

Council Meeting
Tuesday, October 16, 2012
City Council Chambers
7:30 p.m.
AGENDA



Call to Order
Pledge of Allegiance

1. Approval of Minutes
 - Council Minutes—October 2 & 3, 2012
2. Consent Agenda
 - Minutes
 - EDA Commission – October 8, 2012
 - Library Board – October 9, 2012
 - License Applications
 - Exempt Gambling Permit – Windom Fire Dept.
3. Department Heads
4. Older Americans Act Nutrition Program 40th Anniversary Proclamation
5. Phase I GDF Development Agreement - TIF 1-16
6. Telecom Commission New Hire Recommendation
7. Fire Department – AgStar Fund Grant Agreement – Turnout Gear
8. Second Reading – Ordinance Adopting Revised Codified City Code
9. Letter of Engagement for 2012 City Audit
10. Windom Lions Club Donation – Park Department
11. Refunding Bonds Series 2012B – Resolution Establishing A Pricing Committee
12. New Business
13. Old Business
14. Regular Bills
15. Council Concerns
16. Adjourn



**Regular Council Meeting
Windom City Hall, Council Chamber
October 2, 2012
7:30 p.m.**

1. Call to Order:

The meeting was called to order by Mayor Kruse at 7:30 p.m.

2. Roll Call:
- | | |
|-------------------------|---|
| Mayor: | Kirby Kruse |
| Council Members: | Kelsey Fossing, Dominic Jones, Corey Maricle and JoAnn Ray |
| Council Members Absent: | Bradley Powers |
| City Staff Present: | Steve Nasby, City Administrator; Marv Grunig, Electric Utility Manager; Chelsie Carlson, Finance Director\Controllor; Al Baloun, Recreation Director and Jeremy Rolfes, Telecom |

3. Pledge of Allegiance:

Windom Boy Scout troop presented the colors.

4. Approval of Minutes:

Motion by Ray second by Maricle to approve the City Council minutes from September 18, 2012. Motion carried 4 – 0 (Powers absent).

5. Consent Agenda:

Kruse noted the minutes from the following Boards and Commissions:

- Utility Commission – September 19, 2012
- Parks & Recreation Commission – September 26, 2012

Motion by Fossing second by Jones, to approve the Consent Calendar as presented. Motion carried 4 – 0 (Powers absent).

6. Department Heads:

None.

7. Bid Award for Aerial Lift Device:

Marv Grunig, Electric Utility Manager, said the department is requesting approval to replace unit #35, which is their aerial lift truck that is over 25 years old. The new unit will have a chassis from Higley Ford and the 45' aerial lift device to be mounted was solicited for quotes. There were three responses ranging in price from \$59,000 to \$71,248, which included trade-in of the old unit. The intent is to see if we can sell the old unit first, but if the price is not high enough the unit will be included as a trade-in. The new units could be in place within 120 days.

Grunig said that he and the staff have reviewed the quotes and seen examples of the units and are recommending the Truck Utilities, Inc. aerial lift device and they are also the lowest priced.

Motion by Jones seconded by Ray, to approve awarding the purchase to Truck Utilities, Inc. based upon the quotes received. Motion carried 4 – 0 (Powers absent).

8. Parks & Recreation Commission – Rate Recommendations:

Al Baloun, Recreation Director, said that the Commission discussed the various rates charged for programming and are making a recommendation to the City Council to raise the rates on ice skating passes and storage rental fees.

Jones asked if the rates the City pays for the buildings had been raised. Baloun said that the Fair Board had increased the price of the buildings by 20% and this was the primary reason for the change in the storage fees being recommended.

Council member Maricle introduced the Resolution No. 2012-55, entitled “RESOLUTION ESTABLISHING RATES, CHARGES AND FEES FOR PARK AND RECREATION FACILITIES” and moved its adoption. The resolution was seconded by Ray and on roll call vote: Aye: Ray, Fossing, Jones and Maricle. Nay: None. Absent: Powers. Resolution passed 4 – 0.

9. Approval of Windom Area Hospital Governing By-Laws:

Gerri Burmeister, Hospital CEO and Al Peterson, Board Chair introduced themselves. Burmeister said that the revisions are minor in nature. The changes were reviewed by Burmeister and Peterson in sections 1.3, 2.2, 4.1, 4.2 (deleted), 5.1, 5.2-1 and 8.8-1. The biggest change was the elimination of one of the board committees.

Motion by Ray seconded by Fossing to approve the Windom Area Hospital Governing By-Laws as presented. Motion carried 4 – 0 (Powers absent).

10. First Reading – Ordinance Adopting Revised Codified City Code:

Nasby said that the City Council had directed staff to complete the re-codification of the City Code. This project was undertaken by American Legal Publishing in partnership with the League of Minnesota Cities. The entire City Code was reviewed, language updated, ordinances passed in the last 10-20 years were included and the new code has a web based component that will enable the public to review and search the code.

Jones asked how the document was reviewed. Nasby said the review of the new code was completed by City staff and the City Attorney. One of the primary items was to check all the cross references to the code itself and to State statute.

Nasby said the process for adopting the new code was the same as an ordinance where there would be two readings and then a publication in the newspaper of a summary. Copies of the new code are available at City Hall for review.

Motion by Jones seconded by Fossing, to approve the 1st Reading of the Ordinance Adopting the Revised Codified City Code. Motion carried 4 – 0 (Powers absent).

11. Resolution Delegating Authority to the City Administrator to Pay Claims:

Chelsie Carlson, Finance Director\Controllor, reviewed the process the City uses to make the accounts payable disbursements that includes weekly check runs for time sensitive items and then one large check runs following City Council meetings. All are approved by the Council, but the weekly check runs are approved after the fact and State statute says all need to be approved by Council. What is being proposed is to do weekly check runs to take advantage of early pay discounts, insuring timely payments and streamlining the process with regular check runs. State statute allows the City Council to delegate approval authority to enable this process. The City Council will still get all of the regular bills for approval, but by allowing the delegation of the authority, all the disbursements will be compliant. The policy is a model from the League of Minnesota Cities and both the City Attorney and City Auditor have reviewed the proposal and do not have objections.

Council member Maricle introduced the Resolution No. 2012-56, entitled “A RESOLUTION DELEGATING AUTHORITY TO THE CITY ADMINISTRATOR TO PAY CLAIMS” and moved its adoption. The resolution was seconded by Jones and on roll call vote: Aye: Ray, Fossing, Jones and Maricle. Nay: None. Absent: Powers. Resolution passed 4 – 0.

12. Resolution Appointing Additional Election Judges for the Forthcoming General Election:

Council member Ray introduced the Resolution No. 2012-57, entitled “A RESOLUTION APPOINTING ADDITIONAL ELECTION JUDGES FO RTHE FORTHCOMING GENERAL ELECTIONS IN 2012” and moved its adoption. The resolution was seconded by Fossing and on roll call vote: Aye: Fossing, Jones, Maricle and Ray. Nay: None. Absent: Powers. Resolution passed 4 – 0.

Preliminary

Nasby noted that the list includes a number of student trainee election judges and the partnership with the school to get youth involved in City activities is one item the Council had discussed during the long-range planning meetings.

13. New Business:

None.

14. Unfinished Business:

Kruse asked the City Council their preferences for setting a date for the Employee Recognition event. Consensus of the Council was to poll the employees for a date in November.

15. Regular Bills:

Motion by Ray seconded by Maricle, to approve the regular bills. Motion carried 4 – 0 (Powers absent).

16. Council Concerns:

Ray noted the City-wide Clean-Up event for October 6th and 13th.

Jones thanked the Boy Scouts for their participation in the meeting by presenting the colors.

Nasby encouraged the public to attend the Senate District 22 Candidate Forum being held at the Windom Community Center on October 9th at 7:00 pm. This is an event co-hosted by the City and the Coalition of Greater Minnesota Cities.

Kruse reminded the City Council about the 2013 Budget Workshop at 6:00 pm on October 3, 2012

17. Adjourn:

Kruse adjourned the meeting by unanimous consent. Meeting adjourned at 7:55 pm

Kirby Kruse, Mayor

Attest: _____
Steve Nasby, City Administrator

**Special City Council Meeting – 2013 Budget Workshop
Windom City Hall, Council Chamber
October 3, 2012
6:00 p.m.**

1. Call to Order:

The meeting was called to order by Mayor Kruse at 6:00 p.m.

2. Roll Call:

Mayor:

Kirby Kruse

Council Members:

Kelsey Fossing, Dominic Jones, Corey Maricle and JoAnn Ray

Council Members Absent:

Bradley Powers

City Staff Present:

Steve Nasby, City Administrator; Joan Hunter, Library Director; Brad Bussa, Community Center Director; Dan Olsen, Telecom Manager; Aaron Backman, EDA Director; Al Baloun, Recreation Director; Bruce Caldwell, Streets & Parks Superintendent; Mike Haugen, Water & Wastewater Superintendent; Marv Grunig, Electric Utility Manager; Scott Peterson, Police Chief; Dan Ortman, Fire Chief and Chelsie Carlson, Finance Director\Controllor

3. Discussion of 2013 City Budget:

Kruse said the focus on the discussion is for capital items, but if Council had questions on the operational budgets those could be asked as well.

Library – Hunter said that she would like to move the ADA accessible door from 2015 to 2013 as they have patrons that would benefit from the added accessibility. The other 2013 request is for replacement of the windows in the building as the existing windows are old and not energy efficient.

Community Center – Bussa said that he has done some research and is able to lower the request for the carpet\floor cleaning machine from \$15,000 to \$6,500. Another 2013 item includes a \$20,000 set-aside for the replacement of kitchen and other equipment. All of the appliances are over 12 years old and showing significant wear. A fund for replacement is needed to allow for the replacement of equipment as it fails. The final 2013 capital request is for \$9,300 for the purchase and\or replacement of items they rent out to users of the facility and this is an income generating avenue for the Center.

Preliminary

Jones asked if money could be put into the equipment fund or unexpended budget monies could that be put into a specific fund to be saved for future needs. Nasby said that it could be set up and the City Council always has the option of what to do with those monies. Jones though the same scenario could be done with the mechanical equipment requests.

Airport – Nasby said that the 2013 request is for a new Jet A fuel system that would be used by the large plane coming to the Windom Airport and the numerous spray planes using the facility. This is an FAA eligible project so the total cost of \$150,000 is split between FAA and the City at 90/10 so the City's match is \$15,000 in the levy. The City has funds from the annual FAA appropriation to do the project or the City could pay back the \$150,000 to St. James we had borrowed to complete the hanger project and then look at the fuel system in 2014. Because of the recent upgrades at the airport the preference is to do the fuel system and then pay back St. James in 2014.

Telecom – Olsen said that the 2013 request is for \$22,000 to be used for video head end improvements and equipment.

Kruse asked about the \$100,000 change in the operational budget for wages. Olsen said that the increase is due to \$13,500 he is asking for re-classifying his staff, the additional hours for the clerical person and wages for the new cable tech person. Nasby said that there were also some funds for the increase in wages for the Telecom Manager, which some will be reimbursed by SMBS.

Fossing asked Olsen if the \$22,000 for head end equipment is all he was requesting in capital. Olsen said that is correct.

EDA – Backman said that the completion of the infrastructure at the North Windom Industrial Park was their first priority and the cost is estimated at \$1.95 million. MN DOT is currently working on the TED grant agreement, but it appears the project will be bid in early 2013 and construction in the spring.

Nasby noted that there is currently no tax levy funding for the North Windom Industrial Park project.

Backman said the other capital item is the welcome to Windom signs and this project is well under way and may be completed before the end of the year. All needed funds are budgeted in 2012 so there will be no 2013 budget impact.

City Hall – Nasby said the 2013 request is for carpet replacement at the City offices in the utility/admin side of the building. The carpet is worn and stained after many years of use. The \$10,000 estimate is based on the numbers the Arena received for their project.

Ambulance – Nasby said the Ambulance is requesting a commercial grade scanner to accommodate long-term record storage at a cost of \$5,000. The ambulance run sheets had been stored at the hospital when they did the billing and now that the billing has been moved there is a need to find storage for current records and decades of old records as these

Preliminary

are considered medical records and cannot be destroyed. The plan is to scan the old records by year and store the data on disks at two locations to insure safekeeping. The scanner could also then be used for other record retention projects. Funds to purchase the scanner would be from Ambulance reserves and not be from the general fund or tax levy.

Administration – Nasby said the City Council had discussed moving to electronic packets and the proposal is to either purchase ipads for the Council members or to increase the Council member's salary so they could purchase the required hardware. His preference is to do it as part of the Council's compensation so the hardware is the property of the Council member thus allowing for personal use and not having the City responsible for loss, damage or maintenance.

Kruse noted that if the ipads were mandatory if it could create a hardship for a newly elected person to purchase the hardware upfront. Nasby said the Council could amend the timing of the payments of Council salary to include the additional compensation for the ipad at the start of a new term.

Arena – Baloun said that he has several items on the 2013 Capital list, but none of them would impact the larger discussion that has been started on the possibility of renovating the current facility or building a new facility. He is requesting funds for the replacement of some exterior doors for \$7,000 which is critical as they are an emergency exit. The \$10,000 in restroom improvements includes new fixtures and re-configuring the restrooms to meet ADA. Other ADA and seating improvements for \$10,000 include a ramp and seating area within the existing bleachers. Last, he is asking for \$5,000 to replace the carpet in the racquetball area as that carpet is worn and is likely from the 1980s when that area was added.

Jones asked the Council about their plans for resuming the discussions on the Arena renovations or new facility. Kruse and others suggested waiting until after November 6 so any newly elected Council members could also be included in the discussion. Nasby suggested having it prior to the end of the year so if there was a decision to seek a local option sales tax that would need to be underway by the time the State legislature convenes in January.

Pool – Baloun said the \$7,000 request is for an aquatic lift, which is an accessibility feature mandated by federal law that goes into effect on January 1, 2013. The proposed lift will be portable so it can be used in the wading pool and large pool. It will be the second accessible feature for the pool.

Recreation – Baloun is requesting \$9,300 for new software for the scheduling of recreation programming and the on-line sales of recreation programming such as swimming lessons and ice skating passes. There is a feature that allows credit card payments as well.

Discussion by City Council that on-line purchases are needed and the credit card payment option would be beneficial.

Preliminary

Streets – Caldwell said that he had one change in the operational budget, which is to add \$1,000 to the refuse collection. The trash cans on the square need to have twice a week pick-up.

On the 2013 capital list he has proposed the street project that is currently underway and that feasibility study will come to the City Council in November. The project has several alternates so the cost may be high.

Jones noted that he still wants to have a Council discussion on the merits of continuing with the assessment process and if there are other options to fund projects.

Caldwell said that he has two pick-ups in need of replacement as they are 10 years old. One is a 1½ ton and the other is a 3¼ ton, he has pricing for both of them and estimates that the cost will be \$54,000, which is \$3,000 less than the original estimate. The shop tools are a plasma cutter and band saw for \$5,600. The last 2013 item is a stump grinder for \$6,155.

Jones asked about the pay back on the stump grinder. Caldwell said that it would pay for itself in 2-3 years based on what the department currently pays vendors to do the work.

Caldwell asked that the Capital Plan be amended to include a street sweeper in 2016 at a cost of \$180,000.

Jones said that this is another department where there should be an equipment fund.

Maricle said that equipment could be purchased and then a charge back to the Street Department annually so that the fund would become self-sustaining and new equipment could then be purchased as needed.

Parks – Caldwell noted the three items on the 2013 plan include the overlay for the Tegel's Park Road and parking area for \$78,000; a ball field groomer for \$28,000 and restroom fixtures for \$4,000.

Jones asked about campground improvements and it that had been on the long-range plan. Caldwell said it had been in the discussions but was not on the 5 year plan as there is much planning work to be done due to the proximity of the lake and other projects on the list that need to be done.

Water – Haugen said that the big items include a \$250,000 SCADA system replacement that is used to control the operations of the plant. The current system is from the plant's construction and is in dire need of upgrading. The other big project is the re-painting of the East water tower for \$546,000, but that may be put off a year as the paint seems to be stabilized and the Utility Commission will discuss in early 2013. About \$30,000 in structural repairs could be undertaken that would improve the tower.

Other projects include annual upgrades to water mains, wells, well heads, pumps, meters and hydrants. He is also proposing to replace a 3¼ ton pick-up estimated to be about \$32,000.

Preliminary

Wastewater – Haugen said the department is looking to replace their one-ton truck with the snow plow at a cost of \$44,000 to \$45,000. The old unit will be kept as a water truck to be used by his department and other City departments.

Other upgrades include annual projects for general plant improvements, miscellaneous equipment, interceptor and collection lines and lift stations.

Haugen said a potential major project would be a \$750,000 plant expansion if PM Beef increases their operations. This project is shown in 2015, but it could be moved into 2013 or 2014 depending on the company's timeframe. The wastewater plant would need to have an additional clarifier and filter bed to accommodate significant growth at PM Beef.

Haugen asked that the Capital Plan be amended to add a Vac-haul unit for \$75,000 in 2014, which would be used by both water and wastewater departments.

Both water and wastewater capital projects would be funded from the utility revenues.

Electric – Grunig said his 2013 capital plan included \$250,000 for the continuation of the distribution system upgrades, \$30,000 for the replacement of their skid loader, \$50,000 for the 69kV TAP line and miscellaneous equipment for \$20,000. All of the project would be funded from electric utility revenues.

Grunig handed out a budget summary page showing the revenues and expenses for the operational budget and reviewed it with the Council.

Maricle asked how much the electric department had in reserves and how close they were to meeting the goal of 100% of operational costs. Nasby said the fund has about \$4.95 million so they are about 85% or more funded.

Kruse asked about the cost to replace major items. Grunig said that one transformer from the substation could be \$1.5 million to replace.

Police – Peterson said that they are requesting \$2,000 for two computers to allow for more access for his officers.

Fossing asked about the e-ticket printers. Peterson said he put that off to another year as more research is needed and multi-tasking printers are preferred so tickets and forms could be printed on the scene.

Nasby asked Peterson if he was still looking to move up the sidearm purchase from 2014 into 2013. Peterson said that he wanted to have it in 2013 if possible, and he has done research on the cost and if the department traded in their current side arms or sold them to the officers the cost to the City for the new handguns would only be \$1,500.

Finance – Carlson said the current financial management system is from the 1980s and support is starting to be difficult and there are many features\functions the system just

Preliminary

cannot do. Staff has obtained three quotes and conducted three demonstrations of financial management systems. She is recommending a hosted solution versus having the City purchase software and host it on its server in-house. The cost is higher for the hosted system on an annual basis but compared to a higher up-front purchase cost for software, server upgrades, IT costs and back-ups the costs for the hosted solution are lower in the long-term.

Fire – Ortman said their priority is to replace the 1989 rescue truck. This is an old unit and it hauls their equipment and usually most of the fire fighters. The truck may be eligible for a FEMA grant, but he does not think it is a high priority for them. FEMA may have a priority for pumper trucks and the department needs a second one for rural fire calls. So, he will look to apply for FEMA money for one or both of the trucks. The cost is about \$265,000 to \$285,000 and the City would have a 10% match if FEMA funds them. The rescue truck probably will not be likely, but is the most in need. The quick attack truck for \$75,000 could be paid for by the City and Townships.

The other problem is if the new trucks are obtained they will not fit into the current fire hall. Discussion about the plans for the new fire hall addition and if there is a short-term solution to get new trucks to fit into the existing hall.

Nasby said the idea of raising the door height was brought up, but he did not know the feasibility for the cost. Council agreed to have Nasby contact an engineer to determine feasibility and get a ballpark cost estimate on raising the doors.

Discussion on funding the rescue truck with a bond should the City do a 2013 Street project. This would spread the cost over 10-15 years and be paid back by both the City and townships.

Ortman reminded the City Council that the new radios were received this year, but in 5-10 years all those radios would need to be replaced and the cost is significant so maybe setting aside monies now would be beneficial.

Capital Project Funding - Kruse noted there are a number of large projects and discussion will be needed on how to pay for the capital improvements and capital purchases.

Council discussion on funding options including establishment of equipment funds, sales taxes, transfers, bonding and building reserve accounts through annual appropriations.

4. New Business:

Maricle asked about the September 21 payroll distribution. Nasby said that the electronic payment system was not successfully processed so the City distributed paper checks so that employees would be paid on the same business day. Several employees had requested wire transfers, which were accommodated but there were wire fees. The City covered the wire fees, but no policy or guidelines were in place to address the issue or if it happens in the

Preliminary

future. Consensus of the Council was to have the City reimburse wire fees if there is a problem in the future that is the City's error.

5. Old Business:

None.

6. Adjourn:

Kruse adjourned the meeting by unanimous consent. Meeting adjourned at 10:05 p.m.

Kirby Kruse, Mayor

Attest: _____
Steve Nasby, City Administrator

ECONOMIC DEVELOPMENT AUTHORITY OF WINDOM
MINUTES
OCTOBER 8, 2012

1. Call to Order: The meeting was called to order by President Erickson at 12:06 p.m.

2. Roll Call & Guest Introductions:

EDAWN Commissioners: Juhl Erickson, Trevor Slette, Corey Maricle, and Kelsey Fossing.
Absent: Sally Larson.

Also Present: EDA Staff – Aaron Backman, EDA Executive Director, and Mary Hensen, Admin. Asst.; City Administrator Steve Nasby; and WADC Liaison Lisa Fredin.

3. Approval of Minutes:

Motion by Commissioner Slette, seconded by Commissioner Maricle, to approve the Minutes of the EDA Meeting held on September 10, 2012. Motion carried 3-0.

(Commissioner Fossing arrived after this vote.)

4. North Windom Industrial Park

A. Infrastructure Project Status: The Board received a Memo dated October 2, 2012, from Dennis Johnson concerning the design work to date and also a Statement of Estimated Quantities for materials for Highway 71 improvements. The layout plan and the detour plan have been approved by MnDOT. The design of the turn lanes is nearly complete and approved. The sign plan, striping plan, and storm water pollution prevention plan have been submitted, revised, and are awaiting MnDOT approval. The proposed cross-section for the new pavement section was received on September 27, 2012, and Wenck's office has made the necessary changes to the plans and quantity tables. They received the tile layout last week and made the necessary changes. Wenck has also completed the survey of the proposed alignment for the storm sewer drainage and this information has been forwarded by the City Attorney to the Rays' attorney for preparation of the easement agreement. It is estimated that the TED Grant Agreement will be drafted by MNDOT within 60 days. EDA Staff anticipates that the first draw request under the BDPI grant will be submitted to DEED in October.

5. Entrance Signs

A. Project Status: On September 18, 2012, the City Council approved the Limited Use Permits (LUPs) for the Entrance Signs #1 (north of LaCanne Funeral Home) and #2 (south on Highway 60) prepared by MnDOT. The EDA has negotiated a permanent easement on the Mews property north of PM Beef along Hwy 60 for Sign #3. Utility locates have been accomplished for Signs # 1 and 2 and will be undertaken shortly for #3. Site preparation has begun for Sign #2. Snick's Signs has ordered and received most of the materials for the signs and a bill for approximately \$31,000 has been submitted for payment. The bases for the signs have been completed at Snick's shop and the base plates should be finished this week. Onsite construction is tentatively scheduled to begin the second week of October with concrete footings.

6. TIF DISTRICT 1-16 (GDF)

A. Development Agreement: The initial phase of the redevelopment has been to renovate the former Bolin office building for a 24-hour fitness center, River Valley Fitness, and to renovate the larger 8,000 sq. ft. building for a display area and equipment storage facility for the GDF Bobcat dealership. The fitness center opened on September 1, 2012; and after the first month,

has a membership of 180 and growing. Renovation of the larger building is slated to begin later this fall.

Director Backman updated the Board concerning his discussions with the developer, Glen Francis, and advised that Mr. Francis requested ten years of TIF assistance due to higher than expected renovation costs of the Bolin office building. The Board was provided a copy of the proposed Development Agreement between the City of Windom and GDF Properties, LLC prepared by the EDA's TIF attorney. The proposed development agreement, which reflects the 10-year scenario, provides for reimbursement to the developer of costs for eligible redevelopment activities including site preparation, demolition, and building renovation with a "not to exceed" amount of \$77,621. This development agreement also sets forth the obligations of the parties and is limited only to the projects in the initial phase (former Bolin parcels). A separate development agreement will be prepared in the future for redevelopment activities pertaining to other parcels in the district. Director Backman also reviewed the base value and tax increment cash flow calculations provided by Todd Hagen of Ehlers & Associates and explained the basis for these calculations.

Motion by Commissioner Slette, seconded by Commissioner Maricle, recommending approval by the City Council of the proposed 10-year TIF assistance for GDF Properties, LLC, in an amount not to exceed \$77,621, and the proposed Development Agreement between the City of Windom and GDF Properties, LLC. Motion carried 4-0.

7. 1905 First Avenue

A. Tax Abatement Proposal – Update: On September 18, 2012, the Windom City Council held a public hearing and approved the proposed tax abatement for Global Investment Properties, LLC for the period of ten years. On September 25, 2012, the Cottonwood County Commissioners held a public hearing and approved an abatement for 8 years. The total of the abatement from both the City and County is anticipated to be in the range of \$101,795. Director Backman discussed the additional requirements approved by the County Commissioners concerning the granting of the tax abatement. A preliminary draft of the proposed Abatement Agreement between the City and the Company has just been prepared and is currently under review. It is anticipated that this agreement will be ready for presentation to the EDA Board at the November Meeting.

8. R & L Investments

A. Closed Session – Negotiations: President Erickson announced that the purpose of the closed session was to discuss property owned by R & L Investments (the former Towlerton Motors' site).

Motion by Commissioner Fossing, seconded by Commissioner Slette, authorizing the Board to go into closed session. Motion carried 4-0.

President Erickson closed the meeting to the public at 12:35 p.m.

Motion by Commissioner Maricle, seconded by Commissioner Fossing, authorizing the EDA President to re-open the meeting to the public. Motion carried 4-0.

President Erickson re-opened the meeting to the public at 12:55 p.m.

9. New Business

A. Business Meetings, Conferences & Events Report: Director Backman advised the Board

concerning his meeting on October 5, 2012, with Betsy Herding who is the new Economic Development Director for the Southwest Regional Development Commission in Slayton.

Director Backman updated the Board concerning his discussions with Scott Veenker concerning the 2013 farm lease for the farm land in the North Windom Industrial Park. He provided information supplied by Mr. Veenker relative to yields. After further discussion by the Board of cash rents in the area, proposed acres to be taken out of production, and future biosolids applications, the following action was taken.

Motion by Commissioner Fossing, seconded by Commissioner Slette, approving the proposed farm lease between the EDA and Scott Veenker and setting the rent for the 2013 crop year in the amount of \$180.00/acre. Motion carried 4-0.

10. Miscellaneous Information

- A. Monthly Budget Recap: The Board received a copy of the monthly budget report for September, 2012.
- B. River Bluff Townhomes – Monthly Financial Report: The Board received copies of the financial reports provided by Van Binsbergen & Associates for the period ending August 31, 2012.
- C. River Bluff Townhomes – Article: Van Binsbergen & Associates, the management company for the townhomes, prepares a quarterly newsletter. The Board received a copy of an article highlighting the River Bluff Townhomes which appeared in the October, 2012 issue of the newsletter.

11. Adjourn: By consensus, President Erickson adjourned the meeting at 1:26 p.m.

Trevor Slette, EDA Secretary-Treasurer

Attest:

Aaron A. Backman, EDA Executive Director

Windom Library Board Meeting
Windom Library
October 9, 2012
5:05 p.m.

1. Call to order: The meeting was called to order by Jan Johnson at 5:05 p.m.

2. Roll call: Members Present: Beth Fleming, Mary Erickson
John Duscher, Jan Johnson, Anita Winkel and Charles Reid

Members Absent: Kathy Hiley

Library Staff Present: Joan Hunter and Dawn Aamot

City Council Member Present: none

3. Agenda and Minutes:

Motion by Anita Winkel, seconded by John Duscher to approve the agenda and minutes.

5. Financial Report:

Motion by Mary Erickson, seconded by Charles Reid to approve the financial report

6. Librarians Report:

The annual book sale got started on Monday, Oct. 8th. The book sale is going very well. There are still a number of boxes of books in the basement to sell. Book sale will end on Oct. 20th. Dawn has started story time for the pre-school programs at school. Bridges and Head Start have both walked their classes over for a story time. They will be doing this monthly.

Motion by John Duscher and seconded by Beth Fleming to accept the Librarian's report.

7. Old Business:

Anita Winkel introduced a policy change that the Plum Creek Governing Board will take action on at their next meeting. The policy deals with the action to be taken if libraries don't honor the resource sharing agreement. Libraries are having problems with one library in the system and so this has to be addressed. Joan said that Julie's new position in the union was approved by the City Council. When Julie has attained more than 26 weeks she will be joining the union.

8. New Business:

There was no new business

9. New Book suggestions:

The board presented new book suggestions

10. Adjourn: Motion by Anita Winkel and seconded by Charles Reid to adjourn.

Meeting adjourned at 5:25 p.m.

Respectfully submitted,

Joan Hunter, temp

Minnesota Lawful Gambling
LG220 Application for Exempt Permit

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

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

ORGANIZATION INFORMATION

Check # _____ \$ _____

Organization name *Windom Fire Department* Previous gambling permit number _____

Type of nonprofit organization. Check one.
 Fraternal Religious Veterans Other nonprofit organization *Fire Department*

Mailing address *444 912 Street* City *Windom* State *MN* Zip Code *56101* County *Wab*

Name of chief executive officer (CEO) *Dan Ortman* Daytime phone number *507-~~877-2122~~ 822-0272* Email address *djo@windom.net.com*

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

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

- Nonprofit Articles of Incorporation OR a current Certificate of Good Standing.
 Don't have a copy? This certificate must be obtained each year from:
 Secretary of State, Business Services Div., 180 State Office Building, St. Paul, MN 55155 Phone: 651-296-2803
- IRS income tax exemption [501(c)] letter in your organization's name.
 Don't have a copy? To obtain a copy of your federal income tax exempt letter, have an organization officer contact the IRS at 877-829-5500.
- IRS - Affiliate of national, statewide, or international parent nonprofit organization (charter)
 If your organization falls under a parent organization, attach copies of both of the following:
 a. IRS letter showing your parent organization is a nonprofit 501(c) organization with a group ruling, and
 b. the charter or letter from your parent organization recognizing your organization as a subordinate.
- IRS - proof previously submitted to Gambling Control Board
 If you previously submitted proof of nonprofit status from the IRS, no attachment is required.

GAMBLING PREMISES INFORMATION

Name of premises where gambling activity will be conducted (for raffles, list the site where the drawing will take place)
Windom community center

Address (do not use PO box) *1750 Cottonwood Lake Drive* City *Windom* Zip Code *56101* County *US*

Date(s) of activity (for raffles, indicate the date of the drawing)
April 27th 2013

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

- Bingo* Raffles Paddlewheels* Pull-Tabs* Tipboards*

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

Also complete
Page 2 of this form.

Print Form

Reset Form

To find a licensed distributor, go to www.gcb.state.mn.us and click on List of Licensed Distributors, or call 651-639-4076.

LOCAL UNIT OF GOVERNMENT ACKNOWLEDGMENT

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

- The application is acknowledged with no waiting period.
- The application is acknowledged with a 30 day waiting period, and allows the Board to issue a permit after 30 days (60 days for a 1st class city).
- The application is denied.

Print city name _____
 On behalf of the city, I acknowledge this application.

Signature of city official receiving application

Title _____ Date ____/____/____

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

- The application is acknowledged with no waiting period.
- The application is acknowledged with a 30 day waiting period, and allows the Board to issue a permit after 30 days.
- The application is denied.

Print county name _____
 On behalf of the county, I acknowledge this application.
 Signature of county official receiving application

Title _____ Date ____/____/____

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

Print township name _____

Signature of township official acknowledging application

Title _____ Date ____/____/____

CHIEF EXECUTIVE OFFICER'S SIGNATURE

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

Chief executive officer's signature Dan Outmann Date 10-11-2012

Complete a separate application for each gambling activity:

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

Send application with:

- a copy of your proof of nonprofit status, and
 - application fee for each event.
- Make check payable to "State of Minnesota."

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

Financial report and recordkeeping required

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

Questions?

Call the Licensing Section of the Gambling Control Board at 651-639-4076.

Print Form

Reset Form

This form will be made available in alternative format (i.e. large print, Braille) upon request.
Data privacy notice: The information requested on this form (and any attachments) will be used by the Gambling Control Board (Board) to determine your organization's qualifications to be involved in lawful gambling activities in Minnesota. Your organization has the right to refuse to supply the information requested; however, if your organization refuses to supply this information, the Board may not be able to determine your organization's qualifications and, as a consequence, may refuse to issue a permit. If you supply the information requested,

the Board will be able to process your organization's application. Your organization's name and address will be public information when received by the Board. All other information provided will be private data until the Board issues the permit. When the Board issues the permit, all information provided will become public. If the Board does not issue a permit, all information provided remains private, with the exception of your organization's name and address which will remain public. Private data are available to: Board members, Board staff whose work requires access to the

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

RESOLUTION #2012-

INTRODUCED:

SECONDED:

VOTED: **Aye:**
 Nay:
 Absent:

**LUTHERAN SOCIAL SERVICES SENIOR NUTRITION PROCLAMATION
CELEBRATING THE 40TH ANNIVERSARY OF THE OLDER AMERICANS
ACT NUTRITION PROGRAM**

WHEREAS, Senior Nutrition, through its congregate and delivered meals, helps older persons maintain and improve basic health and helps to avoid premature institutionalization; and

WHEREAS, Lutheran Social Services in 2012 maintains 225 nutrition sites in Northwest and West Central, South Central and Southwest Minnesota that serve over 24,000 older persons annually; and

WHEREAS, Senior Nutrition is "more than a meal": it is friends, fellowship, recreation, and opportunities to continue learning; and

WHEREAS, Senior Nutrition reduces isolation, provides volunteer opportunities and links older adults to needed services; and

WHEREAS, Lutheran Social Services is grateful and acknowledges the support, cooperation and assistance of many individuals, Area Agencies on Aging, Cities and Counties, churches, schools and organizations.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF WINDOM, MINNESOTA, that October 18, 2012, is proclaimed Senior Nutrition Day, and the City Council extends congratulations and appreciation to all the customers, staff, volunteers, funders, and friends of the Senior Nutrition Program for 40 years of a successful, quality and fruitful expression of service.

Adopted by the Council this 16th day of October, 2012.

Kirby G. Kruse, Mayor

Attest: _____
Steve Nasby, City Administrator



City of Windom Staff Report

To: Mayor and Windom City Council
From: Aaron Backman, EDA Executive Director
Council Meeting Date: October 16, 2012

Item Title/Subject: **CONSIDERATION AND APPROVAL OF THE PHASE I GDF DEVELOPMENT AGREEMENT PERTAINING TO THE TAX INCREMENT FINANCING (TIF) DISTRICT 1-16**

Background:

Glen Francis, owner of GDF Enterprises and Ag Builders of Southern Minnesota, is seeking to redevelop an area of five parcels encompassing 5.36 acres of land north of Shopko Hometown on the east side of Hwy 60. Spring of this year, GDF Properties, LLC acquired two of the five parcels (those that pertained to the closed Bolin Lumberyard). As Councilmembers are aware, on June 5, 2012, the Windom City Council approved a Redevelopment TIF District of the area following a public hearing. The initial phase of the redevelopment has been to renovate the former Bolin office building for a 24-hour fitness center, River Valley Fitness, and to renovate the adjacent larger 8,000 sq. ft. building for a display area and equipment storage facility for the GDF Bobcat dealership. The fitness center opened on September 1, 2012. Renovation of the larger building is slated to begin later this fall.

The City now needs to formalize the level of TIF assistance to be provided to the developer (GDF) as part of a Development Agreement (DA). The DA specifies the length of time and the amount of financial assistance that will be provided for eligible redevelopment activities with the TIF District (1-16). It should be noted that the DA is limited to only the projects in the initial phase encompassing the former Bolin parcels. A separate agreement(s) would be developed sometime in the future for potential redevelopment activities pertaining to the Pankonin and/or Koep properties.

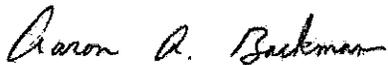
At its regular meeting on October 8, 2012, the Windom EDA discussed the Phase I GDF project and the level of TIF assistance requested. It was noted that Mr. Francis is investing over \$450,000 into the property and increasing the market value from \$71,300 to over \$366,000—a five-fold increase. Taking into account the overall investment into the site and the projected increase in tax base to the City, the EDA adopted a motion recommending the City Council approve TIF assistance of \$77,621 over ten years. Attached for your review are the 10-year calculations provided by Ehlers & Associates, the EDA's TIF financial advisors, and the proposed Development Agreement that provides for reimbursement to the developer of a portion of the costs for site preparation, demolition, and building renovation

with a "not to exceed" amount. The development agreement was prepared by Bob Deike, the EDA's TIF attorney.

The EDA Executive Director will be at the council meeting and can respond to questions that members may have regarding the proposed Phase I GDF TIF assistance and the proposed development agreement between the City and the business.

Requested Action: Approve the proposed Development Agreement between the City of Windom and GDF Properties, LLC that provides for TIF assistance for the Phase I GDF project with a "not to exceed" amount of \$77,621 over 10 years. The TIF financial assistance provides for reimbursement to the developer of a portion of the costs for site preparation, demolition, and building renovation of the former Bolin Lumberyard site located in TIF District 1-16.

Respectfully submitted,



Aaron A. Backman
EDA Executive Director

Attachments



EHLERS
SPECIALISTS IN PUBLIC FINANCE



GDF/AG Bids of S MN - 10 Years
City of Windom, Minnesota
12,000 SF Phased-in Fitness/Storage Facilities



ASSUMPTIONS AND RATES

DistrictType:
 District Name/Number: Redevelopment TIF District 1-16
 County District #: TBD
 First Year Construction or Inflation on Value Existing District - Specify No. Years Remaining: NA
 Inflation Rate - Every Year: 1.00%
 Interest Rate: 0.00%
 Present Value Date: 1-Aug-12
 First Period Ending: 1-Feb-13
 Tax Year District was Certified: Pay 2012
 Cashflow Assumes First Tax Increment For Development: Pay 2014
 Years of Tax Increment: 10
 Assumes Last Year of Tax Increment: 2023
 Fiscal Disparities Election (Outside (A), Inside (B), or NA): NA
 Incremental or Total Fiscal Disparities: Incremental
 Fiscal Disparities Contribution Ratio: 0.0000%
 Fiscal Disparities Metro-Wide Tax Rate: 0.0000%

Maximum/Frozen Local Tax Rate:
 Current Local Tax Rate: (Use lesser of Current or Max.)
 State-wide Tax Rate (Comm./Ind. only used for total taxes)
 Market Value Tax Rate (Used for total taxes)

Pay 2012
 Pay 2012
 Pay 2012
 Pay 2012

156.388%
 156.388%
 51.1000%
 0.36235%

PROPERTY TAX CLASSES AND CLASS RATES:

Exempt Class Rate (Exempt)
 Commercial Industrial Preferred Class Rate (C/I Pref.)
 First: \$150,000
 Over: \$150,000
 Commercial Industrial Class Rate (C/I)
 Rental Housing Class Rate (Rental)
 Affordable Rental Housing Class Rate (Aff. Rental)
 Non-Homestead Residential (Non-H Res.)
 Homestead Residential Class Rate (Hmstd. Res.)
 First: \$500,000
 Over: \$500,000
 Agricultural Non-Homestead

0.00%
 1.50%
 2.00%
 2.00%
 1.25%
 0.75%
 1.25%
 1.00%
 1.25%
 1.00%

BASE VALUE INFORMATION (Original Tax Capacity)

Map #	PID	Owner	Address	Land Market Value	Building Market Value	Total Market Value	Percentage Of Value Used for District	Tax Year		Property Tax Class	Current Original Tax Capacity	Class After Conversion C/I Pref.	After Conversion Orig. Tax Cap.	Area/Phase
								Original Market Value	Market Value					
1	25-024-0400	G. & D. Francis	2275 Hwy 60 E	24,100	23,100	47,200	100%	47,200	Pay 2012	C/I Pref.	708	C/I Pref.	708	1
2	25-024-0710	G. & D. Francis	2275 Hwy 60 E	16,900	7,200	24,100	100%	24,100	Pay 2012	C/I Pref.	362	C/I Pref.	362	2
						71,300					1,070		1,070	

Note:

1. Base values are based upon review of County website on April 3, 2012.



EHLERS
 LEADERS IN PUBLIC FINANCE
GDF/Ag Bldrs of S MN - 10 Years
 City of Windom, Minnesota
 12,000 SF Phased-In Fitness/Storage Facilities

Area/Phase	New Use	Market Value Per Sq. Ft./Unit	Taxable Market Value Per Sq. Ft./Unit	Total Sq. Ft./Units	Total Market Value	Property		Project Tax Capacity	Project Tax Capacity	Project Tax Capacity/Unit	Percentage Completed 2012	Percentage Completed 2013	Percentage Completed 2014	Percentage Completed 2015	First Year Full Taxes Payable
						Tax Class	Class								
1	Fitness	52	52	4,000	208,300	C/I	Prefer.	3,416	3,416	1	100%	100%	100%	100%	2014
2	Storage	20	20	8,000	168,000	C/I	Gen.	3,160	3,160	0	100%	100%	100%	100%	2015
TOTAL															
Subtotal Residential				0	0			0	0						
Subtotal Commercial/Ind.				12,000	366,300			6,576	6,576						

Note:
 1. Market value is based upon estimate from Company.

New Use	Total Tax Capacity	Fiscal Disparities Tax Capacity	Local Property Taxes	Local Property Taxes	Fiscal Disparities Taxes	State-wide Property Taxes	Market Value Taxes	Total Taxes	Taxes Per Sq. Ft./Unit
Fitness	3,416	0	5,411	5,411	0	1,746	797	7,953	1.99
Storage	3,160	0	5,005	5,005	0	1,615	604	7,224	0.90
TOTAL	6,576	0	10,416	10,416	0	3,360	1,401	15,177	

Note:
 1. Taxes and tax increment will vary significantly from year to year depending upon values, rates, state law, and other factors which cannot be predicted.
 2. If tax increment is received in 2013, then the district will be one year shorter.

WHAT IS EXCLUDED FROM TIF?	
Total Property Taxes	15,177
less State-wide Taxes	(3,360)
less Fiscal Disp. Adj.	0
less Market Value Taxes	(1,401)
less Base Value Taxes	(1,654)
Annual Gross TIF	8,722



GDF/Ag Bldrs of S MN - 10 Years
City of Windom, Minnesota
 GDF/Ag Bldrs of S MN - 10 Years

TAX INCREMENT CASH FLOW

% of OTC	Project Tax Capacity	Original Tax Capacity	Fiscal Disparities Incremental	Captured Tax Capacity	Local Tax Rate	Annual Gross Tax Increment	Semi-Annual Gross Tax Increment	State Auditor	Admin. at 10%	Semi-Annual Net Tax Increment	Semi-Annual Present Value	PERIOD ENDING Yrs.	Tax Year	Payment Date
100%	3,416	(1,070)	-	2,347	158.388%	3,717	1,858	-	-	-	1,666	0.5	2014	02/01/13
100%	6,610	(1,070)	-	5,541	158.388%	8,776	4,388	(7)	(185)	1,666	3,333	1	2014	02/01/14
100%	6,676	(1,070)	-	5,607	158.388%	8,880	4,388	(7)	(185)	3,935	7,268	1.5	2015	02/01/15
100%	6,743	(1,070)	-	5,674	158.388%	8,986	4,440	(16)	(437)	3,935	11,203	2	2015	02/01/16
100%	6,810	(1,070)	-	5,741	158.388%	9,093	4,493	(16)	(442)	3,982	15,184	2.5	2016	02/01/16
100%	6,879	(1,070)	-	5,809	158.388%	9,201	4,493	(16)	(448)	4,029	19,166	3	2016	02/01/17
100%	6,947	(1,070)	-	5,878	158.388%	9,310	4,546	(16)	(453)	4,077	23,195	3.5	2017	08/01/17
100%	7,017	(1,070)	-	5,947	158.388%	9,420	4,600	(16)	(458)	4,125	27,225	4	2017	02/01/18
100%	7,087	(1,070)	-	6,017	158.388%	9,531	4,655	(17)	(464)	4,174	31,302	4.5	2018	02/01/18
100%	7,158	(1,070)	-	6,088	158.388%	9,643	4,655	(17)	(464)	4,174	35,379	5	2018	02/01/19
							4,710	(17)	(469)	4,224	39,504	5.5	2019	02/01/20
							4,765	(17)	(475)	4,273	43,630	6	2019	08/01/20
							4,822	(17)	(480)	4,324	47,804	6.5	2020	08/01/20
							4,822	(17)	(480)	4,324	51,979	7	2020	02/01/21
							4,822	(17)	(480)	4,324	56,202	7.5	2021	08/01/21
							4,822	(17)	(480)	4,324	60,426	8	2021	02/01/22
							4,822	(17)	(480)	4,324	64,699	8.5	2022	08/01/22
							4,822	(17)	(480)	4,324	68,973	9	2022	02/01/23
							4,822	(17)	(480)	4,324	73,297	9.5	2023	08/01/23
							4,822	(17)	(480)	4,324	77,621	10	2023	02/01/24
							86,557	(312)	(6,625)	77,621				
							86,557	(312)	(6,625)	77,621				

Present Value From: 08/01/2012 Present Value Rate: 0.00%

10-4-12
Version 3

DEVELOPMENT AGREEMENT

By and Between

THE CITY OF WINDOM

and

GDF PROPERTIES, LLC

Dated as of: _____, 2012

This document was drafted by:

BRADLEY & DEIKE, P. A.
4018 West 65th Street, Suite 100
Edina, MN 55435
Telephone: (952) 926-5337

TABLE OF CONTENTS

	<u>Page</u>
PREAMBLE	1
 ARTICLE I <u>Definitions</u> 	
Section 1.1. Definitions	2
 ARTICLE II <u>Representations</u> 	
Section 2.1. Representations by the City	3
Section 2.2. Representations by the Developer	4
 ARTICLE III <u>City Reimbursements</u> 	
Section 3.1. Basis for Assistance	5
Section 3.2. City Reimbursements	5
Section 3.3. Conditions Precedent to City Reimbursements	6
Section 3.4. City's Costs	6
 ARTICLE IV <u>Construction of Improvements</u> 	
Section 4.1. Construction of Improvements	6
Section 4.2. Construction Plans	6
Section 4.3. Commencement and Completion of Construction	7

ARTICLE V

Insurance and Condemnation

Section 5.1. Insurance	7
Section 5.2. Condemnation	9

ARTICLE VI

Taxes; Tax Increment

Section 6.1. Real Property Taxes	9
Section 6.2. Tax Increment	9

ARTICLE VII

Financing

Section 7.1. Developer Financing	10
----------------------------------	----

ARTICLE VIII

Prohibitions Against Assignment and Transfer; Indemnification

Section 8.1. Prohibition Against Transfer of Property and Assignment of Agreement	10
Section 8.2. Release and Indemnification Covenants	10

ARTICLE IX

Events of Default

Section 9.1. Events of Default Defined	11
Section 9.2. City's Remedies on Default	11
Section 9.3. No Remedy Exclusive	11
Section 9.4. No Additional Waiver Implied by One Waiver	11
Section 9.5. Costs of Enforcement	11

ARTICLE X

Additional Provisions

Section 10.1. Representatives Not Individually Liable	12
Section 10.2. Restrictions on Use	12
Section 10.3. Titles of Articles and Sections	12
Section 10.4. Notices and Demands	12
Section 10.5. Disclaimer of Relationships	12
Section 10.6. Modifications	12
Section 10.7. Counterparts	12
Section 10.8. Judicial Interpretation	13

SCHEDULE A Description of Property

SCHEDULE B Reimbursable Costs

DEVELOPMENT AGREEMENT

THIS AGREEMENT, made on or as of the ____ day of _____, 2012, by and between the City of Windom, a statutory city under the laws of the State of Minnesota (hereinafter referred to as the "City"), and having its principal office at City Hall, 444 9th Street, Windom, Minnesota 56101, and GDF Properties, LLC, a Minnesota limited liability company (hereinafter referred to as the "Developer"), having its principal office at 817 Eighteenth Street, Windom, Minnesota 56101-1105.

WITNESSETH:

WHEREAS, the City is a municipal corporation organized and existing pursuant to the Constitution and laws of the State of Minnesota and is governed by the Council of the City (the "Council"); and

WHEREAS, the City has established within the City its Municipal Development District No. 1 pursuant to Minnesota Statutes, Sections 469.124 - 469.134, providing for the development and redevelopment of certain areas located within the City (which development district is hereinafter referred to as the "Project"); and

WHEREAS, the City has approved the establishment of its Tax Increment Financing District No. 1-16, a redevelopment district, within the Project pursuant to Minnesota Statutes, Sections 469.174-469.179 (which tax increment financing district is hereinafter referred to as the "Tax Increment District"); and

WHEREAS, pursuant to Minnesota Statutes, Section 469.176, subdivision 4, tax increment derived from the Tax Increment District may be used in accordance with the tax increment financing plan created in connection with the establishment of the Tax Increment District to pay the capital and administration costs of the Project; and

WHEREAS, pursuant to Minnesota Statutes, Section 469.126, the City is authorized within the Project to acquire, construct, reconstruct, improve, alter, extend, operate, maintain or promote developments; and

WHEREAS, the Developer has submitted to the City a proposal by which the Developer would renovate an existing 4,000 square foot building as a new fitness center and an existing 8,000 square foot building as a new storage facility in the City; and

WHEREAS, the Developer has as a part of its proposal requested that the City provide certain financial assistance to aid in its development, without which such development would not be possible; and

WHEREAS, City believes that the development of the proposed facility by the Developer will create redevelopment property that is currently underutilized and that contains substandard buildings, enhance the tax base of the City and is in the best interest of the City and its residents

and in accord with the public purposes and provisions of applicable federal, state and local laws under which the Project is being undertaken and assisted;

NOW THEREFORE, in consideration of the premises and the mutual obligations of the parties hereto, each of them does hereby covenant and agree with the other as follows:

ARTICLE I

Definitions

Section 1.1. Definitions. In this Agreement, unless a different meaning clearly appears from the context:

"Act" means Minnesota Statutes, Sections 469.124-469.134, as amended.

"Agreement" means this Agreement, as the same may be from time to time modified, amended, or supplemented.

"Available Tax Increment" means with respect to each Scheduled Reimbursement Date under Section 3.2 of this Agreement, ninety percent (90%) of the Tax Increment received by the City in the twelve (12) month period preceding such Scheduled Reimbursement Date.

"City" means the City of Windom, or its successors or assigns.

"Construction Plans" means the site plan, utility plan, grading and drainage plan, landscape plan, elevations drawings and related documents on the construction work to be performed by the Developer on the Property which have been or will be submitted for approval by the City building official and City departments and the plans, specifications, drawings and related documents on the construction work to be performed by the Developer on the Property which are to be submitted to the building official of the City.

"County" means Cottonwood County, Minnesota.

"Developer" means GDF Properties, LLC, a Minnesota limited liability company, its successors and assigns and any future owner of any right, title or interest in the Property.

"Event of Default" means an action by the Developer listed in Article IX of this Agreement.

"Improvements" means the renovation of an existing 4,000 square foot building as a new fitness center and an existing 8,000 square foot building as a new storage facility, including interior and exterior renovation and site work all in accordance with the approved Construction Plans.

"Project" means the City's Municipal Development District No. 1.

"Project Area" means the real property located within the boundaries of the Project.

"Project Plan" means the development program and plan adopted in connection with creation of the Project.

"Property" means the real property described as such on the attached Schedule A.

"Reimbursable Costs" means the costs to be initially paid by the Developer and reimbursed by the City pursuant to Section 3.2 of this Agreement, which costs are described on Schedule B to this Agreement.

"Scheduled Reimbursement Date" means a date on which the City is scheduled to make a payment to the Developer pursuant to Section 3.2 of this Agreement.

"State" means the State of Minnesota.

"Tax Increment" means that portion of the real property taxes paid with respect to the Property and Improvements that is received by the City as tax increment pursuant to the Tax Increment Act.

"Tax Increment Act" means the Tax Increment Financing Act, Minnesota Statutes, Sections 469.174-469.179, as amended and as it may be further amended from time to time.

"Tax Increment District" means Tax Increment District No. 1-16 created by the City within the Project Area.

"Tax Increment Plan" means the tax increment financing plan adopted by the City in connection with its creation of the Tax Increment District, which plan together with the information and findings contained therein is hereby incorporated herein and made a part hereof by reference.

"Termination Date" means the date that the City is no longer obligated to make reimbursement payments to the Developer under this Agreement.

"Unavoidable Delays" means delays which are the direct result of acts of God, unforeseen adverse weather conditions, strikes, other labor troubles, fire or other casualty to the Minimum Improvements, litigation commenced by third parties which, by injunction or other similar judicial action, directly results in delays, or acts of any federal, state or local governmental unit, and which directly results in delays.

ARTICLE II

Representations

Section 2.1. Representations by the City. The City makes the following representations as the basis for the undertaking on its part herein contained:

(a) The City is a statutory city under the laws of the State. Under the laws of the State, the City has the power to enter into this Agreement and to perform its obligations hereunder.

(b) The City will cooperate with the Developer with respect to any litigation commenced with respect to the Project Plan, Project, or Improvements.

(c) The City has received no notice or communication from any local, state or federal official that the activities of the Developer or the City in the Project Area may be or will be in violation of any environmental law or regulation. The City is aware of no facts the existence of which would cause it to be in violation of any local, state or federal environmental law, regulation or review procedure.

Section 2.2. Representations by the Developer. The Developer represents that:

(a) The Developer is a Minnesota limited liability company duly organized and authorized to transact business in the State, is not in violation of any provisions of its articles of organization, operating agreement or member control agreement or the laws of the State, has power to enter into this Agreement and has duly authorized the execution, delivery and performance of this Agreement by proper action of its members.

(b) The Developer will construct the Improvements in accordance with the terms of this Agreement and all local, state and federal laws and regulations (including, but not limited to, environmental, zoning, building code and public health laws and regulations), except for variances necessary to construct the improvements contemplated in the Construction Plans approved by the City.

(c) The Developer has received no notice or communication from any local, state or federal official that the activities of the Developer or the City in the Project Area may be or will be in violation of any environmental law or regulation. The Developer is aware of no facts the existence of which would cause it to be in violation of any local, state or federal environmental law, regulation or review procedure. In the event that it is necessary to take any action to obtain any necessary permits or approvals with respect to the Property under any local, state or federal environmental law or regulation, the Developer will be responsible for taking such action.

(d) The Developer will obtain, in a timely manner, all required permits, licenses and approvals, and will meet, in a timely manner, all requirements of all applicable local, state and federal laws and regulations which must be obtained or met before the Improvements may be lawfully constructed.

(e) Neither the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, nor the fulfillment of or compliance with the terms and conditions of this Agreement is prevented, limited by or conflicts with or results in a breach of, the terms, conditions or provisions of any restriction or any evidences of indebtedness, agreement or instrument of whatever nature to which the Developer is now a party or by which it is bound, or constitutes a default under any of the foregoing.

(f) The Developer will cooperate with the City with respect to any litigation commenced with respect to the Project Plan, Project, or Improvements.

ARTICLE III

City Reimbursements

Section 3.1. Basis for Assistance. The buildings and improvements currently located on the Property are substandard and blighted. The City believes that the development of the Improvements by the Developer will eliminate the blight currently on the Property and maximize the use of property that is currently underutilized. The high cost of redeveloping blighted buildings renders it financially infeasible to be undertaken solely through private investment. The City has determined that it is in the vital interests of the City and its residents that the Improvements be developed, and that the Improvements will not be constructed without the financial participation of the City as proposed by the Developer. In consideration of the Developer's agreement to undertake the development of the Improvements, the City is willing to defray up to \$77,621.00 of the Developer's costs of developing the Improvements by reimbursing the Developer for its payment of certain costs relative to its development pursuant to Section 3.2 of this Agreement.

Section 3.2. City Reimbursements. (a) The City agrees to defray a portion of the Developer's costs of constructing the Improvements by using Available Tax Increment to reimburse the Developer for such costs. The costs to be reimbursed by the City (the "Reimbursable Costs") are described on Schedule B to this Agreement. The maximum amount of the Reimbursable Costs that the City will reimburse is \$77,621.00. Upon completion of the Improvements, the Developer shall provide to the City evidence in the form of invoices, proof of payment, lien waivers, and other documentation required by the City demonstrating the amount of the Reimbursable Costs that were incurred and paid by the Developer. The City shall then determine the amount of the Reimbursable Costs, which amount shall not exceed \$77,621.00

(b) Commencing on August 1, 2014 and continuing on each February 1 and August 1, up to and including February 1, 2024 (the "Scheduled Reimbursement Dates"), or until such earlier time as the City has paid all of the Reimbursable Costs, the City will pay to the Developer the Available Tax Increment to reimburse the Developer for the Reimbursable Costs. No interest shall accrue with respect to the City's obligation to pay the Reimbursable Costs. The City's obligation to make such payments shall terminate on the earliest of the following:

- (i) On February 1, 2024;
- (ii) At such time as this Agreement is terminated in accordance with its terms;
- (iii) Upon termination of the Tax Increment District; or
- (iv) When the City has repaid the entire amount of the Reimbursable Costs.

(c) The City's obligation to pay the Reimbursable Costs pursuant to this Agreement, is not a general obligation of the City, the State, or any political subdivision thereof and the City shall have no obligation to pay the Reimbursable Costs from any source except and to the extent of Available Tax Increment.

(d) The Developer shall be solely responsible for all construction items included within the description of Reimbursable Costs and for the initial payment of the cost thereof and shall indemnify, defend and hold the City harmless from and against any claims in connection with such work.

Section 3.3. Conditions Precedent to City Reimbursements. Notwithstanding anything to the contrary contained herein, the City's obligation to make any payment toward the Reimbursable Costs shall be subject to satisfaction, or waiver in writing by the City, of both of the following conditions precedent:

- (a) the Developer shall not be in default under the terms of this Agreement;
- (b) the Developer shall have submitted and the City shall have approved Construction Plans for the Improvements; and
- (c) the Developer shall have completed the construction of the Improvements in accordance with the terms of this Agreement.

Section 3.4. City's Costs. The Developer shall pay all of the City's costs for attorney and consultants incurred in connection with the negotiation and preparation of this Agreement, which costs shall be invoiced by the City and which payments shall be made within thirty (30) days of such invoice(s).

ARTICLE IV

Construction of Improvements

Section 4.1. Construction of Improvements. The Developer agrees that it will construct the Improvements on the Property in accordance with the approved Construction Plans and at all times prior to the Termination Date will operate and maintain, preserve and keep the Improvements or cause the Improvements to be maintained, preserved and kept with the appurtenances and every part and parcel thereof, in good repair and condition.

Section 4.2. Construction Plans. (a) As of the date hereof, the Developer has submitted and the City has approved Construction Plans for the Improvements. Nothing in this section shall be deemed to relieve the Developer's obligations to comply with the requirements of the City's normal construction permitting process.

(b) If the Developer desires to make any material change in any Construction Plans after their approval by the City, the Developer shall submit the proposed change to the City for

its review and approval. If the Construction Plans, as modified by the proposed change, are satisfactory to the City, the City shall approve the proposed change and notify the Developer in writing of its approval. Any requested change in the Construction Plans shall, in any event, be deemed approved by the City unless rejected, in whole or in part, by written notice by the City to the Developer, setting forth in detail the reasons therefor. Such rejection shall be made within ten (10) days after receipt of the notice of such change.

Section 4.3. Commencement and Completion of Construction. (a) The Developer has commenced construction on a portion of the Improvements. Subject to Unavoidable Delays, the Developer shall complete the construction of all of the Improvements by April 30, 2013. All work with respect to the Improvements to be constructed or provided by the Developer on the Property shall be in conformity with the Construction Plans as submitted by the Developer and approved by the City.

(b) The Developer agrees for itself, its successors and assigns, and every successor in interest to the Property, or any part thereof, that the Developer, and its successors and assigns, shall promptly begin and diligently prosecute to completion the redevelopment of the Property through the construction of the Improvements thereon, and that such construction shall in any event be commenced and completed within the period specified in this Section 4.3 of this Agreement. Until construction of the Improvements has been completed, the Developer shall make construction progress reports, at such times as may reasonably be requested by the City, but not more than once a month, as to the actual progress of the Developer with respect to such construction.

ARTICLE V

Insurance and Condemnation

Section 5.1. Insurance.

(a) The Developer will provide and maintain at all times during the process of constructing the Improvements and, from time to time at the request of the City, furnish the City with proof of payment of premiums on:

(i) Builder's risk insurance, written on the so-called "Builder's Risk -- Completed Value Basis," in an amount equal to one hundred percent (100%) of the insurable value of the Improvements at the date of completion, and with coverage available in non-reporting form on the so called "all risk" form of policy;

(ii) Commercial general liability insurance (including operations, contingent liability, operations of subcontractors, completed operations, Broadening Endorsement including contractual liability insurance) together with an Owner's Contractor's Policy with limits against bodily injury and property damage of not less than \$2,000,000 for each occurrence (to accomplish the above-required limits, an umbrella excess liability policy may be used); and

(iii) Worker's compensation insurance, with statutory coverage and employer's liability protection.

The policies of insurance required pursuant to clauses (i) and (ii) above shall be in form and content satisfactory to the City and shall be placed with financially sound and reputable insurers licensed to transact business in the State, the liability insurer to be rated A or better in Best's Insurance Guide. The policy of insurance delivered pursuant to clause (i) above shall contain an agreement of the insurer to give not less than thirty (30) days' advance written notice to the City in the event of cancellation of such policy or change affecting the coverage thereunder.

(b) Upon completion of construction of the Improvements and prior to the Termination Date, the Developer shall maintain, or cause to be maintained, at its cost and expense, and from time to time at the request of the City shall furnish proof of the payment of premiums on, insurance as follows:

(i) Insurance against loss and/or damage to the Improvements under a policy or policies covering such risks as are ordinarily insured against by similar businesses, including (without limiting the generality of the foregoing) fire, extended coverage, all risk vandalism and malicious mischief, boiler explosion, water damage, demolition cost, debris removal, and collapse in an amount not less than the full insurable replacement value of the Improvements, but any such policy may have a deductible amount of not more than \$20,000. No policy of insurance shall be so written that the proceeds thereof will produce less than the minimum coverage required by the preceding sentence, by reason of co-insurance provisions or otherwise, without the prior consent thereto in writing by the City. The term "full insurable replacement value" shall mean the actual replacement cost of the Improvements (excluding foundation and excavation costs and costs of underground flues, pipes, drains and other uninsurable items) and equipment, and shall be determined from time to time at the request of the City, but not more frequently than once every three years, by an insurance consultant or insurer, selected and paid for by the Developer and approved by the City.

(ii) Commercial general public liability insurance, including personal injury liability (with employee exclusion deleted), and automobile insurance, including owned, non-owned and hired automobiles, against liability for injuries to persons and/or property, in the minimum amount for each occurrence and for each year of \$2,000,000.00.

(iii) Such other insurance, including worker's compensation insurance respecting all employees of the Developer, in such amount as is customarily carried by like organizations engaged in like activities of comparable size and liability exposure; provided that the Developer may be self-insured with respect to all or any part of its liability for worker's compensation.

(c) All insurance required in Article V of this Agreement shall be taken out and maintained in responsible insurance companies selected by the Developer which are authorized under the laws of the State to assume the risks covered thereby.

(d) The Developer agrees to notify the City immediately in the case of damage exceeding \$25,000 in amount to, or destruction of, the Improvements or any portion thereof resulting from fire or other casualty. In the event of any such damage, the Developer will forthwith repair, reconstruct and restore the Improvements to substantially the same or an improved condition or value as existed prior to the event causing such damage and, to the extent necessary to accomplish such repair, reconstruction and restoration, the Developer will apply the proceeds of any insurance relating to such damage received by the Developer to the payment or reimbursement of the costs thereof.

The Developer shall complete the repair, reconstruction and restoration of the Improvements, whether or not the Net Proceeds of insurance received by the Developer for such purposes are sufficient to pay for the same. Any proceeds remaining after completion of such repairs, construction and restoration shall be remitted to the Developer.

Section 5.2. Condemnation. In the event that title to and possession of the Improvements or any material part thereof shall be taken in condemnation or by the exercise of the power of eminent domain by any governmental body or other person prior to the Termination Date, the Developer shall, with reasonable promptness after such taking, notify the City as to the nature and extent of such taking. Upon receipt of any condemnation award, the Developer shall elect to either: (a) use the entire condemnation award to reconstruct the Improvements (or, in the event only a part of Improvements have been taken, then to reconstruct such part) within the Project Area; or (b) retain the condemnation award whereupon in the event that a substantial portion of the Redevelopment Property and Minimum Improvements have been taken, the City's reimbursement obligations under Section 3.2 shall terminate as of the date of the taking.

ARTICLE VI

Taxes; Tax Increment

Section 6.1. Real Property Taxes. The Developer shall pay or cause to be paid when due and prior to the imposition of penalty all real property taxes and installments of special assessments payable with respect to the Property after the Developer acquires the Property.

Section 6.2. Tax Increment. The Developer acknowledges that the City has made no warranties or representations to the Developer as to the amounts of Tax Increment that will be generated or that the Available Tax Increment will be sufficient to pay the Reimbursable Costs in whole or in part. Nor is the City warranting that it will have throughout the term of this Agreement the continuing legal ability under State law to apply Tax Increment to the payment of the City's reimbursement obligations, which continued legal ability is a condition precedent to the City's obligations under this Agreement. To the extent that in any year or years the City receives Tax Increment in excess of the amounts necessary to pay amounts due under Section 3.2 of this Agreement, the City shall be free to use such excess Tax Increment for any purpose for which such Tax Increment may be used under the Tax Increment Act.

ARTICLE VII

Financing

Section 7.1. Developer Financing. On or before _____, 2012, the Developer shall provide to the City evidence in a form acceptable to the City showing that the Developer has secured financing sufficient to complete the Improvements.

ARTICLE VIII

Prohibitions Against Assignment and Transfer, Indemnification

Section 8.1. Prohibition Against Transfer of Property and Assignment of Agreement. The Developer represents and agrees that prior to the Termination Date the Developer has not made or created, and will not make or create, or suffer to be made or created, any total or partial sale, assignment, conveyance, or lease, or any trust or power, or transfer in any other mode or form of or with respect to this Agreement or the Property or any part thereof or any interest herein or therein, or any contract or agreement to do any of the same, without the prior written approval of the City. No such assignment or transfer shall relieve the Developer of any liability under this Agreement unless the City in writing specifically releases the Developer.

Section 8.2. Release and Indemnification Covenants.

(a) The Developer releases from and covenants and agrees that the City and the governing body members, officers, agents, servants and employees thereof shall not be liable for and agrees to indemnify and hold harmless the City and the governing body members, officers, agents, servants and employees thereof against any loss or damage to property or any injury to or death of any person occurring at or about or resulting from any defect in the Improvements.

(b) Except for any willful misrepresentation or any willful or wanton misconduct of the following named parties, the Developer agrees to protect and defend the City and the governing body members, officers, agents, servants and employees thereof, now or forever, and further agrees to hold the aforesaid harmless from any claim, demand, suit, action or other proceeding whatsoever by any person or entity whatsoever arising or purportedly arising from this Agreement, or the transactions contemplated hereby or the acquisition, construction, installation, ownership, and operation of the Improvements.

(c) The City and the governing body members, officers, agents, servants and employees thereof shall not be liable for any damage or injury to the persons or property of the company or its officers, agents, servants or employees or any other person who may be about the Property or Improvements due to any act of negligence of any person.

(d) All covenants, stipulations, promises, agreements and obligations of the City contained herein shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the City and not of any governing body member, officer, agent, servant or employee of the City in the individual capacity thereof.

ARTICLE IX

Events of Default

Section 9.1. Events of Default Defined. The term "Event of Default" shall mean, whenever it is used in this Agreement (unless the context otherwise provides), any failure by Developer to substantially observe or perform any material covenant, condition, obligation or agreement on its part to be observed or performed hereunder.

Section 9.2. City's Remedies on Default. Whenever any Event of Default by Developer referred to in Section 9.1 of this Agreement occurs, the City may immediately suspend its performance under this Agreement, including its reimbursement obligations under Article III, until it receives assurances from the Developer, deemed adequate by the City, that the Developer will cure its default and continue its performance under this Agreement and may take any one or more of the following actions after providing thirty (30) days written notice to the Developer of the Event of Default, but only if the Event of Default has not been cured within said thirty (30) days:

(a) Terminate this Agreement, including its reimbursement obligations under Article III;

(b) Take whatever action, including legal, equitable or administrative action, which may appear necessary or desirable to the City to collect any payments due under this Agreement, or to enforce performance and observance of any obligation, agreement, or covenant of the Developer under this Agreement.

Section 9.3. No Remedy Exclusive. No remedy herein conferred upon or reserved to the City or Developer is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the City or the Developer to exercise any remedy reserved to it, it shall not be necessary to give notice, other than such notice as may be required in this Article IX.

Section 9.4. No Additional Waiver Implied by One Waiver. In the event any agreement contained in this Agreement should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other concurrent, previous or subsequent breach hereunder.

Section 9.5. Costs of Enforcement. Whenever any Event of Default occurs and the City shall employ attorneys or incur other expenses for the collection of payments due or to become due or for the enforcement of performance or observance of any obligation or agreement on the

part of the Developer under this Agreement, the Developer agrees that it shall be liable for the reasonable fees of such attorneys and such other expenses so incurred by the City.

ARTICLE X

Additional Provisions

Section 10.1. Representatives Not Individually Liable. No member, official, or employee of the City shall be personally liable to the Developer, or any successor in interest, in the event of any default or breach or for any amount which may become due to Developer or successor or on any obligations under the terms of the Agreement.

Section 10.2. Restrictions on Use. The Developer agrees for itself, and its successors and assigns, and every successor in interest to the Property, or any part thereof, that the Developer, and such successors and assigns, shall devote the Property to, and only to and in accordance with, the uses specified in this Agreement; provided, that any commercial use permitted by applicable zoning laws will satisfy the requirements of this Section.

Section 10.3. Titles of Articles and Sections. Any titles of the several parts, Articles, and Sections of the Agreement are inserted for convenience of reference only and shall be disregarded in construing or interpreting any of its provisions.

Section 10.4. Notices and Demands. Except as otherwise expressly provided in this Agreement, a notice, demand, or other communication under the Agreement by either party to the other shall be sufficiently given or delivered if it is dispatched by registered or certified mail, postage prepaid, return receipt requested, or delivered personally; and

(a) in the case of the Developer, is addressed to or delivered personally to the Developer at 817 Eighteenth Street, Windom, MN 56101-1105, Attn: Glen D. Francis; and

(b) in the case of the City, is addressed to the City at P.O. Box 38, Windom, MN 56101-0038.

or at such other address with respect to either such party as that party may, from time to time, designate in writing and forward to the other as provided in this Section.

Section 10.5. Disclaimer of Relationships. Nothing contained in this Agreement nor any act by the City or the Developer shall be deemed or construed by any person to create any relationship of third-party beneficiary, principal and agent, limited or general partner, or joint venture among the City, the Developer, and/or any third party.

Section 10.6. Modifications. This Agreement may be modified solely through written amendments hereto executed by the Developer and the City.

Section 10.7. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall constitute one and the same instrument.

Section 10.8. Judicial Interpretation. Should any provision of this Agreement require judicial interpretation, the court interpreting or construing the same shall not apply a presumption that the terms hereof shall be more strictly construed against one party by reason of the rule of construction that a document is to be construed more strictly against the party who itself or through its agent or attorney prepared the same, it being agreed that the agents and attorneys of both parties have participated in the preparation hereof.

IN WITNESS WHEREOF, the City has caused this Agreement to be duly executed in its name and behalf and the Developer has caused this Agreement to be duly executed in its name and behalf on or as of the date first above written.

CITY OF WINDOM

By _____

By _____

GDF PROPERTIES, LLC

By _____

By _____

SCHEDULE A

Description of Property

The Property consists of the parcels of property with the following Property Identification Numbers:

PIN 25-024-0400

PIN 25-024-0710

SCHEDULE B

Reimbursable Costs

The following costs constitute the Reimbursable Costs for which City will reimburse the Developer pursuant to the terms and limitations contained in the Agreement:

Cost Item

Subject to review of receipts and approval, up to \$77,621.00 for:

Site Preparation, Demolition, and Building Renovation

Memo

To: Mayor and City Council Members

From: Denise Nichols

Date: 10/12/2012

Re: Agenda Item – Telecommunication Commission New Hire Recommendation

The Telecommunication Commission will be meeting on Tuesday, October 16th, to discuss and review the applications that were received for the new Telecommunication Installer position.

The Commission's hiring recommendation will be provided to the City Council prior to the October 16th City Council meeting.



Memo

To: Mayor and Council Members
From: Denise Nichols
CC: Steve Nasby
Date: 10/11/2012
Re: AgStar Fund for Rural America Grant Agreement

Fire Chief Dan Ortmann has received notification that the Fire Department has received a grant from the AgStar Fund for Rural America in the amount of \$1,500 to purchase turnout gear.

Requested action: Accept and approve the AgStar Grant Agreement and authorize City Administrator Steve Nasby to execute the Grant Agreement.



September 24, 2012

Windom Fire Department
Dan Ortman
444 9th Street
Windom, MN 56101

Dear Dan Ortman:

Congratulations! The AgStar Fund for Rural America is pleased to inform you that a grant award in the amount of \$1,500 has been approved in support of your application for the AgStar Fund's Emergency Response Services (EMS) Equipment Grant Program.

AgStar knows how important emergency response volunteers are to rural communities' safety and well-being. There are so many deserving volunteer fire, rescue and ambulance departments in our service area. The need for improved equipment and safety gear is greater than ever before. In order to do everything in our power to help the volunteers who keep our communities safe, the AgStar Fund for Rural America is awarding \$127,835 to 94 EMS departments in our service area.

This grant is to be used to purchase the equipment outlined in your grant application by December 31, 2012. Any unexpended funds, as described in the approved budget, must be returned to the AgStar Fund at that time. A final grant report must be submitted by January 30, 2013, using the enclosed Minnesota Common Report Form. Please review the enclosed Grant Agreement and return one signed copy as soon as possible (equipment does not need to be purchased first). After we receive the signed agreement we will contact you to set up a check presentation and possible PR opportunities.

Congratulations once again and thank you for the important work you do and for the emergency services you provide to your rural community.

Sincerely,

A handwritten signature in cursive script that reads "Melanie Olson".

Melanie Olson
AgStar Fund Specialist
952-997-1255
Melanie.Olson@AgStar.com



GRANT AGREEMENT

The grant to your organization from the AgStar Fund for Rural America is for the explicit purpose(s) described in the Grant Application and is subject to your acceptance of the terms described therein.

To acknowledge this agreement, to accept the grant and receive the funds, return a signed copy of this Grant Agreement to AgStar Financial Services. Keep the other copy for your files. Please refer to the identification number and title in all communications concerning this grant.

Grantee: Windom Fire Department

ID #:

Amount Granted: \$1,500

Grant Period: Through December 31, 2012

Funds to be used for: Turnout gear, including coats, bunker pants, and hoods.

The undersigned hereby agrees to the following grant conditions:

1. The funds provided by this grant may be spent only in accordance with the provisions of the grantee's funding request and budget as approved. Grantee shall not use the funds for any purpose prohibited by applicable law, and shall use the funds only for those purposes which are permissible under all applicable laws and regulations, including but not limited to the Internal Revenue Code, as amended and the regulations issued thereunder. Grantee shall comply with any and all applicable federal, state and local laws.
2. No funds provided by the AgStar Fund may be used for any political campaign, or to support attempts to influence legislation of any governmental body other than through making available the results of nonpartisan analysis, study and research.
3. Expenses charged against this grant may not be incurred prior to the date at which the grant period begins or subsequent to its termination date, and may be incurred only as necessary to carry out the purposes and activities of the approved program.
4. The grantee organization is responsible for the expenditure of funds and for maintaining adequate supporting records consistent with generally accepted accounting practices.

5. The grantee shall return any unexpended funds to the AgStar Fund, which are not used for the approved purposes and/or remain unexpended at the close of the grant period.
6. Funds shall be promptly returned to the AgStar Fund if the AgStar Fund determines, in its sole discretion that the grantee has not performed in accordance with the Terms of the Grant and/or has not met the specific grant conditions of the approved program.
7. For the purposes of making verifications, as it deems desirable toward the fulfillment of AgStar Fund objectives, the AgStar Fund may conduct site visits and/or review grantee's records at reasonable times during grantee's regular business hours.
8. Grantees are required to recognize the AgStar Fund in all publicity materials related to the funded project or program, as specified in the grant request. Prior to making public any such materials, grantees must submit the text of any announcements and plans for publicity to the Fund Officer responsible for the grant. Approval of the Fund Officer is required prior to any such materials being announced or made available to the public. Grantee shall cooperate with the AgStar Fund in connection with all publicity materials that AgStar may wish to publish regarding the Fund and/or the project, including, but not limited to providing photo releases and/or other consents.
9. Grantee agrees to indemnify and hold AgStar and the AgStar Fund harmless and, at its own cost and expense, defend AgStar and the AgStar Fund, its officers, employees and directors from and against any and all liability, including but not limited to costs, attorney's fees, and claims for damages arising out of grantee's actions in furtherance of the project for which grant funds have been awarded. AgStar and the AgStar Fund shall not be liable for any claims arising out of the project or any work performed in connection therewith. Grantee shall be solely responsible for the acts or omissions of its officers, agents, employees, directors and subcontractors."
10. Grantee warrants and represents that it has made no material false statement, or misstatement of fact, in connection with its Grant Application or its receipt of the Grant Funds, and all information previously submitted to the AgStar Fund or which it will submit to the AgStar Fund in the future relating to the grant or the project, is and will be true and correct.
11. Grantee shall not engage in discriminatory practices with respect to the project for which grant funds have been provided, and shall, with respect to all project activities, fully comply with all state, local and federal non-discrimination laws, as applicable.
12. To submit a final report thirty (30) days after the completion of the grant, of activities carried on under the grant, evaluations of what the grant accomplished, and complete financial reports detailing use of the grant funds.
13. PAYMENT OF GRANTS: The AgStar fund reserves the right to terminate or modify any payments pursuant to this grant, including modification of previously agreed upon payment schedules should this be deemed appropriate by the AgStar Fund.
14. LIMIT OF COMMITMENT: This grant is made with the understanding that the AgStar Fund has no obligation to provide other or additional support to the grantee.

15. Nothing contained in this Agreement, nor in the application process or the granting of funds, shall be intended or construed in any manner as creating or establishing a relationship of partners or joint venture between the grantee and the AgStar Fund, nor shall grantee be considered or deemed to be an agent, representative or employee of AgStar or the AgStar Fund.
16. This Agreement shall be construed in accordance with the laws of the State of Minnesota and any proceedings or disputes arising out of this Agreement shall be venued in Blue Earth County, Minnesota.
17. The waiver of any breach of any provision of this Agreement by the AgStar Fund shall not be deemed to be a waiver of any such breach in the future or any other breach of any other provision.
18. Grantee hereby states that no goods or services were received in exchange for the donation from AgStar Financial Services.

In accepting the grant, the grantee accepts the terms stated in this agreement.

Organization: _____

Signature of Authorized Representative: _____

Printed Name / Title: _____

Date: _____

ORDINANCE NO. 138, 2ND SERIES

AN ORDINANCE ENACTING A CODE OF ORDINANCES FOR THE CITY OF WINDOM, MINNESOTA, AMENDING, RESTATING, REVISING, UPDATING, CODIFYING, AND COMPILING CERTAIN ORDINANCES OF THE CITY DEALING WITH THE SUBJECTS EMBRACED IN THE CODE OF ORDINANCES, AND PROVIDING PENALTIES FOR THE VIOLATION OF THE CODE OF ORDINANCES.

WHEREAS, Minnesota Statutes §§ 415.02 and 415.021 authorize the city to cause its ordinances to be codified and printed in a book.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF WINDOM, MINNESOTA, DOES ORDAIN:

Section 1. The general ordinances of the city as amended, restated, revised, updated, codified, and compiled in book form, including penalties for the violations of various provisions thereof, are adopted and shall constitute the Code of Ordinances of the City of Windom. This Code of Ordinances also adopts, by reference, certain statutes and administrative rules of the State of Minnesota as named in the Code of Ordinances.

Section 2. The Code of Ordinances as adopted in Section 1 shall consist of the following titles:

TITLE I: GENERAL PROVISIONS
TITLE III: ADMINISTRATION
TITLE V: PUBLIC WORKS
TITLE VII: TRAFFIC CODE
TITLE IX: GENERAL REGULATIONS
TITLE XI: BUSINESS REGULATIONS
TITLE XIII: GENERAL OFFENSES
TITLE XV: LAND USAGE
TABLE OF SPECIAL ORDINANCES

Section 3. All prior ordinances pertaining to subjects treated in the Code of Ordinances shall be deemed repealed from and after the effective date of this ordinance, except as they are included and re-ordained in whole or in part in the Code of Ordinances; provided this repeal shall not affect any offense committed or penalty incurred, or any right established prior to the effective date of this ordinance, nor shall this repeal affect the provisions of ordinances levying taxes; appropriating money; annexing or detaching territory; establishing franchises; granting special rights to certain persons; authorizing public improvements; authorizing the issuance of bonds or borrowing of money; authorizing the purchase or sale of real or personal property; granting or accepting easements, plat or dedication of land to public use; or vacating or setting the boundaries of streets or other public places; nor shall this repeal affect any other ordinance of a temporary or special nature or pertaining to subjects not contained in or covered by the Code of Ordinances. All fees established in prior ordinances shall remain in effect unless amended in this Code of Ordinances, or until an ordinance or resolution adopting a fee schedule is adopted or amended.

Section 4. This ordinance adopting the Code of Ordinances shall be a sufficient publication of any ordinance included in it and not previously published in the city's official newspaper. The city clerk shall cause a substantial quantity of the Code of Ordinances to be printed for general distribution to the public at actual cost, and shall furnish a copy of the Code of Ordinances to the County Law Library or its designated depository. The official copy of this Code of Ordinances shall be marked and be kept in the office of the city clerk.

Section 5. The Code of Ordinances is declared to be prima facie evidence of the law of the city and shall be received in evidence as provided by Minnesota Statutes by the courts of the State of Minnesota.

Section 6. This ordinance adopting the Code of Ordinances, and the Code of Ordinances itself, shall take effect upon publication of this ordinance in the Cottonwood County Citizen newspaper.

Adopted by the City Council of the City of Windom, Minnesota, this 16th day of October, 2012.

Kirby G. Kruse, Mayor

Attest: _____
Steve Nasby, City Administrator

1st Reading: October 2, 2012
2nd Reading: October 16, 2012
Adoption: October 16, 2012
Published: October 24, 2012

DENNIS L. RICK, LTD.

CERTIFIED PUBLIC ACCOUNTANTS

American Institute of Certified Public Accountants

Minnesota Society of Certified Public Accountants

DENNIS L. RICK, CPA

TISHA S. PAPLOW, CPA

ANDREA M. JOHNSON, CPA

September 28, 2012

To the City of Windom
Windom, Minnesota 56101

We are pleased to confirm our understanding of the services we are to provide the City of Windom for the year ended December 31, 2012. We will audit the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information, which collectively comprise the basic financial statements, of the City of Windom as of and for the year ended December 31, 2012. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the City of Windom's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the City of Windom's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

- 1) Management's Discussion and Analysis.

We have also been engaged to report on supplementary information other than RSI that accompanies the City of Windom's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America and will provide an opinion on it in relation to the financial statements as a whole:

- 1) Schedule of expenditures of federal awards.
- 2) Combining and Individual Fund Statements and Schedules.

Audit Objectives

The objective of our audit is the expression of opinions as to whether your basic financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. The objective also includes reporting on—

- Internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.
- Internal control related to major programs and an opinion (or disclaimer of opinion) on compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.



America Counts on CPAs

507-376-5818 * 1018 FOURTH AVENUE * WORTHINGTON, MN 56187
507-831-1332 * 1043 FOURTH AVENUE, SUITE 6 * WINDOM, MN 56101

The reports on internal control and compliance will each include a statement that the report is intended solely for the information and use of management, the body or individuals charged with governance, others within the entity specific legislative or regulatory bodies, federal awarding agencies, and if applicable, pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of OMB Circular A-133, and will include tests of accounting records, a determination of major program(s) in accordance with OMB Circular A-133, and other procedures we consider necessary to enable us to express such opinions and to render the required reports. If our opinions on the financial statements or the Single Audit compliance opinions are other than unqualified (unmodified), we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or to issue a report as a result of this engagement.

Management Responsibilities

Management is responsible for the basic financial statements and all accompanying information as well as all representations contained therein. Management is also responsible for identifying government award programs and understanding and complying with the compliance requirements, and for preparation of the schedule of expenditures of federal awards in accordance with the requirements of OMB Circular A-133. As part of the audit, we will assist with preparation of your financial statements, schedule of expenditures of federal awards, and related notes. You are responsible for making all management decisions and performing all management functions relating to the financial statements, schedule of expenditures of federal awards, and related notes and for accepting full responsibility for such decisions. You will be required to acknowledge in the written representation letter our assistance with preparation of the financial statements and schedule of expenditures of federal awards and that you have reviewed and approved the financial statements, schedule of expenditures of federal awards, and related notes prior to their issuance and have accepted responsibility for them. Further, you are required to designate an individual with suitable skill, knowledge, or experience to oversee any nonaudit services we provide and for evaluating the adequacy and results of those services and accepting responsibility for them.

Management is responsible for establishing and maintaining effective internal controls, including internal controls over compliance, and for evaluating and monitoring ongoing activities, to help ensure that appropriate goals and objectives are met and that there is reasonable assurance that government programs are administered in compliance with compliance requirements. You are also responsible for the selection and application of accounting principles; for the fair presentation in the financial statements of the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Windom and the respective changes in financial position and, where applicable, cash flows in conformity with U.S. generally accepted accounting principles; and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is also responsible for making all financial records and related information available to us and for ensuring that management is reliable and financial information is reliable and properly recorded. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities also include identifying significant vendor relationships in which the vendor has responsibility for program compliance and for the accuracy and completeness of that information. Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the written representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud or illegal acts affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud or illegal acts could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others.

In addition, you are responsible for identifying and ensuring that the entity complies with applicable laws, regulations, contracts, agreements, and grants. Additionally, as required by OMB Circular A-133, it is management's responsibility to follow up and take corrective action on reported audit findings and to prepare a summary schedule of prior audit findings and a corrective action plan.

You are responsible for preparation of the schedule of expenditures of federal awards in conformity with OMB Circular A-133. You agree to include our report on the schedule of expenditures of federal awards in any document that contains and indicates that we have reported on the schedule of expenditures of federal awards. You also agree to include the audited financial statements with any presentation of the schedule of expenditures of federal awards that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the schedule of expenditures of federal awards in accordance with OMB Circular A-133; (2) that you believe the schedule of expenditures of federal awards, including its form and content, is fairly presented in accordance with OMB Circular A-133; (3) that the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

You are also responsible for the preparation of the other supplementary information, which we have been engaged to report on, in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) that you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) that the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying for us previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

Audit Procedures—General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements or noncompliance may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or major programs. However, we will inform the appropriate level of management of any material errors or any fraudulent financial reporting or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential, and of any material abuse that comes to our attention. We will include such matters in the reports required for a Single

Audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about the financial statements and related matters.

Audit Procedures—Internal Controls

Our audit will include obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

As required by OMB Circular A-133, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to OMB Circular A-133.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards, *Government Auditing Standards*, and OMB Circular A-133.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the City of Windom's compliance with provisions of applicable laws, regulations, contracts, and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

OMB Circular A-133 requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with applicable laws and regulations and the provisions of contracts and grant agreements applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the *OMB Circular A-133 Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of the City of Windom's major programs. The purpose of these procedures will be to express an opinion on the City of Windom's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to OMB Circular A-133.

Engagement Administration, Fees, and Other

We may from time to time, and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers, but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

At the conclusion of the engagement, we will complete the appropriate sections of the Data Collection Form that summarizes our audit findings. It is management's responsibility to submit the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditors' reports, and corrective action plan) along with the Data Collection Form to the federal audit clearinghouse. We will coordinate with you the electronic submission and certification. If applicable, we will provide copies of our report for you to include with the reporting package you will submit to pass-through entities. The Data Collection Form and the reporting package must be submitted within the earlier of 30 days after receipt of the auditors' reports or nine months after the end of the audit period, unless a longer period is agreed to in advance by the cognizant or oversight agency for audits.

The audit documentation for this engagement is the property of Dennis L. Rick, LTD and constitutes confidential information. However, pursuant to authority given by law or regulation, we may be requested to make certain audit documentation available to the Oversight Agency for the Audit, or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Dennis L. Rick, LTD personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

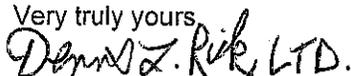
The audit documentation for this engagement will be retained for a minimum of five years after the report release or for any additional period requested by the Oversight Agency for Audit or Pass-through Entity. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

Dennis L. Rick, CPA is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them. Our fee for these services will be at our standard hourly rates plus out-of-pocket costs, except that we agree that our gross fee, including expenses, will not exceed \$29,800.00.⁰⁰ (includes \$1,800 for the single audit). Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 30 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

Government Auditing Standards require that we provide you with a copy of our most recent external peer review report and any letter of comment, and any subsequent peer review reports and letters of comment received during the period of the contract. Our 2009 peer review accompanies this letter.

We appreciate the opportunity to be of service to the City of Windom and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,


Dennis L. Rick, LTD.

RESPONSE:

This letter correctly sets for the understanding of the City of Windom.

By: _____

Title: _____

Lewis, Kisch & Associates, Ltd.

CERTIFIED PUBLIC ACCOUNTANTS

1303 South Frontage Road, Suite 3
Hastings, Minnesota 55033

James V. Lewis, C.P.A.
Carol J. Sailer, C.P.A.
Thomas A. Madsen, C.P.A.

Telephone: (651) 437-3356
FAX: (651) 437-3808
email: admin@lewiskisch.com

Of Counsel

John T. Kisch, C.P.A.

SYSTEM REVIEW REPORT

December 4, 2009

To the Shareholder
Dennis L. Rick, Ltd.
and the Peer Review Committee of the Minnesota Society of Certified Public Accountants

We have reviewed the system of quality control for the accounting and auditing practice of Dennis L. Rick, Ltd. (the firm) in effect for the year ended June 30, 2009. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants. The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review. The nature, objectives, scope, limitations of, and the procedures performed in a System Review are described in the standards at www.aicpa.org/prsummary.

As required by the standards, engagements selected for review included an engagement performed under the *Government Auditing Standards* and an audit of an employee benefit plan.

In our opinion, the system of quality control for the accounting and auditing practice of Dennis L. Rick, Ltd. in effect for the year ended June 30, 2009, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)*, or *fail*. Dennis L. Rick, Ltd. has received a peer review rating of *pass*.

Respectfully submitted,

Lewis, Kisch & Associates, Ltd.



RESOLUTION #2012-

INTRODUCED:

SECONDED:

VOTED: **Aye:**
 Nay:
 Absent:

**AUTHORIZATION TO ACCEPT A DONATION FROM
THE WINDOM LIONS CLUB FOR THE WINDOM PARKS DEPARTMENT**

WHEREAS, Minnesota State Statute §465.03 requires that any city accepting a grant or gift of real or personal property shall accept such by resolution of the governing body expressing the terms prescribed by the donor; and

WHEREAS, The Windom Lions Club is a supporter of the City of Windom; and

WHEREAS, the City of Windom has recently received a donation from the Lions Club of a park bench and four Elm trees for Island Park with an approximate value of \$1,275.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF WINDOM, MINNESOTA, that the City Council hereby accepts the donation given by the Windom Lions Club of a park bench and four Elm trees for Island Park with an approximate value of \$1,275.

Adopted by the Council this 16th day of October, 2012.

Kirby G. Kruse, Mayor

Attest: _____
Steven Nasby, City Administrator

RESOLUTION #2012-

INTRODUCED:

SECONDED:

VOTED: **Aye:**
 Nay:
 Absent:

RESOLUTION REGARDING THE ISSUANCE OF COMMUNICATION SYSTEM ANNUAL APPROPRIATION REFUNDING BONDS, SERIES 2012B AND ESTABLISHING A PRICING COMMITTEE THEREFOR

BE IT RESOLVED, by the City Council (the "City Council") of the City of Windom, Cottonwood County, Minnesota (the "Issuer"), as follows:

Section 1. Recitals.

A. The City Council has previously determined to offer for sale its Communication System Annual Appropriation Refunding Bonds, Series 2012B (the "Bonds") in accordance with a presale report therefor (the "Presale Report") prepared by Ehlers & Associates, Inc., in Roseville, Minnesota ("Ehlers"), as its independent financial advisor.

B. By resolution adopted on September 18, 2012 (the "Presale Resolution") the City Council further authorized Ehlers to (i) work with Piper Jaffray & Co. in Minneapolis, Minnesota ("Piper") to provide for the sale of the Bonds in accordance with the terms set forth in the Presale Report; (ii) structure the terms of the Bonds; and (iii) negotiate the sale of the Bonds with Piper.

C. The Presale Resolution also authorized the officers or employees of the Issuer to cooperate with Ehlers and participate in the preparation of an official statement for the Bonds.

Section 2. Pricing Committee. The Mayor and the Administrator (the "Pricing Committee"), are authorized to execute a bond purchase agreement with Piper for the purchase of the Bonds (the "Bond Purchase Agreement"), provided that, based on information provided by Ehlers, the true interest cost of the Bonds does not exceed 4.00%; the stated principal amount of the Bonds does not exceed \$11,700,000; the underwriter's discount on the Bonds does not exceed 2% of the par amount thereof; and the final maturity of the Bonds is no later than June 1, 2032.

Section 3. Council Ratification. Upon execution of the Bond Purchase Agreement by the Pricing Committee, the City Council will take action at a regular or special meeting to adopt the a resolution ratifying the Bond Purchase Agreement and approving the form, specifications and provisions for repayment of the Bonds prepared by Fryberger, Buchanan, Smith & Frederick, P.A., bond counsel to the Issuer.

Adopted by the Council this 16th day of October, 2012.

Kirby G. Kruse, Mayor

Attest: _____
Steven Nasby, City Administrator

CITY OF WINDOM
FM Entry - Invoice - Payment Processing - Council

Check#	Vendor Name	Description	Dept	Amount
137576	CLEARWATER RECREATION	PARK BENCH - LIONS CLUB	01-165-4	850.72
		Check Total:		850.72
137577	CMRS - TMS #256704	POSTAGE 256704 MACHINE	01-102-4	49.50
		POSTAGE 256704 MACHINE	01-103-4	388.84
		POSTAGE 256704 MACHINE	01-106-4	3.60
		POSTAGE 256704 MACHINE	01-120-4	3.60
		POSTAGE 256704 MACHINE	01-125-4	20.45
		POSTAGE 256704 MACHINE	01-140-4	18.90
		POSTAGE 256704 MACHINE	11-174-4	16.95
		POSTAGE 256704 MACHINE	12-175-4	35.70
		POSTAGE 256704 MACHINE	13-176-4	37.10
		POSTAGE 256704 MACHINE	14-177-4	30.25
		POSTAGE 256704 MACHINE	60-180-4	4.25
		POSTAGE 256704 MACHINE	61-181-4	144.29
		POSTAGE 256704 MACHINE	62-182-4	163.34
		POSTAGE 256704 MACHINE	63-183-4	159.13
		POSTAGE 256704 MACHINE	64-184-4	37.95
		POSTAGE 256704 MACHINE	67-187-4	7.85
		POSTAGE 256704 MACHINE	69-199-5	81.10
		POSTAGE 256704 MACHINE	69-199-4	81.10
		POSTAGE 256704 MACHINE	69-199-6	81.10
		Check Total:		1,365.00
137578	CREATIVE DESIGN	PATCHES	01-125-4	24.05
		Check Total:		24.05
137579	DISPLAY SYSTEMS INTERNAT	SERVICE	69-199-4	163.88
		Check Total:		163.88
137580	DUANE W. NIELSEN COMPANY	SERVICE	63-183-4	564.20
		Check Total:		564.20
137581	ELECTRIC FUND	B NIELSEN UTILITY PREPAY	62--2013	125.00
		SPEC BLDG LOAN	67--2011	768.06
		MAINTENANCE	63-183-4	18.44
		SPEC BLDG LOAN	67-187-4	181.43
		Check Total:		1,092.93
137582	ENVIROMASTER, INC	CLEANING	60-180-4	39.54
		Check Total:		39.54
137583	FULDA CREDIT UNION	SPEC BLDG LOAN	67--2402	1,866.00
		SPEC BLDG LOAN	67-187-4	1,494.00
		Check Total:		3,360.00
137584	GENE LENNING	LOCAL MILEAGE	60-180-4	119.33
		Check Total:		119.33
137585	H P SUDS CLUB, LLC	BILLING CONTRACT SERVICE	61-181-4	182.29

CITY OF WINDOM
FM Entry - Invoice - Payment Processing - Council

Check#	Vendor Name	Description	Dept	Amount
		BILLING CONTRACT SERVICE	62-182-4	182.29
		BILLING CONTRACT SERVICE	63-183-4	182.30
		BILLING CONTRACT SERVICE	69-199-5	182.29
		BILLING CONTRACT SERVICE	69-199-6	182.29
		BILLING CONTRACT SERVICE	69-199-4	182.29
		Check Total:		1,093.75
137586	HAGEN DISTRIBUTING	MERCHANDISE	60-180-4	11,084.70
		MERCHANDISE	60-180-4	47.10
		Check Total:		11,131.80
137587	HAWKINS, INC	CHEMICALS	61-181-4	4,483.66
		CHEMICALS	63-183-4	874.78
		Check Total:		5,358.44
137588	HD SUPPLY WATERWORKS	18TH AVE STORM SEWER	04--1202	2,447.90
		MAINTENANCE	61--1115	836.23
		Check Total:		3,284.13
137589	HY-VEE, INC.	MERCHANDISE	14-177-4	209.98
		MERCHANDISE	14-177-4	65.22
		MERCHANDISE	14-177-4	8.51
		MERCHANDISE	61-181-4	8.23
		MERCHANDISE	64-184-4	29.85
		MERCHANDISE	67-187-4	30.06
		MERCHANDISE	69-199-6	64.69
		Check Total:		416.54
137590	INDOFF, INC	SUPPLIES	01-120-4	20.31
		SUPPLIES	69-199-6	70.32
		Check Total:		90.63
137591	JEFFREY DAHNA	WIRE FEE REIMBURSEMENT	01-103-4	5.00
		Check Total:		5.00
137592	JERRY'S REPAIR	MAINTENANCE	01-140-4	130.06
		Check Total:		130.06
137593	KATE AXFORD	EXPENSE	13-176-4	57.39
		Check Total:		57.39
137594	LEAGUE OF MN CITIES	TRAINING REGISTRATION	01-125-4	45.00
		Check Total:		45.00
137595	LEESA ARNDT	WIRE FEE REIMBURSEMENT	01-103-4	5.00
		Check Total:		5.00
137596	MANKATO MOBIL - ALPHA WI	MAINTENANCE	01-120-4	181.27
		Check Total:		181.27

CITY OF WINDOM
 FM Entry - Invoice - Payment Processing - Council

Check#	Vendor Name	Description	Dept	Amount
137597	MCLAUGLIN & SCHULZ, INC	ASPHALT	01-140-4	640.80
		Check Total:		640.80
137598	MELISSA PENAS	CLEANING	01-115-4	324.70
		CLEANING	03-171-4	324.70
		Check Total:		649.40
137599	MELVIN DUERKSEN	MAINTENANCE	61-181-4	2,557.34
		Check Total:		2,557.34
137600	MEMSA	TRAINING REGISTRATION	13-176-4	125.00
		Check Total:		125.00
137601	MICROMARKETING	BOOKS & AUDIO	03-171-4	321.37
		Check Total:		321.37
137602	MN 9-1-1 PROGRAM	911 SERVICE	69--2300	1,044.09
		Check Total:		1,044.09
137603	MN DEPT OF HEALTH	REGISTRATION	61-181-4	90.00
		WATER SUPPLY SERV CONN F	61-181-4	3,230.00
		Check Total:		3,320.00
137604	MN ENERGY RESOURCES	SERVICE	01-140-4	19.88
		SERVICE	63-183-4	19.88
		Check Total:		39.76
137605	NCPERS MINNESOTA	INSURANCE	70--5051	32.00
		INSURANCE	01-103-4	64.00
		INSURANCE	01-106-4	24.00
		INSURANCE	01-120-4	144.00
		INSURANCE	01-140-4	80.00
		INSURANCE	01-165-4	16.00
		INSURANCE	14-177-4	48.00
		INSURANCE	60-180-4	32.00
		INSURANCE	61-181-4	40.00
		INSURANCE	62-182-4	96.00
		INSURANCE	63-183-4	56.00
		INSURANCE	64-184-4	32.00
		INSURANCE	67-187-4	24.00
		INSURANCE	69-199-4	80.00
		Check Total:		768.00
137606	NEW STAR SALES & SERVICE	COPIER CONTRACT	69-199-5	35.00
		Check Total:		35.00
137607	NORTHLAND CHEMICAL CORP	CLEANER	62-182-4	107.73
		Check Total:		107.73
137608	OAIRE, INC.	TRAINING	01-125-4	375.00

CITY OF WINDOM
FM Entry - Invoice - Payment Processing - Council

Check#	Vendor Name	Description	Dept	Amount
		TRAINING	13-176-4	375.00
		Check Total:		750.00
137609	ODDSON UNDERGROUND INC	SITE WORK	62--1301	1,928.00
		Check Total:		1,928.00
137610	POWER & TEL	MAINTENANCE	69-199-4	124.95
		MAINTENANCE	69-199-4	172.18
		Check Total:		297.13
137611	RED ROCK RURAL WATER	WATER	11-174-4	24.00
		Check Total:		24.00
137612	RESCO	INVENTORY	62--1115	1,478.72
		CREDIT-PARTS / SUPPLIES	62--1115	-227.64
		Check Total:		1,251.08
137613	SANDRA HERDER	CLEANING	01-115-4	324.70
		CLEANING	03-171-4	324.70
		Check Total:		649.40
137614	SIMPLY GRANDE	TUNING	14-177-4	85.00
		Check Total:		85.00
137615	SNICKS SIGNS	SIGN PROJECT EXPENSE	67--2044	31,293.00
		Check Total:		31,293.00
137616	SO. CENTRAL ELECTRIC	POWER COST	18-147-4	50.05
		POWER COST	11-174-4	312.61
		Check Total:		362.66
137617	STREICHER'S	EQUIPMENT	01-120-4	77.21
		Check Total:		77.21
137618	SW MN HOUSING PARTNERSHI	OWNER REHAB/GEN ADMIN	17-163-4	17,853.00
		Check Total:		17,853.00
137619	TIM HACKER	EXPENSE	13-176-4	11.00
		Check Total:		11.00
		Report Total:		105,180.70

ELECTRONIC DISBURSEMENTS

Date	Vendor	Amount	Description
9/6/2012	MII FSA	(293.84)	Flex Spending
9/6/2012	MN Dept of Revenue	(4,195.14)	State Tax Withholding
9/7/2012	Cardmember Services	(682.06)	Credit Card Payment
9/7/2012	Citistreet MN	(5,125.00)	Deferred Compensation
9/7/2012	Payroll	(76,414.57)	Net Pay
9/7/2012	USA Tax Payment	(22,213.71)	Federal Payroll Tax
9/7/2012	PERA	(15,810.36)	PERA Payment
9/10/2012	MN Dept of Revenue	(5,024.00)	Sales Tax
9/10/2012	MN Dept of Revenue	(46,525.00)	Sales Tax
9/13/2012	MII FSA	(192.31)	Flex Spending
9/16/2012	Liquor Credit Card Fees	\$ (1,580.11)	Liquor Credit Card Fees
		\$ (178,056.10)	
9/20/2012	MN PERA	(16,402.13)	PERA Payment
9/20/2012	Citistreet MN	(5,125.00)	Deferred Compensation
9/20/2012	BCBS SWWC	\$ (40,687.00)	BCBS Premium
9/20/2012	MII FSA	\$ (64.15)	
9/21/2012	USA Tax Payment	(21,950.20)	Federal Payroll Tax
9/21/2012	Bus Products	\$ (90.70)	Deposit Tickets
9/24/2012	MN Dept of Revenue	(4,177.62)	State Tax Withholding
9/27/2012	MII FSA	\$ (1,082.29)	
9/30/2012	Liquor Credit Card Fees	\$ (22.06)	Liquor Credit Card Fees
		\$ (89,601.15)	

CITY OF WINDOM
FM Entry - Invoice - Payment Processing - Council

Check#	Vendor Name	Description	Dept	Amount
		Check Total:		43.74
137635	COCA-COLA BOTTLING COMPA	MERCHANDISE	60-180-4	119.98
		Check Total:		119.98
137636	COLONIAL LIFE INSURANCE	BCN E8182644 INSURANCE	70--5050	8.82
		Check Total:		8.82
137637	COTTONWOOD CO TREASURER	DISPATCHING	01-120-4	275.00
		RENT	01-120-4	1,500.00
		DISPATCHING	01-125-4	212.50
		DISPATCHING	01-130-4	12.50
		DISPATCHING	01-140-4	125.00
		DISPATCHING	01-165-4	37.50
		DISPATCHING	13-176-4	200.00
		DISPATCHING	61-181-4	100.00
		DISPATCHING	62-182-4	187.50
		DISPATCHING	63-183-4	100.00
		Check Total:		2,750.00
137638	COTTONWOOD COUNTY AGRICU	BUILDING RENTAL	64-184-4	4,150.00
		Check Total:		4,150.00
137639	COUNTRY PRIDE SERVICE	MAINTENANCE	01-120-4	577.16
		MAINTENANCE	01-140-4	1,173.04
		DISCOUNT ON FUEL	01-140-4	-50.20
		REBATE	62-182-4	4,320.00
		MAINTENANCE	63-183-4	48.74
		Check Total:		6,068.74
137640	DICKS WELDING INC	MAINTENANCE	01-140-4	195.96
		MAINTENANCE	63-183-4	421.26
		Check Total:		617.22
137641	DISNEY MOVIE CLUB	SUBSCRIPTION	03-171-4	28.90
		Check Total:		28.90
137642	ELECTRIC FUND	REF UTIL PP TO UTIL-L.ES 62--2013		198.71
		REF UTIL PP TO UTIL-D.OL 62--2013		300.00
		REF UTIL PP TO UTIL-A.KN 62--2013		300.00
		REF UTIL PP TO UTIL-D.DZ 62--2013		300.00
		REF UTIL PP TO UTIL-A.BR 62--2013		196.20
		Check Total:		1,294.91
137643	FEDERAL EXPRESS CORP	SHIPPING	63-183-4	603.88
		Check Total:		603.88
137644	FIRE RELIEF ASSOC.	STATE OF MN FIRE RELIEF	01-125-4	27,320.38
		STATE OF MN FIRE RELIEF-	01-125-4	5,000.00
		Check Total:		32,320.38

CITY OF WINDOM
FM Entry - Invoice - Payment Processing - Council

Check#	Vendor Name	Description	Dept	Amount
137645	SA FLEET	GAS	01-106-4	68.26
		GAS	01-120-4	597.75
		GAS	01-125-4	370.82
		GAS	01-140-4	173.26
		GAS	13-176-4	1,789.01
		GAS	64-184-4	86.72
		Check Total:		3,085.82
137646	FLEET SERVICES DIVISION	LEASE CARS	01-120-4	1,979.35
		Check Total:		1,979.35
137647	GLOBAL GOV'T/EDUCATION S	SUPPLIES	69-199-6	541.46
		Check Total:		541.46
137648	GREATER MINN ECONOMIC AL	REGISTRATION	67-187-4	15.00
		Check Total:		15.00
137649	H P SUDS CLUB, LLC	BILLING CONTRACT SERVICE	61-181-4	154.17
		BILLING CONTRACT SERVICE	62-182-4	154.17
		BILLING CONTRACT SERVICE	63-183-4	154.15
		BILLING CONTRACT SERVICE	69-199-4	154.17
		BILLING CONTRACT SERVICE	69-199-5	154.17
		BILLING CONTRACT SERVICE	69-199-6	154.17
		Check Total:		925.00
137650	HAGEN DISTRIBUTING	MERCHANDISE	60-180-4	70.15
		MERCHANDISE	60-180-4	67.25
		Check Total:		137.40
137651	HEARST CORP	SUBSCRIPTION	03-171-4	26.97
		Check Total:		26.97
137652	HOUSE BEAUTIFUL	SUBSCRIPTION	03-171-4	26.97
		Check Total:		26.97
137653	HURRICANE ELECTRIC LLC	TRANSIT MONTHLY FEE	69-199-5	1,000.00
		Check Total:		1,000.00
137654	INDOFF, INC	SUPPLIES	01-120-4	36.41
		SUPPLIES	03-171-4	97.34
		SUPPLIES	69-199-6	74.56
		Check Total:		208.31
137655	J & K WINDOWS	WINDOW CLEANING	03-171-4	20.00
		Check Total:		20.00
137656	JAN & KEVIN DONAHUE	REFUND UTILITY PREPAYMEN	62--2013	300.00
		Check Total:		300.00
137657	JEROME TUTJE	REIMBURSEMENT OF TOW BIL	01-120-4	122.91

CITY OF WINDOM
FM Entry - Invoice - Payment Processing - Council

Check#	Vendor Name	Description	Dept	Amount
		Check Total:		122.91
137658	JERRY'S REPAIR	MAINTENANCE	01-140-4	19.13
		Check Total:		19.13
137659	JOE'S LAWN CARE	LAWN CARE	01-115-4	42.76
		Check Total:		42.76
137660	JOHNSON BROS.	MERCHANDISE	60-180-4	1,183.20
		MERCHANDISE	60-180-4	3,702.71
		Check Total:		4,885.91
137661	JOHNSON HARDWARE	MAINTENANCE	62-182-4	5.64
		Check Total:		5.64
137662	KDOM RADIO	ADVERTISING	13-176-4	274.00
		ADVERTISING	14-177-4	150.80
		ADVERTISING	64-184-4	78.00
		ADVERTISING	69-199-6	96.00
		Check Total:		598.80
137663	LAMPERTS YARDS, INC.	MAINTENANCE	62--1302	245.33
		MAINTENANCE	01-140-4	4.80
		MAINTENANCE	01-165-4	343.29
		MAINTENANCE	62-182-4	2.91
		Check Total:		596.33
137664	LARRY ESTRADA	REF BAL OF UTIL PREPAYME	62--2013	101.29
		Check Total:		101.29
137665	LEAGUE OF MN CITIES INS	CLAIM DEDUCTIBLE	61-181-4	500.00
		CLAIM DEDUCTIBLE	63-183-4	500.00
		Check Total:		1,000.00
137666	LOCATORS & SUPPLIES, INC	SAFETY SWEATSHIRT	01-165-4	115.86
		SWEATSHIRTS	01-165-4	116.00
		Check Total:		231.86
137667	MANKATO NETWORKS LLC	SERVICE	69-199-5	1,325.00
		Check Total:		1,325.00
137668	MICROMARKETING	BOOKS & AUDIO	03-171-4	597.12
		Check Total:		597.12
137669	MN DEPT OF TRANSPORTATIO	PUBLIC USE LANDING	11-174-4	40.00
		Check Total:		40.00
137670	MN RURAL WATER ASSOC	REGISTRATION	63-183-4	225.00
		Check Total:		225.00

CITY OF WINDOM
FM Entry - Invoice - Payment Processing - Council

Check#	Vendor Name	Description	Dept	Amount
137671	MN VALLEY TESTING	TESTING	61-181-4	56.25
		TESTING	63-183-4	864.60
		Check Total:		920.85
137672	MONEY	SUBSCRIPTION	03-171-4	15.00
		Check Total:		15.00
137673	MUNICIPAL EMERGENCY SERV	MAINTENANCE	01-125-4	1,011.75
		Check Total:		1,011.75
137674	NATIONAL CABLE TV COOP	MAINTENANCE	69-199-4	1,318.30
		Check Total:		1,318.30
137675	NEAL GRUNEWALD	COMPOST SITE MANAGER	01-145-4	132.00
		Check Total:		132.00
137676	NEGEN CONSTRUCTION LLC	MAINTENANCE	69-199-4	1,903.10
		Check Total:		1,903.10
137677	ODDSON UNDERGROUND INC	MAINTENANCE	69-199-4	300.00
		Check Total:		300.00
137678	PHILLIPS WINE & SPIRITS	MERCHANDISE	60-180-4	538.93
		Check Total:		538.93
137679	PRAXAIR DISTRIBUTION INC	SERVICE	13-176-4	377.78
		Check Total:		377.78
137680	R & R SPECIALTIES	ICE PAINT	64-184-4	700.41
		Check Total:		700.41
137681	READERS SERVICE	SUBSCRIPTION	03-171-4	41.22
		Check Total:		41.22
137682	ROMANTIC HOMES	SUBSCRIPTION	03-171-4	24.95
		Check Total:		24.95
137683	RUNNING'S SUPPLY	MAINTENANCE	01-120-4	17.09
		MAINTENANCE	01-125-4	8.83
		MAINTENANCE	01-140-4	47.61
		MAINTENANCE	01-140-4	49.89
		MAINTENANCE	01-140-4	8.83
		MAINTENANCE	01-140-4	30.88
		MAINTENANCE	01-140-4	127.15
		MAINTENANCE	01-140-4	7.99
		MAINTENANCE	12-175-4	10.42
		MAINTENANCE	61-181-4	2.66
		MAINTENANCE	61-181-4	6.72
		MAINTENANCE	62-182-4	16.18
		MAINTENANCE	62-182-4	74.02

CITY OF WINDOM
 FM Entry - Invoice - Payment Processing - Council

Check#	Vendor Name	Description	Dept	Amount
		MAINTENANCE	63-183-4	7.47
		MAINTENANCE	63-183-4	31.81
		MAINTENANCE	64-184-4	19.22
		MAINTENANCE	64-184-4	36.69
		MAINTENANCE	64-184-4	54.98
		MAINTENANCE	64-184-4	22.38
		MAINTENANCE	69-199-4	13.88
		Check Total:		594.70
137684	RUSHMORE INDUSTRIES, INC	FREIGHT	69-199-6	10.45
		Check Total:		10.45
137685	S&K TRUCK LINE, INC.	FREIGHT	60-180-4	160.05
		Check Total:		160.05
137686	SCHRAMMEL LAW OFFICE	LEGAL FEES - SEPT	01-101-4	1,128.00
		LEGAL FEES - SEPT	01-120-4	4,128.00
		LEGAL FEES - SEPT	01-120-4	70.00
		LEGAL FEES - SEPT	11-174-4	180.00
		LEGAL FEES - SEPT	62-182-4	204.00
		LEGAL FEES - SEPT	67-187-4	384.00
		Check Total:		6,094.00
137687	SCHWALBACH HARDWARE	MAINTENANCE	62--1302	12.90
		MAINTENANCE	01-115-4	37.98
		MAINTENANCE	01-120-4	51.27
		MAINTENANCE	01-120-4	58.77
		MAINTENANCE	01-140-4	24.57
		MAINTENANCE	01-140-4	62.33
		MAINTENANCE	01-165-4	4.80
		MAINTENANCE	01-165-4	48.52
		MAINTENANCE	01-165-4	108.07
		MAINTENANCE	01-165-4	61.08
		MAINTENANCE	01-165-4	53.90
		MAINTENANCE	03-171-4	37.10
		MAINTENANCE	12-175-4	59.76
		MAINTENANCE	13-176-4	40.68
		MAINTENANCE	14-177-4	4.26
		MAINTENANCE	14-177-4	14.95
		MAINTENANCE	61-181-4	25.62
		MAINTENANCE	61-181-4	79.02
		MAINTENANCE	61-181-4	8.53
		MAINTENANCE	62-182-4	13.88
		MAINTENANCE	62-182-4	5.65
		MAINTENANCE	62-182-4	26.72
		MAINTENANCE	62-182-4	4.26
		MAINTENANCE	63-183-4	4.58
		MAINTENANCE	64-184-4	26.07
		MAINTENANCE	64-184-4	67.41
		MAINTENANCE	64-184-4	7.26

CITY OF WINDOM
 FM Entry - Invoice - Payment Processing - Council

Check#	Vendor Name	Description	Dept	Amount
		MAINTENANCE	69-199-4	159.64
		Check Total:		1,109.58
137688	SELECTACCOUNT	PARTICIPANT FEES	01-103-4	123.49
		Check Total:		123.49
137689	SOUTHERN MINN CONSTRUCTI	MAINTENANCE	01-140-4	420.47
		Check Total:		420.47
137690	SOUTHERN WINE & SPIRITS	MERCHANDISE	60-180-4	997.64
		MERCHANDISE	60-180-4	604.50
		Check Total:		1,602.14
137691	SOUTHWEST INITIATIVE FOU	REGISTRATION	67-187-4	25.00
		Check Total:		25.00
137692	SPORT SYSTEMS UNLIMITED	MAINTENANCE	64-184-4	988.81
		Check Total:		988.81
137693	STREICHER'S	PARTS	01-125-4	58.98
		Check Total:		58.98
137694	THE WEEK	SUBSCRIPTION	03-171-4	59.97
		Check Total:		59.97
137695	TOWN 'N COUNTRY	MAINTENANCE	14-177-4	678.93
		Check Total:		678.93
137696	UNIVERSAL PUBLICATIONS	ADVERTISING	60-180-4	175.00
		Check Total:		175.00
137697	VERIZON WIRELESS	TELEPHONE	01-106-4	6.37
		TELEPHONE	01-120-4	157.69
		TELEPHONE	01-125-4	-26.77
		TELEPHONE	01-140-4	47.01
		TELEPHONE	13-176-4	136.76
		TELEPHONE	14-177-4	27.32
		TELEPHONE	61-181-4	53.23
		TELEPHONE	62-182-4	32.60
		TELEPHONE	63-183-4	54.09
		TELEPHONE	64-184-4	39.67
		TELEPHONE	67-187-4	52.63
		TELEPHONE	69-199-4	66.07
		TELEPHONE	69-199-6	66.07
		TELEPHONE	69-199-5	66.07
		Check Total:		778.81
137698	VOYAGER FLEET SYSTEMS IN	GAS	01-103-4	38.16
		GAS	01-120-4	819.00
		GAS	01-125-4	36.22

CITY OF WINDOM
 FM Entry - Invoice - Payment Processing - Council

Check#	Vendor Name	Description	Dept	Amount
		GAS	01-140-4	223.50
		GAS	61-181-4	359.03
		GAS	61-181-4	18.37
		GAS	62-182-4	177.22
		GAS	63-183-4	58.50
		GAS	69-199-4	129.78
		GAS	69-199-5	129.78
		GAS	69-199-6	129.78
		Check Total:		2,119.34
137699	WESTMORE INDUSTRIES, LLC	MAINTENANCE	11-174-4	3,207.89
		Check Total:		3,207.89
137700	WINDOM AREA DEVELOPMENT	INDUSTRIAL DEVELOPMENT	62-182-4	1,200.00
		Check Total:		1,200.00
137701	WINDOM AREA HOSPITAL	SERVICE	13-176-4	1,248.38
		Check Total:		1,248.38
137702	WINDOM FARM SERVICE	MAINTENANCE	63-183-4	243.57
		Check Total:		243.57
137703	WINDOM THEATER	ADVERTISING	69-199-6	40.00
		Check Total:		40.00
137704	WOODSTOCK TELEPHONE CO	SERVICE	69-199-6	205.10
		Check Total:		205.10
137705	ZIESKE LAND SURVEYING	NEW CONSTRUCTION	62--1301	825.00
		Check Total:		825.00
		Report Total:		152,448.70

CITY OF WINDOM
FM Entry - Invoice - Payment Processing - Council

Check#	Vendor Name	Description	Dept	Amount
		GAS	69-199-5	129.78
		GAS	69-199-6	129.78
		Check Total:		2,119.34
137699	WESTMORE INDUSTRIES, LLC	MAINTENANCE	11-174-4	3,207.89
		Check Total:		3,207.89
137700	WINDOM AREA DEVELOPMENT	INDUSTRIAL DEVELOPMENT	62-182-4	1,200.00
		Check Total:		1,200.00
137701	WINDOM AREA HOSPITAL	SERVICE	13-176-4	1,248.38
		Check Total:		1,248.38
137702	WINDOM FARM SERVICE	MAINTENANCE	63-183-4	243.57
		Check Total:		243.57
137703	WINDOM THEATER	ADVERTISING	69-199-6	40.00
		Check Total:		40.00
137704	WOODSTOCK TELEPHONE CO	SERVICE	69-199-6	205.10
		Check Total:		205.10
137705	ZIESKE LAND SURVEYING	NEW CONSTRUCTION	62--1301	825.00
		Check Total:		825.00
		Report Total:		109,389.60