Wi-Fi equipment shall be capable of providing Wi-Fi to the the primary community meeting area of the Member City location. The service level quality shall be as provided to commercial customers and this commitment shall remain in place throughout the term of the Franchise.

The parties understand that voluntary commitments listed above supplement other obligations contained in the Franchise.

Enforcement of the terms of this Letter of Agreement shall be consistent with the enforcement procedures set forth in the Franchise. CenturyLink stipulates that a violation of these terms by CenturyLink may be considered by the City as a violation of the Franchise and shall subject CenturyLink to all remedies available to the City under the Franchise and pursuant to applicable law.

Acknowledged and agreed to this \_\_\_\_ day of October, 2015.

**Qwest Broadband Services, Inc.**

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

Its: \_\_\_\_\_

**ORDINANCE NO. 15-XX**

**CITY OF LAUDERDALE**

**CABLE TELEVISION FRANCHISE ORDINANCE**

Date: \_\_\_\_\_, 2015

Prepared by:

Michael R. Bradley  
Bradley Hagen & Gullikson, LLC  
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Woodbury, MN 55125  
Telephone: (651) 379-0900  
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**ORDINANCE NO. \_\_\_\_\_**

AN ORDINANCE GRANTING A FRANCHISE TO QWEST BROADBAND SERVICES, INC., D/B/A CENTURYLINK, TO CONSTRUCT, OPERATE, AND MAINTAIN A CABLE COMMUNICATIONS SYSTEM IN THE CITY OF LAUDERDALE; SETTING FORTH CONDITIONS ACCOMPANYING THE GRANT OF THE FRANCHISE; PROVIDING FOR REGULATION AND USE OF THE SYSTEM AND THE PUBLIC RIGHTS-OF-WAY IN CONJUNCTION WITH THE CITY'S RIGHT-OF-WAY ORDINANCE, IF ANY, AND PRESCRIBING PENALTIES FOR THE VIOLATION OF THE PROVISIONS HEREIN;

The City Council of the City of Lauderdale ordains:

**STATEMENT OF INTENT AND PURPOSE**

Qwest Broadband Services, Inc., d/b/a CenturyLink ("Grantee"), applied for a cable franchise to serve the City. The City will adopt separate findings related to the application and the decision to grant a cable franchise to Grantee, which shall be incorporated herewith by reference. The City intends, by the adoption of this Franchise, to bring about competition in the delivery of cable services in the City.

Adoption of this Franchise is, in the judgment of the Council, in the best interests of the City and its residents.

**SECTION 1. SHORT TITLE AND DEFINITIONS**

1. Short Title. This Franchise Ordinance shall be known and cited as the CenturyLink Cable Franchise Ordinance.
2. Definitions. For the purposes of this Franchise, the following terms, phrases, words, and their derivations shall have the meaning given herein. When not inconsistent with the context, words in the singular number include the plural number. The word "shall" is always mandatory and not merely directory. The word "may" is directory and discretionary and not mandatory.
  - a. "Basic Cable Service" means any service tier which includes the lawful retransmission of local television broadcast signals and any public, educational, and governmental access programming required by the Franchise to be carried on the basic tier. Basic Cable Service as defined herein shall not be inconsistent with 47 U.S.C. § 543(b)(7).
  - b. "City" means City of Lauderdale, a municipal corporation, in the State of Minnesota, acting by and through its City Council, or its lawfully appointed designee.
  - c. "City Council" means the governing body of the City.

- d. “Cable Service” or “Service” means the provision of communications and/or entertainment services as “Cable Service” is defined by Minn. Stat. § 238.01 *et seq.* and 47 U.S.C § 521 *et seq.*, as may be amended from time to time, but including Institutional Network services. Cable Service shall also include any video programming service for which a franchise from a local government is permitted under state law.
- e. “Cable System” or “System” means a system of antennas, cables, wires, lines, towers, waveguides, or other conductors, Converters, equipment, or facilities located in City and designed and constructed for the purpose of producing, receiving, transmitting, amplifying, or distributing audio, video, and data. System as defined herein shall not be inconsistent with the definitions set forth in Minn. Stat. § 238.02, subd. 3 and 47 U.S.C. § 522(7). This definition shall include any facility that is a “cable system” under federal law or a “cable communications system” under state law.
- f. “Commercial Need” or “Marketplace Need” means such need or market demand which City and Grantee may jointly determine requires action or performance by Grantee as specifically set forth in this Franchise. Such determination shall be based upon evidence and information presented by City, Grantee and other interested parties at a duly noticed public proceeding. Grantee shall have an opportunity to present evidence regarding the level of market demand, the cost of meeting such demand and the availability of technologies to meet such demand. Any decision regarding Commercial or Marketplace Need which requires action by Grantee shall not be unreasonable.
- g. “Commission” means the North Suburban Communications Commission, a municipal Joint Powers Commission.
- h. “Converter” means an electronic device which converts signals to a frequency acceptable to a television receiver of a Subscriber and by an appropriate selector permits a Subscriber to view all Subscriber signals included in the service.
- i. “Drop” means the cable that connects the ground block on the Subscriber's residence or institution to the nearest feeder cable of the System.
- j. “FCC” means the Federal Communications Commission and any legally appointed, designated or elected agent or successor.
- k. “Franchise” or “Cable Franchise” means this ordinance and the regulatory and contractual relationship established hereby.
- l. “Grantee” is Qwest Broadband Services, Inc., d/b/a CenturyLink, its lawful successors, transferees or assignees.

m. “Gross Revenues” shall be defined as and shall be construed broadly to include all revenues derived directly or indirectly by Grantee and/or an Affiliate that is a cable operator of the Cable System, from the operation of Grantee’s Cable System to provide Cable Services within the City (including cash, credits, property or other consideration of any kind or nature). Gross revenues include, by way of illustration and not limitation: monthly fees for Cable Services, regardless of whether such Cable Services are provided to residential or commercial customers, including revenues derived from the provision of all Cable Services (including but not limited to pay or premium Cable Services, digital Cable Services, pay-per-view, pay-per-event and video-on-demand Cable Services); installation, reconnection, downgrade, upgrade or similar charges associated with changes in subscriber Cable Service levels; fees paid to Grantee for channels designated for commercial/leased access use; converter, remote control, lockout device and other Cable Service equipment rentals and/or leases or sales; advertising revenues received or derived by Grantee and/or its Affiliates, including but not limited to, rep fees, Affiliate fees, rebates and commissions, but excluding unaffiliated agency fees; late fees, convenience fees and administrative fees; revenues from program guides; franchise fees; and commissions from home shopping channels and other revenue sharing arrangements. Gross Revenues subject to franchise fees shall include revenues derived from sales of advertising that run on Grantee’s Cable System within the City and shall be allocated on a *pro rata* basis using total Cable Service subscribers reached by the advertising. Additionally, Grantee agrees that Gross Revenues subject to franchise fees shall include all commissions paid to third parties associated with sales of advertising on the Cable System within the City allocated according to this paragraph using total Cable Service subscribers reached by the advertising. Gross revenues shall not include: actual bad debt write-offs, provided, however, that all or part of any such actual bad debt that is written off but subsequently collected shall be included in Gross Revenues in the period collected; and any taxes on services furnished by Grantee imposed by any municipality, state or other governmental unit, provided that franchise fees shall not be regarded as such a tax.

(i) To the extent revenues are received by Grantee for the provision of a discounted bundle of services which includes Cable Services and non-Cable Services, Grantee shall calculate revenues to be included in Gross Revenues using a methodology that allocates revenue on a *pro rata* basis when comparing the bundled service price and its components to the sum of the most recent published rate card rate for the components, except it is expressly understood that equipment may be subject to inclusion in the bundled price at full rate card value. This calculation shall be applied to every bundled service package containing Cable Service from which Grantee receives or derives revenues in the City, and must be updated within sixty (60) days of the date any rate change for cable and/or non-cable services is implemented for a service package containing Cable Service or the date any rate change is implemented for any service

included in a service package that contains Cable Service. The NSCC reserves its right to review and to challenge Grantee's calculations.

- (ii) For purposes of this definition, the term "Affiliates" means any person(s) and/or entity(ies) who own or control, are owned or controlled by or are under common ownership or control with Grantee but does not include affiliated entities that are not directly or indirectly involved with the programming, use, management, operation, construction, repair and/or maintenance of Grantee Corporation's cable systems.
  - (iii) Resolution of any disputes over the classification of revenue should first be attempted by agreement of the Parties, but should no resolution be reached, the Parties agree that reference shall be made to generally accepted accounting principles ("GAAP") as promulgated and defined by the Financial Accounting Standards Board ("FASB"), Emerging Issues Task Force ("EITF") and/or the U.S. Securities and Exchange Commission ("SEC"). Notwithstanding the foregoing, the City and/or the Commission reserves its right to challenge Grantee's calculation of Gross Revenues, including the use or interpretation of GAAP as promulgated and defined by the FASB, EITF and/or the SEC.
- 
- n. "Household" means a distinct address in the Qwest Corporation ("QC") network database, whether a residence or small business, subscribing to or being offered cable service. Grantee represents and warrants that it has access to the QC network database and shall demonstrate to the City's reasonable satisfaction how the data required in Section 2 are calculated and reported using the QC network database.
  - o. "Installation" means the connection of the System from feeder cable to the point of connection with the Subscriber Converter or other terminal equipment.
  - p. "Lockout Device" means an optional mechanical or electrical accessory to a Subscriber's terminal which inhibits the viewing of a certain program, certain channel, or certain channels provided by way of the Cable Communication System.
  - q. "North Suburbs Access Corporation" means that certain non-profit corporation or its lawful successor, designee, or assignee, which is delegated authority and responsibility for providing certain community programming functions including public access.
  - r. "North Suburban System" means the Cable System located in those municipalities collectively comprising the North Suburban Cable Commission.

- s. “Pay Television” means the delivery over the System of pay-per-channel or pay-per-program audio-visual signals to Subscribers for a fee or charge, in addition to the charge for Basic Cable Service or Cable Programming Services.
- t. “Person” is any person, firm, partnership, association, corporation, company, or other legal entity, but does not include the City or Commission.
- u. “Right-of-Way” or “Rights-of-Way” means the area on, below, or above any real property in City in which the City has an interest including, but not limited to any street, road, highway, alley, sidewalk, parkway, park, skyway, or any other place, area, or real property owned by or under the control of City, including other dedicated Rights-of-Way for travel purposes and utility easements.
- v. “Right-of-Way Ordinance” means the ordinance codifying requirements regarding regulation, management and use of Rights-of-Way in City, including registration and permitting requirements.
- w. “Set Top Box” means an electronic device (sometimes referred to as a receiver) which may serve as an interface between a System and a Subscriber’s television monitor and which may convert signals to a frequency acceptable to a television monitor of a Subscriber and may, by an appropriate selector, permit a Subscriber to view all signals of a particular service
- x. “Subscriber” means any Person who lawfully receives service via the System. In the case of multiple office buildings or multiple dwelling units, the “Subscriber” means the lessee, tenant or occupant.

**SECTION 2. GRANT OF AUTHORITY AND GENERAL PROVISIONS**

- 1. Grant of Franchise.
  - a. This Franchise is granted pursuant to the terms and conditions contained herein.
  - b. Nothing in this Franchise shall be deemed to waive the lawful requirements of any generally applicable City ordinance existing as of the Effective Date.
  - c. Each and every term, provision or condition herein is subject to the provisions of state law, federal law, and local ordinances and regulations. The Municipal Code of the City, as the same may be amended from time to time, is hereby expressly incorporated into this Franchise as if fully set out herein by this reference. Notwithstanding the foregoing, the City may not unilaterally alter the material rights and obligations of Grantee under this Franchise.
  - d. This Franchise shall not be interpreted to prevent the City from imposing additional lawful conditions, including additional compensation conditions for use of the Rights-of-Way, should Grantee provide service other than cable service.



- e. The parties acknowledge that Grantee intends that Qwest Corporation (“QC”), an affiliate of Grantee, will be primarily responsible for the construction and installation of the facilities in the Rights-of-Way, constituting the cable communications system, which will be utilized by Grantee to provide cable service. Grantee promises, as a condition of exercising the privileges granted by this Franchise, that any affiliate of the Grantee, including QC, directly or indirectly involved in the construction, management, or operation of the cable communications system will comply with all applicable federal, state and local laws, rules and regulations regarding the use of the City’s rights of way. The City agrees that to the extent QC violates any applicable laws, rules and regulations, the City shall first seek compliance directly from QC. In the event, the City cannot resolve these violations or disputes with QC, or any other affiliate of Grantee, then the City may look to Grantee to ensure such compliance. Failure by Grantee to ensure QC’s or any other affiliate’s compliance with applicable laws, rules and regulations shall be deemed a material breach of this Franchise by Grantee. To the extent Grantee constructs and installs facilities in the rights-of-way, such installation will be subject to the terms and conditions contained herein.
  
- f. No rights shall pass to Grantee by implication. Without limiting the foregoing, by way of example and not limitation, this Franchise shall not include or be a substitute for:
  - (i) Any other permit or authorization required for the privilege of transacting and carrying on a business within the City that may be required by the ordinances and laws of the City;
  - (ii) Any permit, agreement, or authorization required by the City for Right-of-Way users in connection with operations on or in Rights-of-Way or public property including, by way of example and not limitation, street cut permits; or
  - (iii) Any permits or agreements for occupying any other property of the City or private entities to which access is not specifically granted by this Franchise including, without limitation, permits and agreements for placing devices on poles, in conduits or in or on other structures.
  
- g. This Franchise is intended to convey limited rights and interests only as to those Rights-of-Way in which the City has an actual interest. It is not a warranty of title or interest in any Right-of-Way; it does not provide the Grantee with any interest in any particular location within the Right-of-Way; and it does not confer rights other than as expressly provided in the grant hereof.
  
- h. This Franchise does not authorize Grantee to provide telecommunications service, or to construct, operate or maintain telecommunications facilities. This Franchise is not a bar to imposition of any lawful conditions on Grantee with respect to

telecommunications, whether similar, different or the same as the conditions specified herein. This Franchise does not relieve Grantee of any obligation it may have to obtain from the City an authorization to provide telecommunications services, or to construct, operate or maintain telecommunications facilities, or relieve Grantee of its obligation to comply with any such authorizations that may be lawfully required.

2. Grant of Nonexclusive Authority.

- a. The Grantee shall have the right and privilege, subject to the permitting and other lawful requirements of City ordinance, rule or procedure, to construct, erect, and maintain, in, upon, along, across, above, over and under the Rights-of-Way in City a Cable System and shall have the right and privilege to provide Cable Service. The System constructed and maintained by Grantee or its agents shall not interfere with other uses of the Rights-of-Way. Grantee shall make use of existing poles and other above and below facilities available to Grantee to the extent it is technically and economically feasible to do so.
- b. Notwithstanding the above grant to use Rights-of-Way, no Right-of-Way shall be used by Grantee if City determines that such use is inconsistent with the terms, conditions, or provisions by which such Right-of-Way was created or dedicated, or with the present use of the Right-of-Way.
- c. This Franchise shall be nonexclusive, and City reserves the right to grant a franchise to any Person at any time during the period of this Franchise for the provision of Cable Service. The terms and conditions of any such franchise shall be, when taken as a whole, no less burdensome or more beneficial than those imposed upon Grantee pursuant to this Franchise.

3. Lease or Assignment Prohibited. No Person may lease Grantee's System for the purpose of providing Service until and unless such Person shall have first obtained and shall currently hold a valid Franchise or other lawful authorization containing substantially similar burdens and obligations to this Franchise. Any assignment of rights under this Franchise shall be subject to and in accordance with the requirements of Section 10, Paragraph 5.

4. Franchise Term. This Franchise shall be in effect for a period of five (5) years from the date of acceptance by Grantee, unless sooner renewed, revoked or terminated as herein provided.

5. Compliance with Applicable Laws, Resolutions and Ordinances.

- a. The terms of this Franchise shall define the contractual rights and obligations of Grantee with respect to the provision of Cable Service and operation of the System in City. However, the Grantee shall at all times during the term of this Franchise be subject to all lawful exercise of the police power, statutory rights, local ordinance-making authority, and eminent domain rights of City. Except as

provided below, any modification or amendment to this Franchise, or the rights or obligations contained herein, must be within the lawful exercise of City's police power, in which case the provision(s) modified or amended herein shall be specifically referenced in an ordinance of the City authorizing such amendment or modification. This Franchise may also be modified or amended with the written consent of Grantee as provided in Section 13, Paragraph 3 herein.

- b. Grantee shall comply with the terms of any City ordinance or regulation of general applicability which addresses usage of the Rights-of-Way within City which may have the effect of superseding, modifying or amending the terms of Section 3 and/or Section 8, Paragraph 5(c) herein, except that Grantee shall not, through application of such City ordinance or regulation of Rights-of-Way, be subject to additional burdens with respect to usage of Rights-of-Way which exceed burdens on similarly situated Rights-of-Way users.
  - c. In the event of any conflict between Section 3 and/or Section 8, Paragraph 5(c) of this Franchise and any City ordinance or regulation which addresses usage of the Rights-of-Way, the conflicting terms in Section 3 and/or Section 8, Paragraph 5(c) of this Franchise shall be superseded by such City ordinance or regulation, except that Grantee shall not, through application of such City ordinance or regulation of Rights-of-Way, be subject to additional burdens with respect to usage of Rights-of-Way which exceed burdens on similarly situated Rights-of-Way users.
  - d. In the event any City ordinance or regulation which addresses usage of the Rights-of-Way adds to, modifies, amends, or otherwise differently addresses issues addressed in Section 3 and/or Section 8, Paragraph 5(c) of this Franchise, Grantee shall comply with such ordinance or regulation of general applicability, regardless of which requirement was first adopted except that Grantee shall not, through application of such City ordinance or regulation of Rights-of-Way, be subject to additional burdens with respect to usage of Rights-of-Way which exceed burdens on similarly situated Rights-of-Way users.
  - e. In the event Grantee cannot determine how to comply with any Right-of-Way requirement of City, whether pursuant to this Franchise or other requirement, Grantee shall immediately provide written notice of such question, including Grantee's proposed interpretation, to the City with copy to the North Suburban Cable Communications Commission, in accordance with Section 2, Paragraph 8. The City or Commission shall provide a written response within fourteen (14) days of receipt indicating how the requirements cited by Grantee apply. Grantee may proceed in accordance with its proposed interpretation in the event a written response is not received within seventeen (17) days of mailing or delivering such written question.
6. Rules of Grantee. The Grantee shall have the authority to promulgate such rules, regulations, terms and conditions governing the conduct of its business as shall be reasonably

necessary to enable said Grantee to exercise its rights and perform its obligations under this Franchise and to assure uninterrupted service to each and all of its Subscribers; provided that such rules, regulations, terms and conditions shall not be in conflict with provisions hereto, the rules of the FCC, the laws of the State of Minnesota, City, or any other body having lawful jurisdiction.

7. Territorial Area Involved. This Franchise is granted for the corporate boundaries of City, as it exists from time to time. In the event of annexation by City, or as development occurs, any new territory shall become part of the territory for which this Franchise is granted, subject Paragraph 7(a) (Reasonable Build-Out of the Entire City) below. Access to cable service shall not be denied to any group of potential residential cable Subscribers because of the income of the residents of the area in which such group resides. .

- a. Reasonable Build-Out of the Entire City. The Parties recognize that Grantee, or its affiliate, has constructed a legacy communications system throughout the City that is capable of providing voice grade service. The Parties further recognize that Grantee or its affiliate must expend a significant amount of capital to upgrade its existing legacy communications system and to construct new facilities to make it capable of providing cable service. Further, there is no promise of revenues from cable service to offset these capital costs. The Parties agree that the following is a reasonable build-out schedule taking into consideration Grantee's market success and the requirements of Minnesota state law.
- (i) Complete Equitable Build-Out. Grantee aspires to provide cable service to all households within the City by the end of the initial term of this Franchise. In addition, Grantee commits that a significant portion of its investment will be targeted to areas below the median income in the City.
  - (ii) Initial Minimum Build-Out Commitment. Grantee agrees to be capable of serving a minimum of fifteen percent (15%) of the City's households with cable service during the first two (2) years of the initial Franchise term, provided, however that Grantee will make its best efforts to complete such deployment within a shorter period of time. This initial minimum build-out commitment shall include deployment to households equitably throughout the City and to a significant number of households below the medium income in the City. Nothing in this Franchise shall restrict Grantee from serving additional households in the City with cable service;
  - (iii) Quarterly Meetings. Commencing January 1, 2016, and continuing throughout the term of this Franchise, Grantee shall meet quarterly with the Executive Director of the Commission. At each quarterly meeting, Grantee shall present information acceptable to the City/Commission (to the reasonable satisfaction of the City/Commission) showing the number of households Grantee is presently capable of serving with cable service and the number of households that Grantee is actually serving with cable service. Grantee shall also present information acceptable to the

City/Commission (to the reasonable satisfaction of the City/Commission) that Grantee is equitably serving all portions of the City in compliance with this Section 2, Paragraph 7. In order to permit the City/Commission to monitor and enforce the provisions of this section and other provisions of this Franchise, the Grantee shall promptly, upon reasonable demand, show to the City/Commission (to the City/Commission's reasonable satisfaction) maps and provide other documentation showing exactly where within the City the Grantee is currently providing cable service;

- (iv) Additional Build-Out Based on Market Success. If, at any quarterly meeting, Grantee is actually serving twenty seven and one-half percent (27.5%) of the Households capable of receiving cable service, then Grantee agrees the minimum build-out commitment shall increase to include all of the Households then capable of receiving cable service plus an additional fifteen (15%) of the total households in the City, which Grantee agrees to serve within two (2) years from the quarterly meeting; provided, however, the Grantee shall make its best efforts to complete such deployment within a shorter period of time. For example, if, at a quarterly meeting with the Commission's Executive Director, Grantee shows that it is capable of serving sixty percent of the households in the City with cable service and is actually serving thirty percent of those households with cable service, then Grantee will agree to serve an additional fifteen percent of the total households in the City no later than 2 years after that quarterly meeting (a total of 75% of the total households). This additional build-out based on market success shall continue until every household in the City is served;
- (v) Line Extension. Grantee shall not have a line extension obligation until the first date by which Grantee is providing Cable Service to more than fifty percent (50%) of all subscribers receiving facilities based cable service from both the Grantee and any other provider(s) of cable service within the City. At that time, the City/Commission, in its reasonable discretion and after meeting with Grantee, shall determine the timeframe to complete deployment to the remaining households in the City, including a density requirement that is the same or similar to the requirement of the incumbent franchised cable operator.

8. Written Notice. All notices, reports, or demands required to be given in writing under this Franchise shall be deemed to be given when delivered personally to any officer of Grantee or City's Administrator of this Franchise or forty-eight (48) hours after it is deposited in the United States mail in a sealed envelope, with registered or certified mail postage prepaid thereon, addressed to the party to whom notice is being given, as follows:

If to City:                      City of Lauderdale  
   1891 Walnut Street  
   Lauderdale, Minnesota 55113

Attention: City Manager/Administrator

With copies to: North Suburban Cable Communications Commission  
2670 Arthur Street  
Roseville, Minnesota 55113

And to: Michael R. Bradley  
Bradley Hagen & Gullikson, LLC  
1976 Wooddale Drive, Suite 3A  
Woodbury, Minnesota 55125

If to Grantee: Qwest Broadband Services, Inc., d/b/a CenturyLink  
1801 California St., 10th Flr.  
Denver, CO 80202  
Attn: Public Policy

With copies to: Qwest Broadband Services Inc., d/b/a CenturyLink  
200 S. 5<sup>th</sup> Street, 21<sup>st</sup> Flr.  
Minneapolis, MN 55402  
Attn: Public Policy

Such addresses may be changed by either party upon notice to the other party given as provided in this Section.

### **SECTION 3. CONSTRUCTION STANDARDS**

#### **1. Registration, Permits and Construction Codes**

- a. Grantee shall strictly adhere to all state and local laws and building and zoning codes currently or hereafter applicable to location, construction, installation, operation or maintenance of the System in City and give due consideration at all times to the aesthetics of the property.
- b. Failure to obtain permits or comply with permit requirements shall be grounds for revocation of this Franchise or any lesser sanctions provided herein or in any other applicable law.

2. Repair of Rights-of-Way and Property. Any and all Rights-of-Way, or public or private property, which are disturbed or damaged during the construction, repair, replacement, relocation, operation, maintenance, expansion, extension or reconstruction of the System shall be promptly and fully restored by Grantee, at its expense, to the same condition as that prevailing prior to Grantee's work, as determined by City. If Grantee shall fail to promptly perform the restoration required herein, after written request of City and reasonable opportunity to satisfy that request, City shall have the right to put the Rights-of-Way, public, or private property back into good condition. In the event City

determines that Grantee is responsible for such disturbance or damage, Grantee shall be obligated to fully reimburse City for such restoration.

3. Conditions on Right-of-Way Use.

- a. Nothing in this Franchise shall be construed to prevent City from constructing, maintaining, repairing or relocating sewers; grading, paving, maintaining, repairing, relocating and/or altering any Right-of-Way; constructing, laying down, repairing, maintaining or relocating any water mains; or constructing, maintaining, relocating, or repairing any sidewalk or other public work.
  - b. All System transmission and distribution structures, lines and equipment erected by the Grantee within City shall be located so as not to obstruct or interfere with the use of Rights-of-Way except for normal and reasonable obstruction and interference which might occur during construction and to cause minimum interference with the rights of property owners who abut any of said Rights-of-Way and not to interfere with existing public utility installations.
  - c. If at any time during the period of this Franchise City shall elect to alter or change the grade or location of any Right-of-Way, the Grantee shall, at its own expense, upon reasonable notice by City, remove and relocate its poles, wires, cables, conduits, manholes and other fixtures of the System and in each instance comply with the reasonable and lawful standards and specifications of City.
  - d. The Grantee shall not place poles, conduits, or other fixtures of System above or below ground where the same will interfere with any gas, electric, telephone, water or other utility fixtures and all such poles, conduits, or other fixtures placed in any Right-of-Way shall be so placed as to comply with all reasonable and lawful requirements of City.
  - e. The Grantee shall, upon request of any Person holding a moving permit issued by City, temporarily move its wires or fixtures to permit the moving of buildings with the expense of such temporary removal to be paid by the Person requesting the same, and the Grantee shall be given not less than ten (10) days advance written notice to arrange for such temporary changes.
  - f. The Grantee shall have the authority to trim any trees upon and overhanging the Rights-of-Way of City so as to prevent the branches of such trees from coming in contact with the wires and cables or other facilities of the Grantee.
  - g. Grantee shall use its best efforts to give reasonable prior notice to any adjacent private property owners who will be negatively affected or impacted by Grantee's work in the Rights-of-Way.
4. Undergrounding of Cable. Unless otherwise required by action of City Council, Grantee must place newly constructed facilities underground in areas of City where all other

utility lines are placed underground. Amplifier boxes and pedestal mounted terminal boxes may be placed above ground if existing technology reasonably requires, but shall be of such size and design and shall be so located as not to be unsightly or unsafe, all pursuant to plans submitted with Grantee's permit application(s) and approved by City.

5. Installation of Facilities. No poles, conduits, amplifier boxes, pedestal mounted terminal boxes, similar structures, or other wire-holding structures shall be erected or installed by the Grantee without required permit of City.
6. Safety Requirements.
  - a. The Grantee shall at all times employ ordinary and reasonable care and shall install and maintain in use nothing less than commonly accepted methods and devices for preventing failures and accidents which are likely to cause damage or injuries.
  - b. The Grantee shall install and maintain its System and other equipment in accordance with City's codes and the requirements of the National Electric Safety Code and all other applicable FCC, state and local regulations, and in such manner that they will not interfere with City communications technology related to health, safety and welfare of the residents.
  - c. All System structures, and lines, equipment and connections in, over, under and upon the Rights-of-Way of City, wherever situated or located, shall at all times be kept and maintained in good condition, order, and repair so that the same shall not menace or endanger the life or property of City or any Person.

#### **SECTION 4. DESIGN PROVISIONS**

1. System Design.
  - a. Grantee shall develop, construct and operate a state-of-the-art cable communications system, constructed in accordance with Section 2, Paragraph (7)(a).
  - b. All final programming decisions remain the discretion of Grantee, provided that Grantee notifies City and Subscribers in writing thirty (30) days prior to any channel additions, deletions, or realignments, and further subject to Grantee's signal carriage obligations hereunder and pursuant to 47 U.S.C. §§ 531-536, and further subject to City's rights pursuant to 47 U.S.C. § 545. Location and relocation of the PEG Channels shall be governed by Section 6, Paragraph 1(d).
2. Interruption of Service. The Grantee shall interrupt service only for good cause and for the shortest time possible. Such interruption shall occur during periods of minimum use of the System. If service is interrupted for a total period of more than forty eight (48) hours in



any thirty (30) day period, Subscribers shall be credited pro rata for such interruption, upon request.

3. Technical Standards. The technical standards used in the operation of the System shall comply, at minimum, with the technical standards promulgated by the FCC relating to Cable Systems pursuant to Title 47, Sections 76.601 to 76.617, as applicable, as may be amended or modified from time to time, which regulations are expressly incorporated herein by reference.

4. Special Testing.

a. The City shall have the right to inspect all construction or installation work performed pursuant to the provisions of the Franchise. In addition, the City/Commission may require special testing of a location or locations within the System if there is a particular matter of controversy or unresolved complaints regarding such construction or installation work or pertaining to such location(s). Demand for such special tests may be made on the basis of complaints received or other evidence indicating an unresolved controversy or noncompliance. Such tests shall be limited to the particular matter in controversy or unresolved complaints. The City shall endeavor to so arrange its request for such special testing so as to minimize hardship or inconvenience to Grantee or to the Subscribers caused by such testing.

b. Before ordering such tests, Grantee shall be afforded thirty (30) days following receipt of written notice to investigate and, if necessary, correct problems or complaints upon which tests were ordered. The City shall meet with Grantee prior to requiring special tests to discuss the need for such and, if possible, visually inspect those locations which are the focus of concern. If, after such meetings and inspections, City wishes to commence special tests and the thirty (30) days have elapsed without correction of the matter in controversy or unresolved complaints, the tests shall be conducted at Grantee's expense by a qualified engineer selected by City and Grantee, and Grantee shall cooperate in such testing.

5. Drop Testing and Replacement. The Grantee shall replace, at no separate charge to an individual Subscriber, all Drops and/or associated passive equipment incapable of passing the full System capacity at the time a Subscriber upgrades.

6. FCC Reports. The results of any tests required to be filed by Grantee with the FCC shall upon request of City also be filed with the City or its designee within ten (10) days of the conduct of such tests.

7. Interconnection. The System servicing the Cities of Arden Hills, Falcon Heights, Lauderdale, Little Canada, Mounds View, New Brighton, North Oaks, Arden Hills, and St. Anthony shall continue to be completely interconnected. In addition, Grantee shall make available for interconnection purposes one (1) channel for forward video purposes, one (1) six

(6) MHz channel for return video purposes, one (1) channel for forward data or other purposes, and one (1) channel for return data or other purposes between all Systems adjacent to the North Suburban System and under common ownership with Grantee. This commitment may be satisfied through the provision of the Twin Cities Metro PEG Interconnect Network, provided Grantee agrees to allow all cities adjacent to the North Suburban System to participate.

8. Nonvoice Return Capability. Grantee is required to use cable and associated electronics having the technical capacity for nonvoice return communications.

9. Lockout Device. Upon the request of a Subscriber, Grantee shall make available a Lockout Device at no additional charge to Subscribers.

## **SECTION 5. SERVICE PROVISIONS**

1. Regulation of Service Rates.

a. The City may regulate rates for the provision of Cable Service, equipment, or any other communications service provided over the System to the extent allowed under federal or state law(s). City reserves the right to regulate rates for any future services to the extent permitted by law.

b. Grantee shall give City and Subscribers written notice of any change in a rate or charge at least one billing cycle prior to the effective date of the change. Bills must be clear, concise, and understandable, with itemization of all charges.

2. Sales Procedures. Grantee shall not exercise deceptive sales procedures when marketing any of its services within City. In its initial communication or contact with a non-Subscriber and in all general solicitation materials marketing the Grantee or its services as a whole, Grantee shall inform the non-Subscriber of all levels of service available, including the lowest priced and free service tiers. Grantee shall have the right to market door-to-door during reasonable hours consistent with local ordinances and regulation.

3. Subscriber Inquiry and Complaint Procedures.

a. Grantee shall have a publicly listed toll-free telephone number which shall be operated so as to receive Subscriber complaints and requests on a twenty-four (24) hour-a-day, seven (7) days-a-week, 365 days a year basis. During normal business hours, trained representatives of Grantee shall be available to respond to Subscriber inquiries.

b. Grantee shall maintain adequate numbers of telephone lines and personnel to respond in a timely manner to schedule service calls and answer Subscriber complaints or inquiries in a manner consistent with regulations adopted by the FCC and City where applicable and lawful. Under normal operating conditions, telephone answer time by a customer representative, including wait time, shall not exceed thirty (30) seconds when the connection is made. If the call needs to be

transferred, transfer time shall not exceed thirty (30) seconds. These standards shall be met no less than ninety (90) percent of the time under normal operating conditions, measured on a quarterly basis. Under normal operating conditions, the customer will receive a busy signal less than three (3) percent of the time. Grantee shall respond to written complaints with copy to City or its designee within thirty (30) days.

- c. Subject to Grantee's obligations pursuant to law regarding privacy of certain information, Grantee shall prepare and maintain written records of all complaints received from City and the resolution of such complaints, including the date of such resolution. Such written records shall be on file at the office of Grantee. Grantee shall provide City with a written summary of such complaints and their resolution upon request of City. As to Subscriber complaints, Grantee shall comply with FCC record-keeping regulations and make the results of such record-keeping available to City upon request.
- d. Subscriber requests for repairs shall be performed within thirty-six (36) hours of the request unless conditions beyond the control of Grantee prevent such performance. Grantee may schedule appointments for Installations and other service calls either at a specific time or, at a maximum, during a four hour time block during normal business hours. Grantee may also schedule service calls outside normal business hours for the convenience of customers. Grantee shall use its best efforts to not cancel an appointment with a customer after the close of business on the business day prior to the scheduled appointment. If the installer or technician is late and will not meet the specified appointment time, he/she must use his/her best efforts to contact the customer and reschedule the appointment at the sole convenience of the customer. Service call appointments must be met in a manner consistent with FCC standards.

4. Subscriber Contracts. Grantee shall file with City any standard form Subscriber contract utilized by Grantee. If no such written contract exists, Grantee shall file with the City a document completely and concisely stating the length and terms of the Subscriber contract offered to customers. The length and terms of any Subscriber contract(s) shall be available for public inspection during normal business hours.

5. Refund Policy. In the event a Subscriber establishes or terminates service and receives less than a full month's service, Grantee shall prorate the monthly rate on the basis of the number of days in the period for which service was rendered to the number of days in the billing.

6. Late Fees. Fees for the late payment of bills shall not be assessed until after the service has been fully provided and, as of the due date of the bill notifying Subscriber of an unpaid balance, the bill remains unpaid. Late Fees may not exceed the actual costs to Grantee of late payment of bills and the servicing and collecting of such accounts.

7. Office Policy. The Grantee shall install, maintain and operate, throughout the term of this Franchise, a single staffed payment center with regular business hours in the Commission Franchise Area at a location agreed upon by the Commission and the Grantee. Additional payment centers may be installed at other locations. The purpose of the payment center(s) shall be to receive Subscriber payments. All subscriber remittances at a payment center shall be posted to Subscribers' accounts within forty-eight (48) hours of remittance. Subscribers shall not be charged a late fee or otherwise penalized for any failure by the Grantee to properly credit a Subscriber for a payment timely made. The Grantee shall, at the request of and at no delivery or retrieval charge to a Subscriber, deliver or retrieve electronic equipment (*e.g.*, Set Top Boxes and remote controls). After consultation with the Commission, the Grantee shall provide Subscribers with at least sixty (60) days' prior notice of any change in the location of the customer service center serving the North Suburban System, which notice shall apprise Subscribers of the customer service center's new address, and the date the changeover will take place.

## **SECTION 6. ACCESS CHANNEL(S) PROVISIONS**

1. Public, Educational and Government Access.
  - a. City or its designee is hereby designated to operate, administer, promote, and manage access (public, education, and government programming) (hereinafter "PEG access") programming on the Cable System.
  - b. Within one hundred twenty (120) days from the Effective Date, the Grantee shall provide sixteen (16) channels (the "Access Channels") to be used for PEG access programming on the basic service tier. The City and Commission have the sole discretion to designate the use of each Access Channel. Grantee shall provide a technically reliable path for upstream and downstream transmission of the Access Channels, which will in no way degrade the technical quality of the Access Channels, from an agreed upon demarcation point at the Commission's Master Control Center at the Commission's office, and from any other designated Access providers' locations, to Grantee's headend, on which all Access Channels shall be transported for distribution on Grantee's subscriber network. The Access Channels shall be delivered without degradation to subscribers in the technical format (*e.g.* HD or SD) as delivered by the Commission and any designated Access provider to Grantee at each demarcation point at the Commission Office and at the designated Access providers' locations.
    - (1) All of the Access Channels will be made available through a multi-channel display (*i.e.* a picture in picture feed) on a single TV screen called a "mosaic" (the "North Suburban Mosaic"), where a cable subscriber can access via an interactive video menu one of any of the sixteen Access Channels. The North Suburban Mosaic will be located on Channel 15. The sixteen Access Channels will be located at Channels 8010-8025. The North Suburban Mosaic will contain only Access Channels authorized by the Commission.

- (2) Grantee will make available to the Commission the ability to place detailed scheduled Access Channel programming information on the interactive channel guide by putting the Commission in contact with the electronic programming guide vendor ("EPG provider") that provides the guide service (currently Gracenote). Grantee will be responsible for providing the designations and instructions necessary to ensure the Access Channels will appear on the programming guide throughout the City and any necessary headend costs associated therewith. The Commission shall be responsible for providing programming information to the EPG provider.
- (3) For purposes of this Franchise, the term channel shall be as commonly understood and is not any specific bandwidth amount. The signal quality of the Access Channels shall be the same as the local broadcast channels, provided such signal quality is delivered to Grantee at the Access Channels' respective demarcation points.
- (4) Grantee will provide, at no cost to the Commission, air time on non-Access channels during periods in which ample unsold/unused air time on such channels exists for City public service announcements (PSAs). The Commission will provide a 30-second PSA prior to the start of each month on a mutually agreed-upon schedule.
- (5) In the event Grantee makes any change in the Cable System and related equipment and facilities or in its signal delivery technology, which requires the City or Commission to obtain new equipment in order to be compatible with such change for purposes of transport and delivery of the Access Channels to the Grantee's headend, Grantee shall, at its own expense and free of charge to the City, the Commission, or its designated entities, purchase such equipment as may be necessary to facilitate the cablecasting of the Access Channels in accordance with the requirements of the Franchise.
- (6) Neither the Grantee nor the officers, directors, or employees of the Grantee is liable for any penalties or damages arising from programming content not originating from or produced by the Grantee and shown on any public access channel, education access channel, government access channel, leased access channel, or regional channel.
- (7) Within one hundred twenty (120) days of a written request from the Commission, Grantee shall make available as part of Basic Service to all Subscribers a PEG Access Video-on Demand (PEG-VOD) Service and maintain a PEG-VOD system. The PEG-VOD system shall be connected by the Grantee such that:

- (i) Twenty-five (25) hours of programming per member city of the Commission, or such greater amount as may be mutually agreed to by the parties, as designated and supplied by the City, Commission, or its Designated Access Provider to the Grantee may be electronically transmitted and/or transferred and stored on the PEG-VOD system; and
  - (ii) A database of that programming may be efficiently searched and a program requested and viewed over the PEG-VOD system by any Subscriber in the City; and
  - (iii) Programming submitted for placement on the PEG-VOD system, shall be placed on and available for viewing from the PEG-VOD system within forty-eight (48) hours of receipt of said programming;
  - (iv) The hardware and software described in Subsection (8) below, shall be in all respects of the same or better technical quality as the hardware and software utilized by Grantee in the provision of any other video on demand services offered over the Cable System, and shall be upgraded at Grantee's cost, when new hardware or software is utilized on Grantee's Cable System for other video on demand services. Grantee shall provide reasonable technical assistance to allow for proper use and operation when encoding hardware or software is installed and/or upgraded at City's facilities.
- (8) To ensure compatibility and interoperability, the Grantee shall supply and maintain all necessary hardware and software to encode, transmit and/or transfer Government Access programming from the City to the PEG-VOD system. The City shall be responsible for all monitoring of any equipment provided under this Section, and notifying Grantee of any problems. Grantee shall provide all technical support and maintenance for the equipment provided to the City by Grantee under this Section. After notification of any equipment problems, Grantee shall diagnose and resolve the problem within forty eight (48) hours. Major repairs which cannot be repaired within the forty eight (48) hour timeframe shall be completed within seven (7) days of notice, unless, due to Force Majeure conditions, a longer time is required. "Major repairs" are those that require equipment to be specially obtained in order to facilitate the repairs. The quality of signal and the quality of service obtained by a Subscriber utilizing the PEG-VOD service shall meet or exceed the quality standards established for all other programming provided by the Grantee and as established elsewhere in this Franchise Agreement.

- c. All residential Subscribers who receive all or any part of the total services offered on the System shall be eligible to receive the Access Channels at no additional charge. City may rename, reprogram, or otherwise change the use of these channels in its sole discretion, provided such use is non-commercial, lawful, and retains the general purpose of the provision of community programming. Nothing herein shall diminish the City's rights to secure additional channels pursuant to Minn. Stat. § 238.084, which is expressly incorporated herein by reference. City shall provide ninety (90) days prior written notice to Grantee of City's intent to activate access channels.
  - d. Grantee may not move or otherwise change the channel number or location of any public or government access or community program channel, including the North Suburban Mosaic channel, without the written approval of the City or its designee. Upon six (6) months' notice to City, any other access channel may be moved by Grantee, but in no event more than once every two (2) years unless otherwise allowed by City, provided Grantee pays all reasonable costs or expenses arising out of the channel move including, but not limited to, equipment necessary to effect the change at the programmer's production or receiving facility (school frequency routing equipment, etc.), signage, letterhead, business cards, and reasonable marketing or other constituency notification costs. This paragraph shall not apply to Regional Channel 6.
2. Charges for Use. Channel time and playback of programming on the PEG access and community program channel(s) must be provided without charge to City and the public.
  3. Access Rules. City, or its designee, shall implement rules for use of any access channel(s).
  4. Access Support. Grantee shall pay a PEG Fee of \$4.15/subscriber/month from the effective date until the franchise renews. Starting with the 2016 calendar year, the City may elect to increase this fee based on the Consumer Price Index. Any such election must be made in writing to the Franchisee no later than September 1<sup>st</sup> prior to the year in which the increase shall apply. In no event shall the PEG Fee be in an amount different from the incumbent cable provider. In the event the incumbent recovers from subscribers a higher, or lower, PEG fee, Grantee will increase, or decrease, its PEG fee upon ninety (90) days written notice from the City. The PEG fee may be used for operational or capital support of PEG programming.
  5. Regional Channel 6. Grantee shall designate standard VHF Channel 6 for uniform regional channel usage.
  6. State and Federal Law compliance. Satisfaction of the requirements of this Section 6 satisfies any and all of Grantee's state and federal law requirements of Grantee with respect to PEG access.
  7. Future PEG Funding Obligations. Grantee agrees that financial support for PEG arising from or relating to the obligations set forth in this Section shall in no way modify or

otherwise affect Grantee's obligations to pay Franchise Fees to City. Grantee agrees that although the sum of Franchise Fees plus the payments set forth in this Section may total more than five percent (5%) of Grantee's Gross Revenues in any 12-month period, the additional commitments shall not be offset or otherwise credited in any way against any Franchise Fee payments under this Franchise Agreement.

8. Additional Payments. If the incumbent franchised cable operator agrees to provide any support of the Access Channels in excess of the amount identified above or to any payment in support of any other PEG-related commitment after the Effective Date of this Franchise, the Commission, in its reasonable discretion, after meeting with the Grantee, will determine whether Grantee's PEG Fee should be changed. If Grantee is required to pay any additional PEG Fee, such amount must be based upon a per subscriber/per month fee.

## **SECTION 7. SERVICES TO CITY**

1. Twin Cities Metro PEG Interconnect Network. Grantee shall provide a discrete, non-public, video interconnect network, from an agreed upon demarcation point at the Commission's Master Control Center at the Commission's office, to Grantee's headend. The video interconnect network shall not exceed 50 Mbps of allocated bandwidth, allowing PEG operators that have agreed with Grantee to share (send and receive) live and recorded programming for playback on their respective systems. Where available the Grantee shall provide the video interconnect network and the network equipment necessary for the high-priority transport of live multicast HD/SD video streams as well as lower-priority file-sharing. Grantee shall provide 50 Mbps bandwidth for each participating PEG entity to send its original programming, receive at least two additional multicast HD/SD streams from any other participating PEG entity, and allow the transfer of files. Each participating PEG entity is responsible for encoding its own SD/HD content in suitable bit rates to be transported by the video interconnect network without exceeding the 50 Mbps of allocated bandwidth.

2. Cable Service to Public Buildings. Grantee shall, at no cost to the City or Commission, provide Basic Service and Expanded Basic Service (currently Prism Essentials) or equivalent package of Cable Service and necessary reception equipment to up to seven (7) outlets at the Commission Office and at each Member City City Hall and to each Independent School District at the current locations located in the Commission area that originates PEG programming. Grantee shall, at no cost to the City, provide Basic Service and Expanded Basic Service (currently Prism Essentials) or equivalent package of Cable Service and necessary reception equipment to up to three (3) outlets at all other government buildings, schools and public libraries located in the City where Grantee provides Cable Service, so long as these government addresses are designated as a Household and no other cable communications provider is providing complementary service at such location. For purposes of this subsection, "school" means all State-accredited K-12 public and private schools. Outlets of Basic and Expanded Basic Service provided in accordance with this subsection may be used to distribute Cable Services throughout such buildings; provided such distribution can be accomplished without causing Cable System disruption and general technical standards are maintained. Such outlets may only be used for lawful purposes. If any location is not designated as a Household, it



will be provided the functionality to monitor PEG signals through a mutually agreeable alternate technology at the expense of the Grantee.

## **SECTION 8. OPERATION AND ADMINISTRATION PROVISIONS**

1. Administration of Franchise. The City Manager or other designee shall have continuing regulatory jurisdiction and supervision over the System and the Grantee's operation under the Franchise. The City, or its designee, may issue such reasonable rules and regulations concerning the construction, operation and maintenance of the System as are consistent with the provisions of the Franchise and law.

2. Delegated Authority. The City may appoint a citizen advisory body or a Joint Powers Commission, or may delegate to any other body or Person authority to administer the Franchise and to monitor the performance of the Grantee pursuant to the Franchise. Grantee shall cooperate with any such delegatee of City.

3. Franchise Fee.

a. During the term of the Franchise, Grantee shall pay quarterly to City or its delegatee a Franchise Fee in an amount equal to five percent (5%) of its quarterly Gross Revenues, or such other amounts as are subsequently permitted by federal statute.

b. Any payments due under this provision shall be payable quarterly. The payment shall be made within thirty (30) days of the end of each of Grantee's fiscal quarters together with a report showing the basis for the computation.

c. All amounts paid shall be subject to audit and recomputation by City and/or the Commission and acceptance of any payment shall not be construed as an accord that the amount paid is in fact the correct amount. If an audit or review discloses an overpayment or underpayment of franchise fees, the City and/or the Commission shall notify Grantee of such overpayment or underpayment. The City's/Commission's audit or review expenses shall be borne by the City/Commission unless the audit or review determines that the payment to the City should be increased by more than five percent (5%) in the audited/reviewed period, in which case the costs of the audit/review shall be borne by Grantee, up to a cap of \$25,000, as a cost incidental to the enforcement of the Franchise. Any additional amounts due to the City as a result of the audit or review shall be paid to the City within thirty (30) days following written notice to Grantee by the City/Commission of the underpayment, which notice shall include a copy of the audit/review report. If the recomputation results in additional revenue to be paid to the City, such amount shall be subject to a ten percent (10%) annual interest charge.

d. The City/Commission shall have the right to inspect and to require Grantee to provide any and all data, documents and records maintained by Grantee (or

maintained by an Affiliate or a third-party contractor/vendor on behalf of Grantee) reasonably related to the calculation and payment of franchise fees. The Grantee shall maintain such records, documents and data for a minimum of four (4) years.

- e. Grantee shall have no less than twenty (20) business days to respond fully and completely to any written request for data, documents and records issued by the City/Commission, unless an extension of time is granted by the City/Commission in writing. Grantee may request an extension of the twenty (20) business day deadline applicable to a written request for data, information and documents no later than ten (10) business days after the date of such request. Every request for an extension of time shall describe, in detail, the reasons the extension is necessary. The City/Commission may, in its sole discretion, grant or deny an extension request, and shall act reasonably in making such a determination based on the scope and complexity of the information request at issue and the facts cited by Grantee in its written extension request.
- f. In the event any franchise fee payment or recomputation amount is not made on or before the required date, Grantee shall pay, during the period such unpaid amount is owed, the additional compensation and interest charges computed from such due date, at an annual rate of ten percent (10%).
- g. Nothing in this Franchise shall be construed to limit any authority of the City to impose any tax, fee or assessment of general applicability.
- h. The franchise fee payments required by this Franchise shall be in addition to any and all taxes or fees of general applicability. Grantee shall not have or make any claim for any deduction or other credit of all or any part of the amount of said franchise fee payments from or against any of said taxes or fees of general applicability, except as expressly permitted by law. Grantee shall not apply nor seek to apply all or any part of the amount of said franchise fee payments as a deduction or other credit from or against any of said taxes or fees of general applicability, except as expressly permitted by law. Nor shall Grantee apply or seek to apply all or any part of the amount of any of said taxes or fees of general applicability as a deduction or other credit from or against any of its franchise fee obligations, except as expressly permitted by law.
- i. The Franchise Fee shall be in addition to any and all taxes or other levies or assessments which are now or hereafter required to be paid by businesses in general by any law of the City, the State or the United States including, without limitation, sales, use and other taxes, business license fees or other payments. Payment of the Franchise Fee under this Franchise shall not exempt Grantee from the payment of any other license fee, permit fee, tax or charge on the business, occupation, property or income of Grantee that may be lawfully imposed by the City. Any other license fees, taxes or charges shall be of general applicability in

nature and shall not be levied against Grantee solely because of its status as a cable operator or solely because of its status as such.

4. Access to Records. The City shall have the right to inspect, upon reasonable notice and during normal business hours, or require Grantee to provide within a reasonable time copies of any records maintained by Grantee which relate to System operations including specifically Grantee's accounting and financial records.

5. Reports and Maps.

- a. Grantee shall file with the City, at the time or payment of the Franchise Fee, a report of all Gross Revenues in form and substance as required by City.
- b. Grantee shall prepare and make available to City, at the times and in the form prescribed, such other reasonable reports with respect to Grantee's operations pursuant to this Franchise as City may require.
- c. If required by City, Grantee shall make available to the City Manager the maps, plats, and permanent records of the location and character of all facilities constructed, including underground facilities, and Grantee shall make available with City updates of such maps, plats and permanent records annually if changes have been made in the System.

6. Periodic Evaluation.

- a. The City may require evaluation sessions at any time during the term of this Franchise, upon fifteen (15) days written notice to Grantee.
- b. Topics which may be discussed at any evaluation session may include, but are not limited to, application of new technologies, System performance, programming offered, access channels, facilities and support, municipal uses of cable, subscriber rates, customer complaints, amendments to this Franchise, judicial rulings, FCC rulings, line extension policies and any other topics City deems relevant.
- c. As a result of a periodic review or evaluation session, upon notification from City, Grantee shall meet with city and undertake good faith efforts to reach agreement on changes and modifications to the terms and conditions of the Franchise which are both economically and technically feasible.

## SECTION 9. GENERAL FINANCIAL AND INSURANCE PROVISIONS

1. Performance Bond.
  - a. Within 30 days of the Effective Date of this Franchise, the Grantee shall deliver to the Commission a bond, that is effective as of the Effective Date and at all times thereafter, until the Grantee has liquidated all of its obligations with City, the Grantee shall furnish a bond to Commission in the amount of \$500,000.00 in a form and with such sureties as reasonably acceptable to City. This bond will be conditioned upon the faithful performance by the Grantee of its Franchise obligations and upon the further condition that in the event the Grantee shall fail to comply with any law, ordinance or regulation governing the Franchise, there shall be recoverable jointly and severally from the principal and surety of the bond any damages or loss suffered by City as a result, including the full amount of any compensation, indemnification or cost of removal or abandonment of any property of the Grantee, plus a reasonable allowance for attorneys' fees and costs, up to the full amount of the bond, and further guaranteeing payment by the Grantee of claims, liens and taxes due City which arise by reason of the construction, operation, or maintenance of the System. The rights reserved by City with respect to the bond are in addition to all other rights City may have under the Franchise or any other law. City may, from year to year, in its sole discretion, reduce the amount of the bond.
  - b. The time for Grantee to correct any violation or liability, shall be extended by City if the necessary action to correct such violation or liability is, in the sole determination of City, of such a nature or character as to require more than thirty (30) days within which to perform, provided Grantee provides written notice that it requires more than thirty (30) days to correct such violations or liability, commences the corrective action within the thirty (30) days period and thereafter uses reasonable diligence to correct the violation or liability.
  - c. In the event this Franchise is revoked by reason of default of Grantee, City shall be entitled to collect from the performance bond that amount which is attributable to any damages sustained by City as a result of said default or revocation.
  - d. Grantee shall be entitled to the return of the performance bond, or portion thereof, as remains sixty (60) days after the expiration of the term of the Franchise or revocation for default thereof, provided City has not notified Grantee of any actual or potential damages incurred as a result of Grantee's operations pursuant to the Franchise or as a result of said default.
  - e. The rights reserved to City with respect to the performance bond are in addition to all other rights of City whether reserved by this Franchise or authorized by law, and no action, proceeding or exercise of a right with respect to the performance bond shall affect any other right City may have.

2. Letter of Credit.
  - a. Within thirty (30) days of the Effective Date of this Franchise, Grantee shall deliver to Commission an irrevocable and unconditional Letter of Credit, that is effective as of the Effective Date, in form and substance acceptable to City, from a National or State bank approved by the Commission , in the amount of \$25,000.00.
  - b. The Letter of Credit shall provide that funds will be paid to City, upon written demand of City, and in an amount solely determined by City in payment for penalties charged pursuant to this Section, in payment for any monies owed by Grantee to City or any person pursuant to its obligations under this Franchise, or in payment for any damage incurred by City or any person as a result of any acts or omissions by Grantee pursuant to this Franchise.
  - c. In addition to recovery of any monies owed by Grantee to City or any person or damages to City or any person as a result of any acts or omissions by Grantee pursuant to the Franchise, City in its sole discretion may charge to and collect from the Letter of Credit the following penalties:
    - i. For failure to timely complete System upgrades as provided in this Franchise unless City approves the delay, the penalty shall be \$500.00 per day for each day, or part thereof, such failure occurs or continues.
    - ii. For failure to provide data, documents, reports or information or to cooperate with City during an application process or system review or as otherwise provided herein, the penalty shall be \$250.00 per day for each day, or part thereof, such failure occurs or continues.
    - iii. Fifteen (15) days following notice from City of a failure of Grantee to comply with construction, operation or maintenance standards, the penalty shall be \$500.00 per day for each day, or part thereof, such failure occurs or continues.
    - iv. For failure to provide the services Grantee has proposed, including, but not limited to, the implementation and the utilization of the access channels and the maintenance and/or replacement of the equipment and other facilities, the penalty shall be \$500.00 per day for each day, or part thereof, such failure occurs or continues.
    - v. For Grantee's breach of any written contract or agreement with or to the City or its designee, the penalty shall be \$500.00 per day for each day, or part thereof, such breach occurs or continues.
    - vi. For failure to comply with the reasonable build-out provisions and for economic redlining in violation of Section 2, Paragraph 7 above and 47

U.S.C. § 541(a)(3): Five Hundred dollars (\$500) per day for each day or part thereof that such violation continues.

- vii. For failure to comply with any of the provisions of this Franchise, or other City ordinance for which a penalty is not otherwise specifically provided pursuant to this paragraph c, the penalty shall be \$250.00 per day for each day, or part thereof, such failure occurs or continues.
- d. Each violation of any provision of this Franchise shall be considered a separate violation for which a separate penalty can be imposed.
- e. Whenever City finds that Grantee has violated one or more terms, conditions or provisions of this Franchise, or for any other violation contemplated in Section 9, Paragraph 2(c) above, a written notice shall be given to Grantee informing it of such violation. At any time after thirty (30) days (or such longer reasonable time which, in the sole determination of City, is necessary to cure the alleged violation) following local receipt of notice, provided Grantee remains in violation of one or more terms, conditions or provisions of this Franchise, in the sole opinion of City, City may draw from the Letter of Credit all penalties and other monies due City from the date of the local receipt of notice.
- f. Whenever the Letter of Credit is drawn upon, Grantee may, within seven (7) days of such draw, notify City in writing that there is a dispute as to whether a violation or failure has in fact occurred. Such written notice by Grantee to City shall specify with particularity the matters disputed by Grantee. All penalties shall continue to accrue and City may continue to draw from the Letter of Credit during any appeal pursuant to this subparagraph f.
  - i. City shall hear Grantee's dispute within sixty (60) days and render a final decision within sixty (60) days thereafter.
  - ii. Upon the determination of City that no violation has taken place, City shall refund to Grantee, without interest, all monies drawn from the Letter of Credit by reason of the alleged violation.
- g. If said Letter of Credit or any subsequent Letter of Credit delivered pursuant thereto expires prior to thirty (30) months after the expiration of the term of this Franchise, it shall be renewed or replaced during the term of this Franchise to provide that it will not expire earlier than thirty (30) months after the expiration of this Franchise. The renewed or replaced Letter of Credit shall be of the same form and with a bank authorized herein and for the full amount stated in Paragraph A of this Section.
- h. If City draws upon the Letter of Credit or any subsequent Letter of Credit delivered pursuant hereto, in whole or in part, Grantee shall replace or replenish to its full amount the same within ten (10) days and shall deliver to City a like

replacement Letter of Credit or certification of replenishment for the full amount stated in Section 9, Paragraph 2(a) as a substitution of the previous Letter of Credit. This shall be a continuing obligation for any draws upon the Letter of Credit.

- i. If any Letter of Credit is not so replaced or replenished, City may draw on said Letter of Credit for the whole amount thereof and use the proceeds as City determines in its sole discretion. The failure to replace or replenish any Letter of Credit may also, at the option of the City, be deemed a default by Grantee under this Franchise. The drawing on the Letter of Credit by City, and use of the money so obtained for payment or performance of the obligations, duties and responsibilities of Grantee which are in default, shall not be a waiver or release of such default.
- j. The collection by City of any damages, monies or penalties from the Letter of Credit shall not affect any other right or remedy available to City, nor shall any act, or failure to act, by City pursuant to the Letter of Credit, be deemed a waiver of any right of City pursuant to this Franchise or otherwise.

3. Indemnification of City.

- a. City, its officers, boards, committees, commissions, elected officials, employees and agents shall not be liable for any loss or damage to any real or personal property of any Person, or for any injury to or death of any Person, arising out of or in connection with Grantee's construction, operation, maintenance, repair or removal of the System or as to any other action of Grantee with respect to this Franchise.
- b. Grantee shall indemnify, defend, and hold harmless City, its officers, boards, committees, commissions, elected officials, employees and agents, from and against all liability, damages, and penalties which they may legally be required to pay as a result of the City's exercise, administration, or enforcement of the Franchise.
- c. Nothing in this Franchise relieves a Person, except City, from liability arising out of the failure to exercise reasonable care to avoid injuring the Grantee's facilities while performing work connected with grading, regarding, or changing the line of a Right-of-Way or public place or with the construction or reconstruction of a sewer or water system.
- d. Grantee shall contemporaneously with this Franchise execute an Indemnity Agreement in the form of **Exhibit A**, which shall indemnify, defend and hold the City and Commission harmless for any claim for injury, damage, loss, liability, cost or expense, including court and appeal costs and reasonable attorneys' fees or reasonable expenses arising out of the actions of the City and/or Commission in granting this Franchise. This obligation includes any claims by another

franchised cable operator against the City and/or Commission that the terms and conditions of this Franchise are less burdensome than another franchise granted by the City or that this Franchise does not satisfy the requirements of applicable state law(s).

4. Insurance.

- a. As a part of the indemnification provided in Section 8.3, but without limiting the foregoing, Grantee shall file with City at the time of its acceptance of this Franchise, and at all times thereafter maintain in full force and effect at its sole expense, a comprehensive general liability insurance policy, including broadcaster's/cablecaster's liability and contractual liability coverage, in protection of the Grantee, and the City, its officers, elected officials, boards, commissions, agents and employees for any and all damages and penalties which may arise as a result of this Franchise. The policy or policies shall name the City as an additional insured, and in their capacity as such, City officers, elected officials, boards, commissions, agents and employees.
- b. The policies of insurance shall be in the sum of not less than \$1,000,000.00 for personal injury or death of any one Person, and \$2,000,000.00 for personal injury or death of two or more Persons in any one occurrence, \$500,000.00 for property damage to any one person and \$2,000,000.00 for property damage resulting from any one act or occurrence.
- c. The policy or policies of insurance shall be maintained by Grantee in full force and effect during the entire term of the Franchise. Each policy of insurance shall contain a statement on its face that the insurer will not cancel the policy or fail to renew the policy, whether for nonpayment of premium, or otherwise, and whether at the request of Grantee or for other reasons, except after sixty (60) days advance written notice have been provided to City.

**SECTION 10. SALE, ABANDONMENT, TRANSFER AND REVOCATION OF  
FRANCHISE**

1. City's Right to Revoke.

- a. In addition to all other rights which City has pursuant to law or equity, City reserves the right to commence proceedings to revoke, terminate or cancel this Franchise, and all rights and privileges pertaining thereto, if it is determined by City that:
  - i. Grantee has violated material provisions(s) of this Franchise; or
  - ii. Grantee has attempted to evade any of the provisions of the Franchise; or
  - iii. Grantee has practiced fraud or deceit upon City.



City may revoke this Franchise without the hearing required by Section 10, Paragraph.2 herein if Grantee is adjudged a bankrupt.

2. Procedures for Revocation.

- a. City shall provide Grantee with written notice of a cause for revocation and the intent to revoke and shall allow Grantee thirty (30) days subsequent to receipt of the notice in which to correct the violation or to provide adequate assurance of performance in compliance with the Franchise. In the notice required herein, City shall provide Grantee with the basis of the revocation.
- b. Grantee shall be provided the right to a public hearing affording due process before the City Council prior to the effective date of revocation, which public hearing shall follow the thirty (30) day notice provided in subparagraph (a) above. City shall provide Grantee with written notice of its decision together with written findings of fact supplementing said decision.
- c. Only after the public hearing and upon written notice of the determination by City to revoke the Franchise may Grantee appeal said decision with an appropriate state or federal court or agency.
- d. During the appeal period, the Franchise shall remain in full force and effect unless the term thereof sooner expires or unless continuation of the Franchise would endanger the health, safety and welfare of any person or the public.

3. Abandonment of Service. Grantee may not abandon the System or any portion thereof without having first given three (3) months written notice to City. Grantee may not abandon the System or any portion thereof without compensating City for damages resulting from the abandonment, including all costs incident to removal of the System.

4. Removal After Abandonment, Termination or Forfeiture.

- a. In the event of termination or forfeiture of the Franchise or abandonment of the System, City shall have the right to require Grantee to remove all or any portion of the System from all Rights-of-Way and public property within City.
- b. If Grantee has failed to commence removal of System, or such part thereof as was designated by City, within thirty (30) days after written notice of City's demand for removal is given, or if Grantee has failed to complete such removal within twelve (12) months after written notice of City's demand for removal is given, City shall have the right to apply funds secured by the Letter of Credit and Performance Bond toward removal and/or declare all right, title, and interest to the System to be in City with all rights of ownership including, but not limited to, the right to operate the System or transfer the System to another for operation by it.

5. Sale or Transfer of Franchise.

- a. No sale or transfer of the Franchise, or sale, transfer, or fundamental corporate change of or in Grantee, including, but not limited to, a fundamental corporate change in Grantee's parent corporation or any entity having a controlling interest in Grantee, the sale of a controlling interest in the Grantee's assets, a merger including the merger of a subsidiary and parent entity, consolidation, or the creation of a subsidiary or affiliate entity, shall take place until a written request has been filed with City requesting approval of the sale, transfer, or corporate change and such approval has been granted or deemed granted, provided, however, that said approval shall not be required where Grantee grants a security interest in its Franchise and/or assets to secure an indebtedness. The foregoing notwithstanding, Grantee must seek approval of any transaction constituting a transfer under state law.
- b. Any sale, transfer, exchange or assignment of stock in Grantee, or Grantee's parent corporation or any other entity having a controlling interest in Grantee, so as to create a new controlling interest therein, shall be subject to the requirements of this Section 10, Paragraph 5. The term "controlling interest" as used herein is not limited to majority stock ownership, but includes actual working control in whatever manner exercised. In any event, as used herein, a new "controlling interest" shall be deemed to be created upon the acquisition through any transaction or group of transactions of a legal or beneficial interest of fifteen percent (15%) or more by one Person. Acquisition by one Person of an interest of five percent (5%) or more in a single transaction shall require notice to City.
- c. The Grantee shall file, in addition to all documents, forms and information required to be filed by applicable law, the following:
  1. All contracts, agreements or other documents that constitute the proposed transaction and all exhibits, attachments, or other documents referred to therein which are necessary in order to understand the terms thereof.
  2. A list detailing all documents filed with any state or federal agency related to the transaction including, but not limited to, the MPUC, the FCC, the FTC, the FEC, the SEC or MnDOT. Upon request, Grantee shall provide City with a complete copy of any such document; and
  3. Any other documents or information related to the transaction as may be specifically requested by the City.
- d. City shall have such time as is permitted by federal law in which to review a transfer request.

- e. The Grantee shall reimburse City for all the legal, administrative, and consulting costs and fees associated with the City's review of any request to transfer. Nothing herein shall prevent Grantee from negotiating partial or complete payment of such costs and fees by the transferee. Grantee may not itemize any such reimbursement on Subscriber bills, but may recover such expenses in its subscriber rates.
- f. In no event shall a sale, transfer, corporate change, or assignment of ownership or control pursuant to subparagraph (a) or (b) of this Section 10 Paragraph 5 be approved without the transferee becoming a signatory to this Franchise and assuming all rights and obligations thereunder, and assuming all other rights and obligations of the transferor to the City including, but not limited to, any adequate guarantees or other security instruments provided by the transferor.
- g. In the event of any proposed sale, transfer, corporate change, or assignment pursuant to subparagraph (a) or (b) of this Section 10, Paragraph 5, City shall have the right to purchase the System for the value of the consideration proposed in such transaction. City's right to purchase shall arise upon City's receipt of notice of the material terms of an offer or proposal for sale, transfer, corporate change, or assignment, which Grantee has accepted. Notice of such offer or proposal must be conveyed to City in writing and separate from any general announcement of the transaction.
- h. City shall be deemed to have waived its right to purchase the System pursuant to this Section only in the following circumstances:
  - i. If City does not indicate to Grantee in writing, within sixty (60) days of receipt of written notice of a proposed sale, transfer, corporate change, or assignment as contemplated in Section 10, Paragraph 5(g) above, its intention to exercise its right of purchase; or
  - ii. It approves the assignment or sale of the Franchise as provided within this Section.
- i. No Franchise may be transferred if City determines Grantee is in noncompliance of the Franchise unless an acceptable compliance program has been approved by City. The approval of any transfer of ownership pursuant to this Section shall not be deemed to waive any rights of City to subsequently enforce noncompliance issues relating to this Franchise even if such issues predated the approval, whether known or unknown to City.

## **SECTION 11. PROTECTION OF INDIVIDUAL RIGHTS**

1. Discriminatory Practices Prohibited. Grantee shall not deny service, deny access, or otherwise discriminate against Subscribers (or group of potential subscribers) or general citizens on the basis of race, color, religion, national origin, sex, age, status as to public

assistance, affectional preference, or disability. Grantee shall comply at all times with all other applicable federal, state, and city laws, and all executive and administrative orders relating to nondiscrimination.

2. Subscriber Privacy.

- a. No signals may be transmitted from a Subscriber terminal for purposes of monitoring individual viewing patterns or practices without the express written permission of the Subscriber. Such written permission shall be for a limited period of time not to exceed one (1) year which may be renewed at the option of the Subscriber. No penalty shall be invoked for a Subscriber's failure to provide or renew such authorization. The authorization shall be revocable at any time by the Subscriber without penalty of any kind whatsoever. Such permission shall be required for all channel activity planned for the purpose of monitoring individual viewing patterns or practices.
- b. No lists of the names and addresses of Subscribers or any lists that identify the viewing habits of Subscribers shall be sold or otherwise made available to any party other than to Grantee or its agents for Grantee's service business use or to City for the purpose of Franchise administration, and also to the Subscriber subject of that information, unless Grantee has received specific written authorization from the Subscriber to make such data available. Such written permission shall be for a limited period of time not to exceed one (1) year which may be renewed at the option of the Subscriber. No penalty shall be invoked for a Subscriber's failure to provide or renew such authorization. The authorization shall be revocable at any time by the Subscriber without penalty of any kind whatsoever.
- c. Written permission from the Subscriber shall not be required for the conducting of System wide or individually addressed electronic sweeps for the purpose of verifying System integrity or monitoring for the purpose of billing. Confidentiality of such information shall be subject to the provision set forth in subparagraph (b) of this Section.

**SECTION 12. UNAUTHORIZED CONNECTIONS AND MODIFICATIONS**

1. Unauthorized Connections or Modifications Prohibited. It shall be unlawful for any firm, Person, group, company, corporation, or governmental body or agency, without the express consent of the Grantee, to make or possess, or assist anybody in making or possessing, any unauthorized connection, extension, or division, whether physically, acoustically, inductively, electronically or otherwise, with or to any segment of the System or receive services of the System without Grantee's authorization.

2. Removal or Destruction Prohibited. It shall be unlawful for any firm, Person, group, company, or corporation to willfully interfere, tamper, remove, obstruct, or damage, or

assist thereof, any part or segment of the System for any purpose whatsoever, except for any rights City may have pursuant to this Franchise or its police powers.

3. Penalty. Any firm, Person, group, company, or corporation found guilty of violating this section may be fined not less than Twenty Dollars (\$20.00) and the costs of the action nor more than Five Hundred Dollars (\$500.00) and the costs of the action for each and every subsequent offense. Each continuing day of the violation shall be considered a separate occurrence.

### **SECTION 13. MISCELLANEOUS PROVISIONS**

1. Franchise Renewal. Any renewal of this Franchise shall be performed in accordance with applicable federal, state and local laws and regulations. The term of any renewed Franchise shall be limited to a period not to exceed fifteen (15) years.

2. Work Performed by Others. All applicable obligations of this Franchise shall apply to any subcontractor or others performing any work or services pursuant to the provisions of this Franchise, however, in no event shall any such subcontractor or other performing work obtain any rights to maintain and operate a System or provide Cable Service. Grantee shall provide notice to City of the name(s) and address(es) of any entity, other than Grantee, which performs substantial services pursuant to this Franchise.

3. Amendment of Franchise Ordinance. Grantee and City may agree, from time to time, to amend this Franchise. Such written amendments may be made subsequent to a review session pursuant to Section 7.5 or at any other time if City and Grantee agree that such an amendment will be in the public interest or if such an amendment is required due to changes in federal, state or local laws. Provided, however, nothing herein shall restrict City's exercise of its police powers or City's authority to unilaterally amend Franchise provisions to the extent permitted by law.

4. Compliance with Federal, State and Local Laws.

- a. If any federal or state law or regulation shall require or permit City or Grantee to perform any service or act or shall prohibit City or Grantee from performing any service or act which may be in conflict with the terms of this Franchise, then as soon as possible following knowledge thereof, either party shall notify the other of the point in conflict believed to exist between such law or regulation. Grantee and City shall conform to state laws and rules regarding cable communications not later than one year after they become effective, unless otherwise stated, and to conform to federal laws and regulations regarding cable as they become effective.
- b. If any term, condition or provision of this Franchise or the application thereof to any Person or circumstance shall, to any extent, be held to be invalid or unenforceable, the remainder hereof and the application of such term, condition or provision to Persons or circumstances other than those as to whom it shall be held invalid or unenforceable shall not be affected thereby, and this Franchise and all

the terms, provisions and conditions hereof shall, in all other respects, continue to be effective and complied with provided the loss of the invalid or unenforceable clause does not substantially alter the agreement between the parties. In the event such law, rule or regulation is subsequently repealed, rescinded, amended or otherwise changed so that the provision which had been held invalid or modified is no longer in conflict with the law, rules and regulations then in effect, said provision shall thereupon return to full force and effect and shall thereafter be binding on Grantee and City.

5. Nonenforcement by City. Grantee shall not be relieved of its obligations to comply with any of the provisions of this Franchise by reason of any failure or delay of City to enforce prompt compliance. City may only waive its rights hereunder by expressly so stating in writing. Any such written waiver by City of a breach or violation of any provision of this Franchise shall not operate as or be construed to be a waiver of any subsequent breach or violation.

6. Rights Cumulative. All rights and remedies given to City by this Franchise or retained by City herein shall be in addition to and cumulative with any and all other rights and remedies, existing or implied, now or hereafter available to City, at law or in equity, and such rights and remedies shall not be exclusive, but each and every right and remedy specifically given by this Franchise or otherwise existing or given may be exercised from time to time and as often and in such order as may be deemed expedient by City and the exercise of one or more rights or remedies shall not be deemed a waiver of the right to exercise at the same time or thereafter any other right or remedy.

7. Grantee Acknowledgment of Validity of Franchise. Grantee acknowledges that it has had an opportunity to review the terms and conditions of this Franchise and that under current law Grantee believes that said terms and conditions are not unreasonable or arbitrary, and that Grantee believes City has the power to make the terms and conditions contained in this Franchise.

8. Force Majeure. The Grantee shall not be deemed in default of provisions of this Franchise or the City Code where performance was rendered impossible by war or riots, labor strikes or civil disturbances, floods or other causes beyond the Grantee's control, and the Franchise shall not be revoked or the Grantee penalized for such noncompliance, provided that the Grantee, when possible, takes immediate and diligent steps to bring itself back into compliance and to comply as soon as possible, under the circumstances, with the Franchise without unduly endangering the health, safety and integrity of the Grantee's employees or property, or the health, safety and integrity of the public, the Rights-of-Way, public property or private property.

#### **SECTION 14. PUBLICATION EFFECTIVE DATE; ACCEPTANCE AND EXHIBITS**

1. Publication: Effective Date. This Franchise shall be published in accordance with applicable local and Minnesota law. The Effective Date of this Franchise shall be the date of acceptance by Grantee in accordance with the provisions of Section 14, Paragraph 2.

2. Acceptance.

- a. Grantee shall accept this Franchise within sixty (60) of its enactment by the City Council, unless the time for acceptance is extended by City. Such acceptance by the Grantee shall be deemed the grant of this Franchise for all purposes provided, however, this Franchise shall not be effective until all City ordinance adoption procedures are complied with and all applicable timelines have run for the adoption of a City ordinance. In the event acceptance does not take place, or should all ordinance adoption procedures and timelines not be completed, this Franchise and any and all rights granted hereunder to Grantee shall be null and void.
- b. Upon acceptance of this Franchise, Grantee and City shall be bound by all the terms and conditions contained herein.
- c. Grantee shall accept this Franchise in the following manner:
  - i. This Franchise will be properly executed and acknowledged by Grantee and delivered to City.
  - ii. With its acceptance, Grantee shall also deliver any grant payments, performance bond and insurance certificates required herein that have not previously been delivered.

Passed and adopted this \_\_\_\_\_ day of \_\_\_\_\_, 2015.

ATTEST:

CITY OF LAUDERDALE

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

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

ACCEPTED: This Franchise is accepted and we agree to be bound by its terms and conditions.

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

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

## EXHIBIT A - INDEMNITY AGREEMENT

**INDEMNITY AGREEMENT** made this \_\_\_\_ day of \_\_\_\_\_, 2015, by and between Qwest Broadband Services, Inc., a Delaware Corporation, party of the first part, hereinafter called "CenturyLink," and the City of Lauderdale, a Minnesota Municipal Corporation, party of the second part, hereinafter called "City" and the North Suburban Communications Commission, a Minnesota Municipal Joint Powers entity, hereinafter called "Commission."

### **WITNESSETH:**

**WHEREAS**, the City of Lauderdale has awarded to Qwest Broadband Services, Inc. a franchise for the operation of a cable communications system in the City; and

**WHEREAS**, the City has required, as a condition of its award of a cable communications franchise, that it and the Commission be indemnified with respect to all claims and actions arising from the award of said franchise.

**NOW THEREFORE**, in consideration of the foregoing promises and the mutual promises contained in this agreement and in consideration of entering into a cable television franchise agreement and other good and valuable consideration, receipt of which is hereby acknowledged, CenturyLink hereby agrees, at its sole cost and expense, to fully indemnify, defend and hold harmless the City and the Commission, its officers, boards, commissions, employees and agents against any and all claims, suits, actions, liabilities and judgments for damages, cost or expense (including, but not limited to, court and appeal costs and reasonable attorneys' fees and disbursements assumed or incurred by the City in connection therewith) arising out of the actions of the City and Commission in granting a franchise to CenturyLink. This includes any claims by another franchised cable operator against the City that the terms and conditions of the CenturyLink franchise are less burdensome than another franchise granted by the City or that the CenturyLink Franchise does not satisfy the requirements of applicable federal, state, or local law(s). The indemnification provided for herein shall not extend or apply to any acts of the City or Commission constituting a violation or breach by the City or Commission of the contractual provisions of the franchise ordinance, unless such acts are the result of a change in applicable law, the order of a court or administrative agency, or are caused by the acts of CenturyLink.

The City or Commission shall give CenturyLink reasonable notice of the making of any claim or the commencement of any action, suit or other proceeding covered by this agreement. The City and Commission shall cooperate with CenturyLink in the defense of any such action, suit or other proceeding at the request of CenturyLink. The City and Commission may participate in the defense of a claim, but if CenturyLink provides a defense at CenturyLink's expense then CenturyLink shall not be liable for any attorneys' fees, expenses or other costs that City or Commission may incur if it chooses to participate in the defense of a claim, unless and until separate representation is required. If separate representation to fully protect the interests of both parties is or becomes necessary, such as a conflict of interest, in accordance with the Minnesota Rules of Professional Conduct, between the City or the Commission and the counsel selected by CenturyLink to represent the City and/or the Commission, Century Link shall pay, from the date



such separate representation is required forward, all reasonable expenses incurred by the City or the Commission in defending itself with regard to any action, suit or proceeding indemnified by CenturyLink. Provided, however, that in the event that such separate representation is or becomes necessary, and City or the Commission desires to hire a counselor any other outside experts or consultants and desires CenturyLink to pay those expenses, then City and/or the Commission shall be required to obtain CenturyLink's consent to the engagement of such counsel, experts or consultants, such consent not to be unreasonably withheld. Notwithstanding the foregoing, the parties agree that the City or Commission may utilize at any time, at its own cost and expense, its own attorney or outside counsel with respect to any claim brought by another franchised cable operator as described in this agreement.

The provisions of this agreement shall not be construed to constitute an amendment of the cable communications franchise ordinance or any portion thereof but shall be in addition to and independent of any other similar provisions contained in the cable communications franchise ordinance or any other agreement of the parties hereto. The provisions of this agreement shall not be dependent or conditioned upon the validity of the cable communications franchise ordinance or the validity of any of the procedures or agreements involved in the award or acceptance of the franchise, but shall be and remain a binding obligation of the parties hereto even if the cable communications franchise ordinance or the grant of the franchise is declared null and void in a legal or administrative proceeding.

It is the purpose of this agreement to provide maximum indemnification to the City and the Commission under the terms set out herein and, in the event of a dispute as to the meaning of this Indemnity Agreement, it shall be construed, to the greatest extent permitted by law, to provide for the indemnification of the City and the Commission by CenturyLink. This agreement shall be a binding obligation of and shall inure to the benefit of, the parties hereto and their successor's and assigns, if any.

**QWEST BROADBAND SERVICES, INC.**

Dated: \_\_\_\_\_, 2015

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

Its: \_\_\_\_\_

STATE OF LOUISIANA

PARISH OF OUACHITA

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of 2015, by \_\_\_\_\_, the \_\_\_\_\_ of Qwest Broadband Services, Inc., a Delaware Corporation, on behalf of the corporation.

\_\_\_\_\_  
NOTARY PUBLIC

Print Name: \_\_\_\_\_  
Bar Roll #/Notary ID #: \_\_\_\_\_  
My Commission Expires: \_\_\_\_\_

**CITY OF LAUDERDALE**

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

Department Head Responsible  
For Monitoring Contract

\_\_\_\_\_

Approved as to form:

\_\_\_\_\_  
City Attorney

**NORTH SUBURBAN COMMUNICATIONS  
COMMISSION**

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

**CITY OF LAUDERDALE, MINNESOTA**

In Re: CenturyLink Cable Franchise  
Application

**FINDINGS OF FACT**

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The City is one of nine member cities of the North Suburban Communications Commission (the "NSCC"). Following the submission of an application for a cable television franchise for each member city of the NSCC, the above-entitled matter initially came before the NSCC for a public hearing on Thursday, March 5, 2015, at the NSCC's Office located at 2670 Arthur Street, Roseville, MN 55113. Said public hearing was held open through Friday, March 13, 2015, for the purpose of allowing additional written public comments. Following the public hearing, the NSCC's Executive Director prepared a detailed report entitled "Staff Report on CenturyLink Cable Franchise Application" (the "Staff Report"). The NSCC received and filed the Staff Report and directed NSCC staff to negotiate a cable television franchise with CenturyLink.

The City, in furtherance of its obligations as a steward on behalf of consumers in the City, desires to promote competition in the delivery of cable services and to encourage the deployment of state-of-the-art broadband networks in the hope that true and effective competition between cable service providers will increase the availability and quality of cable services, spur the development of new technologies, improve customer service, minimize rate increases and generally benefit consumers of the City.

The City also recognizes that any facilities based, second cable entrant is in a different position than the incumbent cable provider because the second entrant faces a significant, up front capital investment prior to having the opportunity to compete for its first customer. It is beneficial to attract and retain second entrants because of the investment made in the community

and the creation of new jobs, as well as the benefits to consumers by having a cable service competitor in the City. Adoption of this Franchise is, in the judgment of the City Council, in the best interests of the City and its residents.

Having held a public hearing on the cable franchise application (via the NSCC) and having reviewed the negotiated cable franchise with CenturyLink, the City now makes the following findings:

### **FINDINGS OF FACT**

1. The City has the authority to grant cable television franchises to cable service providers, pursuant to applicable law. *See* Minn. Stat. § 238.08, Subd. 1(a); and Cable Office Report, § 4.
2. In January, 2015, the NSCC published a Notice of Intent to Franchise in a newspaper of general circulation of the City. *See* Staff Report, § 1.
3. CenturyLink submitted a cable franchise application (the “Application”) on February 20, 2015. *See* Staff Report, § 1.
4. The NSCC held a public hearing on the Application on March 5, 2015, and left the public hearing open until March 13, 2015, for the purpose of receiving additional written comments from the public. *See* Staff Report, Executive Summary and § 1.
5. Following the public hearing, the NSCC’s Executive Director prepared a “Staff Report on CenturyLink Cable Franchise Application” (the “Staff Report”) dated April 9, 2015. The Staff Report is incorporated herein by Reference.

6. The Staff Report was received and filed by the NSCC on or about April 10, 2015, and the NSCC directed NSCC staff to negotiate a cable television franchise with CenturyLink.
7. NSCC staff negotiated a cable television franchise with CenturyLink and presented it to the NSCC on October 7, 2015.
8. The NSCC adopted a Findings of Fact and Recommendation on October 7, 2015, which recommended approval of the negotiated cable television franchise with CenturyLink by each member city.
9. The City held a public hearing on the CenturyLink Cable Television Franchise Ordinance on October 27, 2015.
10. The impact of competition and the challenges to a new cable operator, like CenturyLink, are identified in the Staff Report. *See* Staff Report, § 2.
11. The applicable federal, state and local legal cable franchising requirements, including the application requirements, are identified in the Staff Report. *See* Staff Report, §§ 5 - 8.
12. The Staff Report identified the issues raised by the public, including the incumbent franchised cable operator, Comcast. *See* Staff Report, § 9.
13. The NSCC has substantially complied with the state and local cable franchise application requirements identified in the Staff Report.
14. CenturyLink's application substantially complied with state and local cable franchise application requirements identified in the Staff Report.
15. In the cable television franchise, CenturyLink agrees it has constructed a legacy communications system throughout the City that is capable of providing

telephone and internet services. CenturyLink represents that it desires to upgrade its existing legacy communications system and to install certain new facilities and equipment in the City and intends to operate a cable communications system in the City. *See* Staff Report, Exhibits 2 and 3.

16. CenturyLink further represents that upon completion of its cable service headend, it will be capable of providing cable communications service to a portion of the City over its existing facilities, but currently has no market penetration in the cable communications service market in the City. *See* Staff Report, Exhibits 2 and 3.
17. The NSCC reviewed CenturyLink's franchise application, published a notice of intent to franchise and held a public hearing all in compliance with applicable law. *See* Staff Report, § 1.
18. Comcast of Minnesota, Inc. ("Comcast"), currently holds a non-exclusive franchise with the City, and, Comcast, through its predecessors in interest, has continuously held a franchise with the City since 1983. *See* Staff Report, § 3
19. CenturyLink will be the first facilities based franchised cable operator to compete against the incumbent provider in the City since the initial cable television franchise was granted in 1983. *See* Staff Report, § 3.
20. Section 621(a)(1) of the Cable Television Consumer Protection and Competition Act of 1992 was amended to provide that "...a franchising authority may not unreasonably refuse to award an additional competitive franchise." In support of its mandate, the Conference Report noted that "[W]ithout the presence of another multichannel video programming distributor, a cable system faces no local

competition. The result is undue market power for the cable operator as compared to that of consumers . . . .” See H.R. Conf. Rep. No. 102-862, at 1231 (1992); and 621 Order at ¶ 8.

21. *In the Matter of Section 621(a)(1) of the Cable Communications Policy Act of 1984 as amended by the Cable Television Consumer Protection and Competition Act of 1992*, Report and Order and Further Notice of Proposed Rulemaking, MB Docket No. 05-311 (Rel. March 5, 2007) (the “621 Order”), the FCC determined, based on Section 621(a)(1), that it is unlawful for a local franchising authority to refuse to grant a competitive franchise on the basis of unreasonable build-out mandates and that such mandates “can have the effect of granting de facto exclusive franchises, in direct contravention of Section 621(a)(1)’s prohibition of exclusive cable franchises.” See 621 Order, at ¶ 40; *see also*, Staff Report, § 7(E).
22. According to the FCC, “[b]ecause a second provider realistically cannot count on acquiring a share of the market similar to the incumbent’s share, the second entrant cannot justify a large initial deployment. Rather a new entrant must begin offering service within a smaller area to determine whether it can reasonably ensure a return on its investment before expanding.” See Staff Report, § 7(D).
23. In the 621 Order, the FCC found that “new cable competition reduced rates far more than competition from DBS [Direct Broadcast Satellite]. Specifically, the presence of a second cable operator in a market results in rates approximately 15 percent lower than in areas without competition.” See *also*, Staff Report, § 2.

24. The FCC also found that “competition for delivery of bundled services will benefit consumers by driving down prices and improving the quality of service offerings.” *See* Staff Report, § 2.
25. The FCC has concluded in the 621 Order that “broadband deployment and video entry are ‘inextricably linked’ and that broadband deployment is not profitable without the ability to compete with the bundled services that cable companies provide.” *See* 621 Order at ¶ 51; *see also*, Staff Report, §§ 2 and 7.
26. The City must, pursuant to the Federal Cable Act, “allow the applicant’s cable system a reasonable period of time to become capable of providing service to all households in the franchise area.” *See* Staff Report, § 7(A).
27. Minnesota Statutes, Chapter 238, among other things, requires a level playing field with the incumbent relating to area served (Minn. Stat. § 238.08, Subd. 1(b)) and a mandatory build out requirement within five years in initial cable franchises (Minn. Stat. § 238.084 Subd. 1(m)(3)). *See* Staff Report, § 8(A)-(B), and 11(c). CenturyLink has demonstrated a good faith basis for its position that applicable federal law preempts these provisions of Chapter 238 because they constitute an unreasonable barrier to entry. *See* Staff Report, § 11(c), and Exhibit 3 at ¶¶ 19-23.
28. CenturyLink claims the fact that these two provisions of the Minnesota Statutes constitute an unreasonable barrier to entry in the City is evidenced in part by the fact that there has been no facilities-based competitor since the initial cable communications franchise was granted. *See* Staff Report, Exhibit 3 at ¶¶ 19-23. CenturyLink has agreed to fully defend, indemnify and hold the City and the



NSCC harmless in the event this cable television franchise agreement is legally challenged. *See* Staff Report, § 11(c).

29. The cable television franchise ordinance is substantially similar to the Comcast cable television franchise, but also addresses a reasonable build-out of the City, and economic redlining.
30. The reasonable build-out provisions in the cable television franchise satisfy the state franchise requirement of requiring the cable system to be substantially complete within five (5) years and the federal franchise requirement of allowing a new cable service provider a reasonable period of time to become capable of providing cable service to all households in the franchise area. *See* Minn. Stat. § 238.084, Subd. 1(m); 47 U.S.C. § 541(a)(4)(A); and Staff Report, §§ 7(A), 7(D)-7(E), 8(B), and 11(c).
31. The 5-year cable television franchise requires CenturyLink to initially construct its system to serve fifteen percent (15%) of the City over 2 years. CenturyLink is required to make its best efforts to complete its initial deployment in less than 2 years and is required to equitably serve households throughout the City, including a significant number of households below the minimum income of the City. Quarterly meetings will allow the City and the NSCC to monitor CenturyLink's progress and compliance with the cable franchise and, if CenturyLink has market success, the cable television franchise has provisions to accelerate the construction of the cable communications system with the goal being complete coverage of the City by the end of the franchise term.

32. The state's cable franchising level playing field statute is satisfied because the cable television franchise requires (1) CenturyLink to pay the same franchise fee as Comcast; (2) the same area of coverage as Comcast; and (3) similar, and in some instances greater, public educational and governmental access requirements. *See* Minn. Stat. § 238.08, subd. 1(b); Staff Report, §§ 7(G), 8(A), and 11(d).
33. CenturyLink submitted an application that included a design for a state-of-the-art cable system that is capable or reliably providing a panoply of cable services to subscribers as required by the NSCC's Competitive Franchising Policies and Procedures. *See* Staff Report, § 10(3)(b).
34. The City has considered the financial, technical, and legal qualifications of CenturyLink. *See, e.g.*, Staff Report, § 10(3).
35. CenturyLink has the financial, technical, and legal qualifications to operate a cable communication system in the City.
36. A CenturyLink cable television franchise will provide a meaningful, distinct alternative to existing multichannel video programming distributors (including existing cable, direct broadcast satellite and other companies), will result in greater consumer choice, is in the public interest for economic development in the City. *See* Staff Report, Exhibits 2 and 3. CenturyLink has also promised to provide additional enhancements to PEG offerings to the City. For example, it has agreed in the franchise to provide every PEG channel in HD and to allow the City to share live programming with other cities in the Twin Cities by providing a Twin Cities Metro PEG Interconnect Network.

37. Consumers and residents of the City will also benefit from CenturyLink's competitive presence because it will drive broader deployment of higher broadband speeds. *See* Staff Report, Exhibits 2 and 3
38. CenturyLink has agreed to an initial deployment area, and it will serve additional areas based upon its market success, as defined in the franchise agreement, which the FCC has deemed to be a reasonable deployment model. *See* Staff Report, § 7(E)(b).
39. The City and its citizens will benefit from facilities based competition in the cable television market. *See* Staff Report, § 2.
40. All prior actions of the NSCC related to the CenturyLink Cable Franchise Application are hereby ratified and approved.

Therefore, based on the foregoing, the City Council has determined that it is in the best interests of the City and its residents to enter in to a cable television franchise ordinance/agreement with CenturyLink, in the form negotiated by the NSCC and that these Findings be incorporated therewith.

**LAUDERDALE COUNCIL  
ACTION FORM**

**Action Requested**

Consent \_\_\_\_\_  
Public Hearing   X    
Discussion \_\_\_\_\_  
Action   X    
Resolution   X    
Work Session \_\_\_\_\_

Meeting Date October 27, 2015

ITEM NUMBER Special Assessments for De-  
linquent Miscellaneous Accounts Receivable

STAFF INITIAL TJB 

APPROVED BY ADMINISTRATOR

**DESCRIPTION OF ISSUE AND PAST COUNCIL ACTION:**

Attached is the public hearing notice and listing of miscellaneous charges to be levied as special assessments. One property has three delinquent accounts receivable for consideration for levying as special assessment. 1701 Carl Street has three invoices for nuisance abatements for weeds, mowing and pest control.

Each of these invoices is more than 60-days delinquent with collection efforts being unsuccessful. Minnesota Statutes 429.101 and Lauderdale Code 4-6-01 authorize the levying of this type of special assessments.

These special assessments are levied for one year with interest of \$25.00 or 8%, whichever is greater. Final assessment notices will be mailed on Wednesday, October 28. Property owners have 30-days from adoption to pay without additional charges. Certification to the county auditor is due by November 30.

**OPTIONS:**

**STAFF RECOMMENDATION:**

Motion to adopt Resolution 102715A Levying Special Assessments for Miscellaneous Delinquent Accounts Receivable.

**COUNCIL ACTION:**

**RESOLUTION 102715A**

**CITY OF LAUDERDALE  
COUNTY OF RAMSEY  
STATE OF MINNESOTA**

**RESOLUTION LEVYING SPECIAL ASSESSMENTS FOR MISCELLANEOUS  
DELINQUENT ACCOUNTS RECEIVABLE**

**WHEREAS**, pursuant to proper notice duly given as required by law, the City Council has met and heard and passed upon all objections to the proposed final assessment for miscellaneous delinquent accounts receivable:

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

Section 1. Such proposed assessment, a copy of which is attached hereto and made a part hereof, is hereby accepted and shall constitute the special assessment against the lands named therein, and each tract of land there included is hereby found to be benefited by the proposed improvement in the amount of the assessment levied against it.

Section 2. Such assessment shall be payable over a period of one year, and one installment with interest rate of eight percent (8%) or a charge of \$25.00, whichever is greater.

Section 3. The owner of property so assessment may, at any time prior to certification of the assessment to the County Auditor, pay the whole of the assessment on such property with interest accrued to the date of payment, to the City Administrator, except that no interest shall be charged if the entire assessment is paid within 30 days from the date of the adoption of the final assessment resolution; and he may, at any time thereafter, pay to the City Administrator the entire amount of the assessment remaining unpaid, with interest accrued to December 31 of the year in which such payment is made.

Section 4. The City Administrator shall forthwith transmit a certified duplicate of this assessment to the County Auditor to be extended on the property tax lists of Ramsey County. Such assessments shall be collected and paid over in the same manner as other municipal taxes.

Adopted: October 27, 2015

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Jeffrey Dains  
Mayor

ATTEST:

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Heather Butkowski  
City Administrator

**CITY OF LAUDERDALE  
 DELINQUENT ACCOUNTS RECEIVABLE AND UTILITY BILLING ACCOUNTS  
 2015**

<b>PID</b>	<b>Name</b>	<b>Address</b>	<b>Invoice</b>	<b>Reason</b>	<b>Amount</b>
17.29.23.34.0098	Elizabeth Klum/ Richard Mather	1701 Carl Street	15-17	Nuisance Abatement	\$ 547.81
17.29.23.34.0098	Elizabeth Klum/ Richard Mather	1701 Carl Street	15-33	Nuisance Abatement, Pest Control	\$ 125.00
17.29.23.34.0098	Elizabeth Klum/ Richard Mather	1701 Carl Street	15-35	Nuisance Abatement	<u>\$ 378.84</u>
					\$ 1,051.65

**CITY OF LAUDERDALE  
NOTICE OF HEARING  
ON PROPOSED ASSESSMENT FOR  
CURRENT MUNICIPAL SERVICES AND/OR MUNICIPAL UTILITIES**

October 13, 2015

TO WHOM IT MAY CONCERN:

Notice is hereby given that the City Council of the City of Lauderdale, will meet in the Council Chambers in the City of Lauderdale, Minnesota, on the 27th day of October, 2015 at 7:30 p.m. to consider, and possibly adopt the proposed assessment for current municipal services and/or municipal utilities.

Such assessment is proposed to be payable in one installment, due in full for the taxes payable 2016 calendar year and will bear an interest rate of eight percent (8%) or a charge of \$25.00, whichever is greater.

You may at any time prior to certification of the assessment to the county auditor, pay the entire assessment on such property, with interest accrued to the date of payment, to the City of Lauderdale. No interest shall be charged if the entire assessment is paid within 30 days (November 26, 2015) from the adoption of this assessment. You may at anytime thereafter, pay to the City of Lauderdale the entire amount of the assessment remaining unpaid, with interest accrued to December 31 of the year in which such payment is made. Such payment must be made before November 15 or interest will be charged through December 31 of the succeeding year.

The proposed assessment roll is on file for public inspection with the Deputy City Clerk. Written or oral objections will be considered at the meeting. No appeal may be taken as to the amount of an assessment unless a signed, written objection is filed with the administrator prior to the hearing or presented to the presiding officer at the hearing. The council may upon such notice consider any objection to the amount of a proposed individual assessment at an adjourned meeting upon such further notice to the affected property owners, as it deems advisable.

If an assessment is contested or there is an adjourned hearing, the following procedure will be followed:

1. The city will present its case first by calling witnesses who may testify by narrative or by examination, and by the introduction of exhibits. After each witness has testified, the contesting party will be allowed to ask questions. This procedure will be repeated with each witness until neither side has further questions.
2. After the city has presented all its evidence, the objector may call witnesses or present such testimony as the objector desires. The same procedure for questioning of the city's witnesses will be followed with the objector's witnesses.
3. The objector may be represented by counsel.
4. Minnesota rules of evidence will not be strictly applied; however, they may be considered and argued to the council as to the weight of items of evidence or testimony presented to the council.
5. The entire proceedings will be videotaped.
6. At the close of the presentation of evidence, the objector may make a final presentation to the council based on the evidence and the law. No new evidence may be presented at this point.
7. The council may adopt the proposed assessment at the hearing.

An owner may appeal an assessment to district court pursuant to Minnesota Statutes Section 429.081 by serving notice of the appeal upon the mayor or city administrator within 30 days after the adoption of the assessment and filing such notice with the district court within ten days after service upon the mayor or city administrator.

Questions regarding the proposed special assessments may be directed to the Deputy City Clerk at 651-792-7650.

BY ORDER OF THE CITY COUNCIL

Heather Butkowski  
City Administrator

Published in the Roseville Review on October 13, 2015



**LAUDERDALE COUNCIL  
ACTION FORM**

**Action Requested**

Consent \_\_\_\_\_  
Public Hearing \_\_\_\_\_  
Discussion   X    
Action   X    
Resolution \_\_\_\_\_  
Work Session \_\_\_\_\_

Meeting Date October 27, 2015

ITEM NUMBER Parking Pad Ordinance

STAFF INITIAL AB

APPROVED BY ADMINISTRATOR

**DESCRIPTION OF ISSUE AND PAST COUNCIL ACTION:**

As the Council previously discussed, the driveway ordinance revisions would simply treat parking pads (new parking spaces in rear and side yards) like fences, retaining walls, driveways, and sidewalks in the sense that a property owner would need to apply for a permit before creating one. Staff would then be able to affirm that the owner was putting down the correct surface and could identify their property lines so as not to pave on the neighbor's property.

In addition to concrete and asphalt, the draft ordinance provides the standards for pavers. This was based on discussions staff have had with the city engineer.

The city attorney has reviewed the changes and it is ready for approval after the Council holds a public hearing.

**OPTIONS:**

**STAFF RECOMMENDATION:**

Motion to adopt Ordinance No. 15-07 Amending Title 9, Chapter 10 of the Code of Ordinances Regarding Driveway and Parking Pad Requirements.

CITY OF LAUDERDALE  
ORDINANCE NO. 15-07

An Ordinance Amending Title 9, Chapter 10 of the  
Code of Ordinances Regarding Driveway and Parking Pad Requirements

The city council of the city of Lauderdale ordains as follows:

SECTION 1. The Lauderdale City Code is amended by deleting the ~~stricken material~~ and adding the double-underlined material as follows:

CHAPTER 10

**DRIVEWAY AND PARKING PAD REQUIREMENTS**

SECTION:

- 9-10-1: Purpose and Scope
- 9-10-2: ~~Scope~~ Definitions
- 9-10-3: ~~Driveway~~ Permit Required
- 9-10-4: Application and Site Plan for ~~Driveway~~ Permit
- 9-10-5: ~~Driveway~~ Permit Fees
- 9-10-6: Driveway Construction Standards
- 9-10-7: Limitations
- 9-10-8: Waiver of Requirements
- 9-10-7 9: Revocation of Permit
- 9-10-8 10: Enforcement

9-10-1: **Purpose and Scope:**

A. The purpose of these requirements is to control the location, construction or reconstruction of driveways, and parking pads, and curb cuts in order that traffic hazards be reduced and adequate street drainage be maintained. It is also the purpose and intent of these requirements to maintain the city's positive appearance.

B. These requirements shall apply to all new driveway and parking pad construction, to repairs and changes to existing driveways and parking pads, and to existing non-conforming driveways and parking pads upon improvement to the subject property. The requirements apply whether the driveway or parking pad is accessed from the street or alley.

9-10-2:~~Scope:~~ These requirements shall apply to all new driveway construction, to repairs and changes to existing driveways, and to existing non-conforming driveways upon improvement to the subject property. **Definitions:** For the purposes of this chapter, the following definitions shall apply:

A. “Alley” shall mean a right-of-way through the middle of a block giving access to the rear of lots or buildings.

B. “Driveway” shall mean an improved surface primarily intended for ingress and egress to a garage or other vehicle parking structure or surface.

C. “Parking Pad” shall mean an improved surface intended for the parking of a motor vehicle as defined in Minnesota Statutes, Section 609.487, subd. 2a, as amended from time to time.

D. “Pervious Pavement” shall mean those pavement materials and techniques that allow the movement of water from the surface to a base and/or sub base. Common pervious pavement materials and techniques include, but are not limited to, porous asphalt, porous concrete, grass pavers, gravel pavers, and geoblock.

E. “Permit” shall mean a driveway or parking pad permit issued by the city in accordance with this chapter.

9-10-3: **Driveway Permit Required:** No driveway or parking pad shall be constructed or re-constructed in any location without first obtaining a Driveway Permit.

9-10-4: **Application and Site Plan for Driveway Permit:** Any person desiring a Driveway Permit shall present a written application to the City Building Official Administrator describing the improvements to be made. This application shall be accompanied by a site plan drawn to scale showing the location of the driveway or parking pad with respect to property lines, the width of the driveway or parking pad, type of construction material used, driveway angle, distance between adjacent driveways, and, if applicable, the driveway's distance from a street intersection.

9-10-5: **Driveway Permit Fees:** The Driveway Permit fees shall be prescribed, from time to time, by City Council ordinance on file with the City Administrator.

9-10-6: **Driveway and Parking Pad Construction Standards:**

A. Surface: All driveway and parking pads shall be surfaced with one of the following materials:

1. Bituminous. A plant-mixed machine-laid bituminous material conforming to Minnesota Department of Transportation (MNDOT) Specification No. 2331, Mixed Designation 41WEA5055X, which have been approved by the City Engineer. However, should it subsequently become necessary to repair or

replace such bituminous surfacing in the right-of-way area in whole or in part, the owner of the property serviced by such bituminous driveway shall pay all costs of such repairs or replacements.

2. Concrete. ~~Concrete specifications must be a plant mix unless otherwise approved by the City Engineer.~~ ~~may also be used for such driveway surfacing~~ However, should it subsequently become necessary to repair or replace such concrete surfacing in the right-of-way area, in whole or in part, the owner of a property serviced by such concrete driveway shall pay all costs of such repairs or replacements.
3. Gravel Driveways. ~~Gravel driveways existing on or before the date of the adoption of this Ordinance, June 28, 2005 may be maintained as gravel driveways, and be constructed of, at minimum, four inches (4") of crushed Class 5 limestone gravel compacted into place after initial excavation. Prior to placing gravel, the driveway shall be excavated to result in the final gravel surface matching the grade of the adjacent yard.~~
4. Gravel Parking Pads. Gravel parking pads legally existing on the effective date of this ordinance may be maintained as gravel parking pads but may not be enlarged, replaced, or reconstructed without first obtaining a permit as required herein.
5. Pervious Pavement. Pervious pavement for driveways and parking pads not in the public right-of-way may be allowed if approved by the City Engineer. The applicant must submit plans for the City Engineer's review to the City Administrator. Such plans shall be approved by the City Engineer if they meet the parking and land use goals of the city, do not unduly burden the city's stormwater system and do not pose a health or safety risk to the community. Such plans must include the following, at a minimum:
  - i. site plan drawn to scale showing the location of the driveway or parking pad with respect to property lines;
  - ii. depth of excavation;
  - iii. type and volume of subsurface materials;
  - iv. locations of overflow drainage outlets;
  - v. connections to public and/or private stormwater systems; and
  - vi. surface materials.

Surface materials which are susceptible to washing away or disintegrating will not be approved by the City Engineer. These materials include, but are not limited to, gravel, rocks, and sand. The applicant shall be responsible for all costs associated with the City Engineer's review of the plans required under this section.

B. Driveway Width:

1. Community Business (B-1), Neighborhood Business (B-2), and Industrial (I-1) Zones: Driveway widths, on site and at the curb cut, shall not exceed ~~thirty-six~~ 36 feet (~~36'~~).
  2. Multiple Residential (R-3) Zones: Driveway widths, on site and at the curb cut, shall not exceed ~~thirty~~ 30 feet (~~30'~~).
  3. Suburban Residential (R-1) And Urban Residential (R-2) Zones: Driveway widths, on site and at the curb cut, shall not exceed ~~twenty-four~~ 24 feet (~~24'~~).
- C. Driveway Length: All street-accessed driveways shall extend a minimum of ~~twenty~~ (~~20~~) 20 feet beyond the back edge of the right-of-way apron ~~inclusive of parking space or spaces~~ and provide access for vehicles to a parking space or spaces, carport, garage, dwelling or other structure toward the side or rear of the property. Parking shall not be allowed in the public right-of-way.
- D. Distance Between Driveways: The minimum distance between curbs of driveways shall be ~~ten~~ 10 feet (~~10'~~) in any R-2 and R-3 district, and ~~twenty~~ 20 feet (~~20'~~) in any B-1, B-2, and I-1 district.
- E. Distance From Intersection: No driveways or curb cut shall be less than ~~twenty~~ 20 feet (~~20'~~) from any street intersection, except that in Industrial (I-1) Zones, the minimum distance shall be ~~fifty~~ 50 feet (~~50'~~).
- F. Driveway Angle: The minimum driveways angle from a two- (~~2~~) way access shall be ~~ninety~~ (~~90~~) 90 degrees. The minimum driveways angle from a one-way street shall be ~~thirty~~ (~~30~~) 30 degrees.
- G. Setback: Driveways in any R-2, R-3, B-1, B-2, and I-1 district, except driveways which are shared by two (~~2~~) or more adjacent property owners, shall not be located within five feet (~~5'~~) of any side or rear lot line. In the R-1 district, there is no setback requirement for driveways from the side yard lot line, but Property owners must provide proof of property lines when submitting a permit application to demonstrate that no part of the driveway may will encroach onto neighboring properties.
- H. Control Of Traffic: Where commercial land uses are adjacent to residential districts, driveways shall be located, ~~whenever feasible,~~ to reduce the amount of traffic entering residential areas.
- I. Street Access: For properties having frontage on two streets, access shall be provided via the street with the least traffic wherever feasible in order to reduce the number of curb cuts on more heavily traveled streets.
- J. State And County Highway Requirements: If the proposed driveway is to be constructed so that it opens onto any street designated as a State or County highway

or street, all additional specifications of the appropriate highway departments will apply. The applicant must ~~also obtain~~ provide proof of State or County approval with their permit application from these other applicable jurisdictions.

- K. Shared Driveways: If two (2) or more driveways are shared, the portion of the driveway on each property shall comply with maximum driveway width requirements.
- L. Licensed Contractor: All work done within the right-of-way of the street shall be done by a regularly licensed contractor under the supervision of the proper City employee holding a valid Residential Building Contractor (RBC) license issued by the State of Minnesota.
- M. Notification of Construction. The City Administrator shall be notified in writing at least 24 hours in advance of the commencement of any construction authorized in this chapter.

9-10-7: **Limitations:** Each residential property is limited to one parking pad not exceeding 240 square feet. If an owner wishes to construct a new parking pad, no permit shall be issued until any existing parking pad is removed in its entirety and replaced with vegetative ground cover. Parking pads may be located in the rear and side yards but may not extend beyond the front plane of the house as defined by the projection furthest from the front yard right-of-way.

9-10-8: **Waiver of Requirements:** Any person wishing to construct a parking pad or driveway in a manner contrary to this chapter shall first obtain written permission from the city council. The city council shall consider such waiver from the requirements of this chapter only in those instances where the applicant can demonstrate that compliance with this chapter is not reasonably possible on the subject property. If the city council grants such a waiver, it may attach any conditions which it deems necessary and appropriate to that waiver, which must be included in its written approval. Nothing in this section shall be interpreted to require the city council to grant any such waiver.

9-10-7-9: **Revocation of Permit:** The permit issued may be revoked at any time after its issuance for failure to comply with the conditions of this section or the directions of the City relative to the work covered by the permit. If a permit is revoked by the city, the owner shall return the area of the parking pad or driveway to its natural state.

9-10-8 10: **Enforcement:** The enforcement of this ordinance will occur as the City progresses with its planned street and utility improvements and provides curb cuts throughout the City. Non-conforming driveways currently existing shall come in to conformance with this ordinance upon property improvement or street repair or maintenance. Failure to comply with the provisions of this section shall constitute a misdemeanor and may be punishable as defined in Minnesota Statutes, Section 609.03, as amended from time to time. Each day the failure to comply exists shall constitute a separate violation. Failure to comply with this section shall constitute a public safety

hazard. Upon written notice that a property is not in compliance with this section, the owner and occupant of such property shall have 90 days to cause the property to conform. If the property is not brought into compliance within 90 days, the city may take all reasonable steps necessary to bring the property into compliance, the costs of which may be assessed against the property in accordance with Minnesota Statutes, Chapter 429.

SECTION II. This ordinance shall be effective upon its adoption and publication.

Adopted by the Lauderdale City Council this 27<sup>th</sup> day of October, 2015.

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Jeffrey Dains, Mayor

ATTEST:

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Heather Butkowski, City Administrator

Published in the Roseville Review this 3<sup>rd</sup> day of November, 2015.

**LAUDERDALE COUNCIL  
ACTION FORM**

**Action Requested**

Consent \_\_\_\_\_  
Public Hearing \_\_\_\_\_  
Discussion   X    
Action   X    
Resolution   X    
Work Session \_\_\_\_\_

Meeting Date October 27, 2015

ITEM NUMBER BCC Conduit Debt

STAFF INITIAL AB

APPROVED BY ADMINISTRATOR

**DESCRIPTION OF ISSUE AND PAST COUNCIL ACTION:**

Julie Eddington, of Kennedy and Graven, will be at the meeting to provide more details regarding the City's participation in securing bank qualified (BQ) debt for the Benedictine Care Centers. The request was for \$9 million of the City's \$10 million of BQ debt.

The City Council is being asked to adopt the attached resolution which provides preliminary approval for the issuance of the City Note and calls for a public hearing to be conducted on Tuesday, November 24, 2015. The deal is expected to close shortly thereafter at which time the City would receive its fee of \$81,000.

**STAFF RECOMMENDATION:**

Motion to adopt Resolution 102715B— A Resolution Calling a Public Hearing on the Issuance of Revenue Notes and Providing Preliminary Approval to the Proposed Issuance thereof.



**RESOLUTION 102715B**

**CITY OF LAUDERDALE  
COUNTY OF RAMSEY  
STATE OF MINNESOTA**

**RESOLUTION CALLING A PUBLIC HEARING ON THE ISSUANCE OF  
REVENUE NOTES AND PROVIDING PRELIMINARY APPROVAL TO THE  
PROPOSED ISSUANCE THEREOF**

BE IT RESOLVED by the City Council of the City of Lauderdale, Minnesota (the "City"), as follows:

Section 1.       Recitals.

1.01. Pursuant to Minnesota Statutes, Sections 469.152 through 469.1655, as amended (the "Industrial Development Act"), the City is authorized to issue revenue bonds to finance or refinance, in whole or in part, the cost of the acquisition, construction, reconstruction, improvement, betterment or extension of a project, defined in the Industrial Development Act as any properties, real or personal, used or useful in connection with a revenue producing enterprise.

1.02. Minnesota Statutes, Section 471.656, as amended, authorizes a municipality to issue obligations to finance or refinance the acquisition or improvement of property located outside of the corporate boundaries of such municipality if the obligations are issued under a joint powers agreement between the municipality issuing the obligations and the municipality in which the property to be acquired or improved is located. Pursuant to Minnesota Statutes, Section 471.59, as amended, by the terms of a joint powers agreement entered into through action of their governing bodies, two municipalities may jointly or cooperatively exercise any power common to the contracting parties or any similar powers, including those which are the same except for the territorial limits within which they may be exercised and the joint powers agreement may provide for the exercise of such powers by one or more of the participating governmental units on behalf of the other participating units.

1.03. Benedictine Care Centers, a Minnesota nonprofit corporation, or any of its affiliates (the "Borrower"), has proposed that the City issue its revenue notes, in one or more series, as taxable or tax exempt obligations (the "Notes"), in an estimated principal amount not to exceed \$9,000,000. The Borrower has proposed to apply the proceeds of the Notes to (i) refund the outstanding Health Care Revenue Bonds (Benedictine Care Centers Project), Series 1999 (the "Series 1999 Bonds"), issued by the Minnesota Agricultural and Economic Development Board (the "Board") on March 18, 1999, in the original aggregate principal amount of \$12,630,000; (ii) refund the outstanding Health Facility Revenue Notes (Benedictine Care Centers Project), Series 1999, issued by the Board in three subseries in the amounts of \$1,090,600 (the "Series 1999-1 Note") on March 18, 1999, \$1,425,150 (the "Series 1999-2 Note") on March 18, 1999, and \$1,425,150 (the "Series 1999-3 Note," and collectively with the Series 1999-1 Note and the Series 1999-2 Note, the "Series 1999 Notes") on May 10, 1999; (iii) refund the outstanding Health Care Revenue Bonds (Benedictine Care Centers Project), Series 2005A (the "Series 2005A Bonds"), issued by the Board on March 16, 2005, in the original aggregate principal amount of \$7,375,000; (iv) fund required reserves for the Notes, if any; and (v) pay the costs of issuing the Notes.

1.04. The Board loaned the proceeds of the Series 1999 Bonds to the Borrower to (i) finance a portion of the acquisition, construction, renovation, and equipping of the following facilities owned and

operated by the Borrower (collectively, the "Facilities"): (a) a 65-bed nursing home known as Hillcrest Community Care Center located at 800 Second Avenue NW in Plainview, Minnesota ("Hillcrest"); (b) a 105-bed nursing home known as Benedictine Care Center at Innsbruck located at 1101 Black Oak Drive in New Brighton, Minnesota ("Benedictine Care Center"); (c) a 51-unit assisted living facility known as Villa at Hi Park located at 213 Pioneer Road in Red Wing, Minnesota ("Villa at Hi Park"); (d) a 65-bed nursing home known as St. Brigid's at Hi Park located at 213 Pioneer Road in Red Wing, Minnesota ("St. Brigid's"); (e) a 124-bed nursing home known as Lake Haven Manor located at 7700 Grand Avenue in Duluth, Minnesota ("Lake Haven Manor"); and (f) a 36-unit assisted living facility known as Green Prairie Place located at 810 Second Avenue NW in Plainview, Minnesota ("Green Prairie"); (ii) fund a debt service reserve fund; (iii) pay costs of issuance; and (iv) refund the First Mortgage Revenue Refunding Bonds (Haven Villa Project) Series 1993A, and Taxable First Mortgage Housing Revenue Bonds (Haven Villa Project), Series 1993B, issued by the City of Red Wing on November 30, 1993.

1.05. The Board loaned the proceeds of the Series 1999 Notes to the Borrower to finance a portion of the acquisition, construction, renovation, and equipping of the Facilities.

1.06. The Board loaned the proceeds of the Series 2005A Bonds, along with the proceeds of the Health Care Revenue Bonds (Benedictine Care Centers Project), Taxable Series 2005B, issued by the Board in the original aggregate principal amount of \$175,000 and no longer outstanding, to the Borrower to (i) finance the construction, renovation, and equipping of improvements to Hillcrest, Benedictine Care Center, and Lake Haven Manor; (ii) fund a debt service reserve fund; and (iii) pay costs of issuance.

1.07. The Borrower intends to use funds on hand to refund the bonds and notes that financed the Hillcrest, Lake Haven Manor, and Green Prairie facilities and will not apply the proceeds of the Notes to refinance these facilities.

1.08. Prior to the issuance of the Notes, the City Council of the City must conduct a public hearing to approve the issuance of the Notes pursuant to the requirements of Section 147(f) of the Internal Revenue Code of 1986, as amended, and regulations promulgated thereunder (the "Code").

Section 2. Preliminary Findings. Based on representations made by the Borrower to the City to date, the City Council of the City hereby makes the following preliminary findings, determinations, and declarations:

(a) The proceeds of the Notes will be loaned to the Borrower and the proceeds of the loan will be applied to (i) refinance Benedictine Care Center, Villa at Hi Park, and St. Brigid's (the "2015 Facilities") through the redemption and prepayment of the outstanding Series 1999 Bonds, Series 1999 Notes, and Series 2005A Bonds; (ii) fund any required reserves; and (iii) pay costs of issuance (collectively, the "Project"). The City will enter into a loan agreement (or other revenue agreement) with the Borrower requiring loan repayments from the Borrower in amounts sufficient to repay the loan of the proceeds of the Notes when due and requiring the Borrower to pay all costs of maintaining and insuring the 2015 Facilities, including taxes thereon.

(b) In preliminarily authorizing the issuance of the Notes and the refinancing of the 2015 Facilities, the City's purpose is to further the policies of the Act.

(c) The Notes will be a special, limited obligation of the City payable solely from the revenues pledged to the payment thereof, and will not be a general or moral obligation of the City and will not be secured by or payable from revenues derived from any exercise of the taxing powers of the City.

Section 3. Public Hearing.

3.01. The City Council shall meet at 7:30 p.m. on Tuesday, November 24, 2015, to conduct a public hearing as requested by the Borrower, notice of which hearing (the "Public Notice") will be published as required by Section 469.154, subdivision 4 of the Act and Section 147(f) of the Code.

3.02. The City Administrator is hereby authorized and directed to publish the Public Notice, in substantially the form attached hereto as EXHIBIT A, in the *Roseville Review*, the official newspaper of the City, and the *Star Tribune*, a newspaper of general circulation in the City. The Public Notice shall be published at least once, at least fourteen (14) days prior to the date of the public hearing. At the public hearing, reasonable opportunity will be provided for interested individuals to express their views, both orally and in writing, on the proposed issuance of the Notes and the Project.

Section 4. Preliminary Approvals.

4.01. The City Council hereby states its preliminary intention to issue the Notes in the estimated maximum principal amount of \$9,000,000 to (i) refinance the 2015 Facilities through the redemption and prepayment of the outstanding Series 1999 Bonds, Series 1999 Notes, and Series 2005A Bonds; (ii) fund required reserves for the Notes, if any; and (iii) pay the costs of issuing the Notes. The issuance of the Notes is also subject to the mutual agreement of the City, the Borrower, and the initial purchaser of the Notes as to the details of the Notes and provisions for their payment.

4.02. The Notes shall not constitute a charge, lien, or encumbrance, legal or equitable, upon any property of the City except the City's interest in the loan or revenue agreement with respect to the Notes and the Project, and the Notes, when, as, and if issued, shall recite in substance that the Notes, including interest thereon, are payable solely from the revenues received from the 2015 Facilities and property pledged to the payment thereof, and shall not constitute a general or moral obligation of the City.

4.03. The law firm of Kennedy & Graven, Chartered, is authorized to act as Bond Counsel and to assist in the preparation and review of necessary documents relating to the Project and the Notes issued in connection therewith. The Mayor, the City Administrator, and other officers, employees, and agents of the City are hereby authorized to assist Bond Counsel in the preparation of such documents.

Section 5. Costs. The Borrower will pay the administrative fees of the City and pay, or, upon demand, reimburse the City for payment of, any and all costs incurred by the City in connection with the Project and the issuance of the Notes, whether or not the Notes are issued.

Section 6. Commitment Conditional. The adoption of this resolution does not constitute a guaranty or firm commitment that the City will issue the Notes as requested by the Borrower. The City retains the right in its sole discretion to withdraw from participation and accordingly not to issue the Notes, or issue the Notes in an amount less than the amount referred to herein, should the City at any time prior to issuance thereof determine that it is in the best interest of the City not to issue the Notes, or to issue the Notes in an amount less than the amount referred to in Section 4.01 hereof, or should the parties to the transaction be unable to reach agreement as to the terms and conditions of any of the documents required for the transaction.

Section 7. Effective Date. This resolution shall be in full force and effect from and after its passage.

Approved by the City Council of the City of Lauderdale, Minnesota, this 27<sup>th</sup> day of October, 2015.

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Mayor

Attest:

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City Administrator

## EXHIBIT A

### NOTICE OF PUBLIC HEARING

CITY OF LAUDERDALE, MINNESOTA

NOTICE OF PUBLIC HEARING WITH RESPECT TO A PROJECT DESCRIBED IN MINNESOTA STATUTES, SECTIONS 469.152 THROUGH 469.1655, AS AMENDED, AND THE ISSUANCE OF REVENUE NOTES THEREUNDER

NOTICE IS HEREBY GIVEN that the City Council of the City of Lauderdale, Minnesota (the "City") will hold a public hearing on Tuesday, November 10, 2015, at or after 7:30 p.m., at City Hall, 1891 Walnut Street, in the City, to consider a proposal for the issuance of revenue obligations of the City, in one or more series, as taxable or tax-exempt obligations (the "Notes"), under Minnesota Statutes, Sections 469.152 through 469.1655, as amended (the "Act"), on behalf of Benedictine Care Centers, a Minnesota nonprofit corporation, or any of its affiliates (the "Borrower"). The proceeds of the Notes proposed to be issued by the City for the benefit of the Borrower will be applied to (i) refund the outstanding Health Care Revenue Bonds (Benedictine Care Centers Project), Series 1999 (the "Series 1999 Bonds"), issued by the Minnesota Agricultural and Economic Development Board (the "Board") on March 18, 1999, in the original aggregate principal amount of \$12,630,000; (ii) refund the outstanding Health Facility Revenue Notes (Benedictine Care Centers Project), Series 1999 (the "Series 1999 Notes"), issued by the Board in three subseries in the amounts of \$1,090,600 on March 18, 1999, \$1,425,150 on March 18, 1999, and \$1,425,150 on May 10, 1999; (iii) refund the outstanding Health Care Revenue Bonds (Benedictine Care Centers Project), Series 2005A (the "Series 2005A Bonds"), issued by the Board on March 16, 2005, in the original aggregate principal amount of \$7,375,000; (iv) fund required reserves for the Notes, if any; and (v) pay the costs of issuing the Notes (collectively, the "Project").

The Board loaned the proceeds of the Series 1999 Bonds, the Series 1999 Notes, and the Series 2005A Bonds to the Borrower to (i) finance a portion of the acquisition, construction, renovation, and equipping of the following facilities owned and operated by the Borrower (collectively, the "Facilities"): (a) a 65-bed nursing home known as Hillcrest Community Care Center located at 800 Second Avenue NW in Plainview, Minnesota ("Hillcrest"); (b) a 105-bed nursing home known as Benedictine Care Center at Innsbruck located at 1101 Black Oak Drive in New Brighton, Minnesota ("Benedictine Care Center"); (c) a 51-unit assisted living facility known as Villa at Hi Park located at 213 Pioneer Road in Red Wing, Minnesota ("Villa at Hi Park"); (d) a 65-bed nursing home known as St. Brigid's at Hi Park located at 213 Pioneer Road in Red Wing, Minnesota ("St. Brigid's"); (e) a 124-bed nursing home known as Lake Haven Manor located at 7700 Grand Avenue in Duluth, Minnesota ("Lake Haven Manor"); and (f) a 36-unit assisted living facility known as Green Prairie Place located at 810 Second Avenue NW in Plainview, Minnesota ("Green Prairie"); (ii) fund a debt service reserve fund; (iii) pay costs of issuance; and (iv) refund the First Mortgage Revenue Refunding Bonds (Haven Villa Project) Series 1993A, and Taxable First Mortgage Housing Revenue Bonds (Haven Villa Project), Series 1993B, issued by the City of Red Wing on November 30, 1993.

The Borrower intends to refinance the Benedictine Care Center, Villa at Hi Park, and St. Brigid's facilities with a portion of the proceeds of the Notes. The Hillcrest, Lake Haven Manor, and Green Prairie facilities will be refinanced with other funds of the Borrower.

Following the public hearing, the City Council will consider adoption of a resolution approving the Project in accordance with the requirements of the Act and the issuance of the Notes. The aggregate

face amount of the Notes proposed to be issued to finance the Project is presently estimated not to exceed \$9,000,000, and the Notes may be issued in one or more series. The Notes proposed to be issued by the City will constitute special, limited obligations of the City payable solely from the revenues expressly pledged to the payment thereof, and will not be a general or moral obligation of the City and will not be secured by the taxing power of the City or any assets or property of the City except any interests of the City in the Project that may be granted to the City in conjunction with this financing.

All interested persons may appear and be heard at the time and place set forth above.

Dated: [Date of Publication]

BY ORDER OF THE CITY COUNCIL OF  
THE CITY OF LAUDERDALE, MINNESOTA

/s/ Heather Butkowski  
City Administrator  
City of Lauderdale, Minnesota

## LAUDERDALE COUNCIL ACTION FORM

### Action Requested

Consent \_\_\_\_\_  
 Public Hearing \_\_\_\_\_  
 Discussion \_\_\_\_\_  
 Action \_\_\_\_\_  
 Resolution \_\_\_\_\_  
 Work Session \_\_\_\_\_ X

Meeting Date October 27, 2015  
 ITEM NUMBER Sex Offender Residency  
 STAFF INITIAL HB  
 APPROVED BY ADMINISTRATOR \_\_\_\_\_

### DESCRIPTION OF ISSUE AND PAST COUNCIL ACTION:

As the state's sex offender treatment program has been in the news, Councilor Hawkinson asked whether the City has restrictions on where sex offenders can live. The short answer is that the City doesn't have any restrictions in place. Any restrictions on a sex offender's residency come with their assigned risk level and court ordered restrictions. Attached is a memo from the Minnesota Department of Corrections (MDC) that provides background information on the subject.

In researching the topic, staff learned of a southern Minnesota community that restricts sex offender from living within 2,000 feet of churches, schools, parks, daycare centers, etc. Based on this information, staff asked the city attorney to weigh in on the legality of such restrictions. His memo is attached.

In short, nothing precludes the City Council from adopting an ordinance restricting the residency of sex offender within the City. But, as the city attorney explains, the ordinance could be challenged.

Chief Ohl will be at the meeting to answer questions about how the sex offender registry system works. He always reminds staff that only information related to level three sex offenders is public, so any ordinance the Council adopts wouldn't apply to level one and two offenders because we won't know they live here. The discussion for the Council is whether you would like to pursue an ordinance restricting the residency of level three offenders in Lauderdale. The MDC memo notes there were only 272 level three sex offenders as of January 1, 2013. At the same time, this discussion was spurred by the expected release of the high risk offenders held at the treatment facilities in Moose Lake and St. Peter.

### STAFF RECOMMENDATION:



# Background

## COMMUNITY NOTIFICATION ACT

### Facts About Minnesota's Community Notification Act

- ▶ Minnesota's Community Notification Act was effective January 1, 1997.
- ▶ Assignment of risk levels is the statutory responsibility of the Minnesota Department of Corrections.
- ▶ Community notification is the statutory responsibility of law enforcement.
- ▶ Level 3 offenders — those determined at highest risk to reoffend — are identified on a public website.
- ▶ Offenders are subject to the provisions of the Community Notification Act for as long as they are required to register as predatory offenders.
- ▶ Of all offenders who have been assigned risk levels, approximately 58% are level 1; 29% are level 2; and 13% are level 3.
- ▶ Approximately 272 level 3 offenders are living in Minnesota communities (as of 1/1/13).

### What is Minnesota's Community Notification Act?

The Community Notification Act requires assignment of a risk level to offenders subject to registration as a predatory offender before they are released from confinement in a state prison or treatment facility. The Community Notification Act also requires that community notification of the offender's release occur. Effective January 1, 1997, this act applies to offenders released on or after that date (M.S. 244.052).

### What is registration?

Since July 1, 1991, predatory offenders in Minnesota have been required to register their addresses with local law enforcement agencies (M.S. 243.166). Law enforcement agencies forward the information to the Minnesota Bureau of Criminal Apprehension, which maintains a database that can be used by law enforcement agencies as an investigative tool.

### Who is assigned a risk level?

Risk levels are assigned to predatory offenders:

- 1) Released from a state prison in Minnesota;
- 2) Released from a state prison in another state who come to Minnesota under supervision;
- 3) Released from a federal prison and intending to reside in Minnesota;

- 4) Released from confinement who were committed as sexually dangerous persons, sexually psychopathic personalities or mentally ill and dangerous; or
- 5) Upon request from local law enforcement if released from a federal prison or another state's prison (and not under supervision).

As of January 1, 2013, about 8,000 of Minnesota's 17,400 registered (active) predatory offenders fall under the above categories and are assigned a risk level.

### What are the risk levels?

Level 1 – lowest public risk  
Level 2 – moderate public risk  
Level 3 – highest public risk

### Who assigns risk levels?

An End-of-Confinement Review Committee (ECRC) is established at each Minnesota state prison or treatment facility to determine risk levels. For offenders released from federal or out-of-state prisons, an ECRC in the Minnesota Department of Corrections (DOC) Central Office performs this function.

### Who serves on the ECRC?

- 1) The prison warden or treatment facility head where the offender is confined, or that person's designee;
- 2) A law enforcement officer;



- 3) A treatment professional trained in assessing sex offenders;
- 4) A caseworker experienced in supervising sex offenders; and
- 5) A victim services professional.

### **What does the ECRC consider when assigning risk level?**

A variety of information, including:

- 1) Seriousness of the offense;
- 2) Offender's prior offense history;
- 3) Offender's characteristics, such as response to prior treatment efforts and history of substance abuse;
- 4) Availability of community support to the offender, such as therapeutic treatment, a stable and supervised living arrangement, familial and social relationships, and consideration of the offender's education or employment stability;
- 5) Whether the offender has indicated, or credible evidence in the record indicates, that the offender will reoffend if released into the community; and
- 6) Whether the offender demonstrates a physical condition that minimizes risk of reoffense, including but not limited to advanced age or a debilitating illness or physical condition.

### **Can a risk level be changed?**

Yes. Within 14 days of assignment at level 2 or 3, an offender can request review from an administrative law judge. Also, after three years from initial risk level assignment, an offender can request that the ECRC consider a level reassessment.

### **Who provides notification to the community?**

The DOC provides information from the ECRC to law enforcement, which is responsible for notification in the community where the offender is to reside.

### **Who may law enforcement notify about release or relocation of an offender?**

Level 1 – Victims of and witnesses to the crime, other law enforcement agencies, and anyone identified by the prosecuting attorney to receive the information.

Level 2 – Anyone included in the Level 1 information release. In addition, notification may be given to schools, daycare centers, and other organizations where individuals who may become victims of the offender are regularly found. Law enforcement may also choose to notify certain individuals that they determine to be at possible risk. The information is not to be redistributed by organizations.

Level 3 – Requires broad public notification, usually done through a public meeting. Law enforcement may also notify individuals and agencies included in Level 1 and Level 2 notifications, and may use the media and other distribution methods to get information to the public.

### **What is included in the notification?**

General area of residence, description of the offender and photo, and description of the pattern of behavior that the offender has been known to display.

### **Are risk levels public?**

Levels 1 and 2 are not public, except as released by law enforcement as speci-

fied in the Community Notification Act. Information about level 3 offenders is posted on the DOC's website once a community notification meeting has been held at the request of law enforcement ([www.doc.state.mn.us/level3/level3.asp](http://www.doc.state.mn.us/level3/level3.asp)).

### **How long are offenders subject to community notification provisions?**

For as long as they are required to register as predatory offenders. Registration is generally required for ten years after release or until correctional supervision ends, whichever is longer. Some offenders are subject to lifetime registration.

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## MEMORANDUM

To: Heather Butkowski, city administrator

From: Andrew Biggerstaff, assistant city attorney

Date: July 16, 2015

Re: Ordinance Regarding Sex Offender Residency Restrictions

This memorandum provides general information regarding the legality of a city ordinance that places geographical restrictions on where a convicted sex offender may reside.

As a general matter, the law on this topic is not entirely clear. While cities and states across the country have passed laws related to residency restrictions, they have done so in a legally gray area. However, one thing that is clear is that enacting an ordinance that restricts where any group of people may live will likely raise the risk of litigation. Groups such as the ACLU have threatened to sue some Minnesota cities based on their ordinances, although it is not clear whether they have done so.

In determining whether a residency restriction ordinance is appropriate, local governments should consider a few factors. For instance, does the city seek to limit either temporary or permanent housing or both? Additionally, what will be the defined parameters of the ordinance, meaning where will the “radii of restricted space” be? Some cities only draw circles surrounding the traditionally protected areas such as schools, playgrounds, and churches. Others take a more aggressive approach, including things like bus stops, libraries, or “anywhere children are known to regularly congregate.” Similarly, what will the magnitude of the restriction be? Some cities have limited residences within 500 feet, while others have prohibited residences within 2,500 feet or more of a protected location.

One of the most frequently cited complaints related to residency restrictions is in regard to those which as a matter of fact preclude sex offenders from residing within a city. Taken individually, each radius around a protected location may present just a small part of the city. However, when

viewed in the aggregate, those radii effectively cover the entire city. The preclusive effect of the ordinance is directly proportional to its likelihood of legal challenge. The potential risk of litigation is something the city would need to consider and decide upon in crafting its ordinance.

Given Lauderdale's relatively small size, it is very possible that a residency restriction ordinance will have the effect of precluding any convicted sex offender from living within the city. Because of this, it would be necessary to carefully consider what types of locations should be considered protected, and how far that protection should extend.

In conclusion, the legality of residency restrictions for convicted sex offenders is at best unclear. However, there are steps the city can take, should it choose to move forward with such an ordinance, which could help lower the risk of litigation.

Please let me know if you would like to discuss this matter in more depth. I am happy to set up a time to speak with you over the phone or to meet with you to discuss the city's options. We could include Police Chief Ohl if you think that would be helpful.

AMB: