

**CITY OF HERMANTOWN
AGENDA**

**Pre-Agenda Meeting Monday, December 1, 2025 at 4:30 p.m.
Council Chambers, City Hall - Hermantown Governmental Services Building**

**City Council Meeting Monday, December 1, 2025 at 6:30 pm
Council Chambers, City Hall - Hermantown Governmental Services Building**

1. CALL TO ORDER

2. PLEDGE OF ALLEGIANCE

3. ROLL CALL

4. ANNOUNCEMENTS

Council Members may make announcements as needed.

5. PUBLIC HEARING

Only when necessary. The rule adopted three minutes per person if necessary. Any action required after the public hearing will be taken immediately following the closing of the public hearing.

A. *Truth In Taxation Hearing*

A. 2025-176 Resolution Adopting The Final 2025 Property Tax Levy Collectible In 2026 In The Amount Of \$10,112,191

(motion, roll call)

B. 2025-177 Resolution Adopting The Final 2026 City General Fund Budget In The Amount Of \$9,864,686 And The Overall Budget Of \$28,022,830

(motion, roll call)

6. COMMUNICATIONS

A. Correspondence 25-700 through 25-737 placed on file

7. PRESENTATIONS

8. PUBLIC DISCUSSION

This is the time for individuals to address the Council about any item not on the agenda. The time limit is three minutes per person.

9. MOTIONS

10. CONSENT AGENDA

All items on the Consent Agenda are items which are considered routine by the City Council and will be approved by one motion via voice vote. There will be no discussion of these items unless a Council Member or citizen requests, in which event the item will be removed from the Consent Agenda and considered at the end of the Consent Agenda.

- A. **2025-178 Resolution Approving Pay Request Number 2 For Keene Creek Trail Segment 4 Construction To Veit & Company In The Amount Of \$345,937.75**
- B. **Minutes** - Approval or correction of November 17, 2025 City Council Continuation Minutes, and November 25, 2025 City Council Work Session Minutes
- C. **Accounts Payable** - Approve general city warrants from November 16, 2025 through November 30, 2025 in the amount of \$1,518,272.92

11. ORDINANCES

- A. **2025-20 An Ordinance Renewing A Franchise Granted To Mediacom Minnesota, LLC To Construct, Operate And Maintain A Cable Television System In The City Of Hermantown; Setting Forth Conditions Relating To The Continuation Of The Franchise; Providing For The Regulation And Use Of The Cable Television System; And Prescribing Penalties For The Violation Of Its Provisions**

(second reading)
(motion, roll call)

- B. **2025-21 An Ordinance Granting To Minnesota Power A Nonexclusive Franchise To Construct, Operate, Repair And Maintain In The City Of Hermantown, Minnesota, An Electric Distribution System And Transmission Lines, Including Necessary Poles, Lines, Fixtures And Appurtenances, For The Furnishing Of Electric Energy To The City, Its Inhabitants, And Others, And To Use The Public Ways And Public Grounds Of The City For Such Purposes; And Prescribing Certain Terms And Conditions Thereof**

(second reading)
(motion, roll call)

- C. **2025-22 An Ordinance Imposing A Franchise Fee On Minnesota Power**

(second reading)
(motion, roll call)

- D. **2025-23 An Ordinance Of The City Of Hermantown, Minnesota, Amending Chapter 18 Of The Hermantown Zoning Code By Adding A New Section 1830, Accessory Dwelling Units**

(first reading)

12. RESOLUTIONS

Roll call will be taken only on items required by law and items requiring 4/5's votes, all others can be done by voice vote.

- A. **2025-179 Resolution Authorizing The Publication Of A Summary Of An Ordinance Renewing A Franchise Granted To Mediacom Minnesota LLC**
(motion, roll call)
- B. **2025-180 Resolution Authorizing The Publication Of A Summary Of An Ordinance Granting To Minnesota Power**
(motion, roll call)
- C. **2025-181 Resolution Adopting Assessment Roll For Delinquent Utility Charges For 2025**
(motion, roll call)
- D. **2025-182 Resolution Approving Application Of Assessment Roll Number 541A-55 For Deferral Of Assessment Against The Property For The Construction Of Road Improvement District No. 541 & 542 (“Hardship Deferral”)**
(motion, roll call)
- E. **2025-183 Resolution Authorizing The City Of Hermantown To Participate In The St. Louis County Maintenance Programs**
(motion, roll call)
- F. **2025-184 Resolution Authorizing A Contract For Managed It Services With Computer Integration Technologies, Inc. (“CIT”)**
(motion, roll call)
- G. **2025-185 Resolution Approving Preliminary And Final Planned Unit Development With JLG Enterprises Of Hermantown LLP For The Peyton Acres Planned Unit Development**
(motion, roll call)
- H. **2025-186 Resolution Approving Preliminary And Final Plat Of Peyton Acres Phase 4 And Imposing Conditions On The Final Plat**
(motion, roll call)
- I. **2025-187 Resolution Approving A Special Use Permit For Grading And Filling Within A Natural Shoreland Overlay Area**
(motion, roll call)

J. **2025-188 Resolution Naming Softball Field At Rose Road “Tom Bang Field”**

(motion, roll call)

13. **CLOSED SESSION**

14. **RECESS**



CITY COUNCIL MEETING DATE: December 1, 2025

TO: Mayor & City Council

FROM: Kevin Orme, Director of Finance & Administration

SUBJECT: Approve City Levy and Budget

☒ **RESOLUTION:** 2025-176 and 2025-177 ☐ **ORDINANCE:** ☐ **OTHER:**

REQUESTED ACTION

Approve City Levy and 2026 Budget

BACKGROUND

The levy collectible in 2025 and 2026 budget have previously been presented to you both in pieces over the past few months and in total. These amounts were reduced after the Council work session on November 25. These resolutions would approve both the Levy which will go to St Louis County and the 2026 budget. The total City Levy is \$10,112,191. The total 2026 City expenditure Budget is \$9,864,686 in the General Fund and \$28,022,830 in all funds.

SOURCE OF FUNDS (if applicable)

N/A

ATTACHMENTS

Resolutions

Resolution No. 2025-176

**Resolution Adopting The Final 2025 Property Tax Levy Collectible In 2026 In The Amount
Of \$10,112,191**

BE IT RESOLVED by the City Council of the City of Hermantown, County of St. Louis, Minnesota, that the following sums of money be levied for the current year, collectible in 2025 upon the taxable property in the City of Hermantown, for the following purposes:

General Fund	\$8,978,352
General Obligation	\$ 697,674
Miscellaneous – HEDA	\$ 173,644
HRA	\$ 25,000
Abatement	\$ 237,521
 Total Levy	 \$10,112,191

NOW, THEREFORE BE IT RESOLVED by the City Council of the City of Hermantown, Minnesota, as follows:

1. The City Clerk is hereby instructed to transmit a certified copy of this resolution to the county auditor of St. Louis County, Minnesota.

Councilor _____ introduced the foregoing resolution and moved its adoption.

The motion for the adoption of such resolution was seconded by Councilor _____ and, upon a vote being taken thereon, the following voted in favor thereof:

Councilors _____

and the following voted in opposition thereto:

Councilors _____

WHEREUPON, such resolution was declared duly passed and adopted December 1, 2025.

Resolution No. 2025-177

**Resolution Adopting The Final 2026 City General Fund Budget In The Amount Of
\$9,864,686 And The Overall Budget Of \$28,022,830**

WHEREAS, the City of Hermantown must adopt a budget for 2026 before December 31, 2025, and

WHEREAS, the City Council has reviewed the portions of the budget in several different meetings over the past six months,

NOW THEREFORE BE IT RESOLVED, that the City Council of the City of Hermantown adopt the 2026 General Fund expenditure budget in the amount of \$9,864,686,

AND BET IT FURTHER RESOLVED, That the City Council of the City of Hermantown adopt the overall 2026 City budget in the amount of \$28,022,830

Councilor _____ introduced the foregoing resolution and moved its adoption.

The motion for the adoption of such resolution was seconded by Councilor _____ and, upon a vote being taken thereon, the following voted in favor thereof:

Councilors _____

and the following voted in opposition thereto:

Councilors _____

WHEREUPON, such resolution was declared duly passed and adopted December 1, 2025.

2025 CORRESPONDENCE

<u>DATE</u>	<u>LOG #</u>	<u>FROM</u>	<u>TO</u>	<u>REGARDING</u>	<u>FILED</u>
11/14/2025	25-700	Catherine Kohlmeier, coconutjoy1929@gmail.com	John Geissler, Councilor, Wayne Boucher, Mayor & City Council	Data Center	11/13/2025
11/14/2025	25-701	Bob Kohlmeier, bkkohlmeier@yahoo.com	Wayne Boucher, Mayor	Leadership in Hermantown	11/13/2025
11/18/2025	25-702	James Aird, Chair Midway Town Board	Wayne Boucher, Mayor & City Council	Proposed Data Center	11/13/2025
11/18/2025	25-703	Alyssa Olsen, olsenalysam@gmail.com	Eric Johnson, Comm. Dev. Dir.	No Hermantown Data Center	11/16/2025
11/18/2025	25-704	Gail Garrick, hurricaneqail@yahoo.com	Eric Johnson, Comm. Dev. Dir.	Safeguards for Data Center	11/17/2025
11/18/2025	25-705	Kelsey Mack, 3608 Midway Rd.	Eric Johnson, Comm. Dev. Dir & Councilor Joe Peterson	Planning & Zoning Commission: Reverse Ordinance 2025-17	11/18/2025
11/19/2025	25-706	Cindy Wooten, Midcontinent Communications	John Mulder, City Administrator	City of Hermantown, Right of Way Performance & Completion Bond - Continuance	11/17/2025
11/19/2025	25-707	Ruth Bird, ChickadEagle Investments, LLC	Eric Johnson, Comm. Dev. Dir.	Robin Mansell - Cannabis Cultivation	11/17/2025
11/19/2025	25-708	Tracy Sonneson, 5629 W Arrowhead Rd.	Alissa McClure, City Clerk	Comprehensive Plan and Rezoning	11/17/2025
11/19/2025	25-709	Emily Helgeson, ehelgeson@live.com	Alissa McClure, City Clerk	Reverse Ordinance 2025- 17	11/17/2025
11/19/2025	25-710	Eric Johnson, Comm. Dev. Dir.	Planning & Zoning Commission	JLG Enterprises, Preliminary & Final Plat, Phase 4	11/18/2025
11/19/2025	25-711	Eric Johnson, Comm. Dev. Dir.	Planning & Zoning Commission	JLG Enterprises, Final Plat, Phase 4	11/18/2025
11/19/2025	25-712	Eric Johnson, Comm. Dev. Dir.	Planning & Zoning Commission	Robin Mansell, SUP for Cannabis Cultivation	11/18/2025
11/19/2025	25-713	Eric Johnson, Comm. Dev. Dir.	Planning & Zoning Commission	Windsor Engineers, SUP 47xx Maple Grove Rd.	11/18/2025
11/19/2025	25-714	Eric Johnson, Comm. Dev. Dir.	Planning & Zoning Commission	ZT, Accessory Dwelling Units	11/18/2025
11/20/2025	25-715	Anja Leitz-Najarian, aleitznajarian@gmail.com	Wayne Boucher, Mayor, City Council & Joe Wicklund, Asst. City Admin.	No to Data Center Rezoning	10/20/2025
11/20/2025	25-716	Kim Parmeter, kim@hermantownchamber.com	Wayne Boucher, Mayor and City Council	Rezoning	10/20/2025
11/20/2025	25-717	Hannah Plourd, hannahdeplour@gmail.com	Wayne Boucher, Mayor	Request for Greater Environmental Oversight of the Proposed Hermantown Data Center	10/20/2025
11/20/2025	25-718	Meagan Elling, hello@meaganelling.com	Wayne Boucher, Mayor	Data Center Effectively Approved, Per...	10/20/2025

2025 CORRESPONDENCE

<u>DATE</u>	<u>LOG #</u>	<u>FROM</u>	<u>TO</u>	<u>REGARDING</u>	<u>FILED</u>
11/20/2025	25-719	Sally Tesdahl, sally.tesdahl.@me.com	Wayne Boucher, Mayor, City Council & Alissa McClure, City Clerk	Hermantown Road Assessment Decision	10/31/2025
11/20/2025	25-720	Gail Garrick, hurricaneqail@yahoo.com	Wayne Boucher, Mayor	Project Loon	10/31/2025
11/20/2025	25-721	James & Debra Thorstensen, 5784 Hermantown Rd.	Wayne Boucher, Mayor, City Council, Eric Johnson, Comm. Dev. Dir., Joe Wicklund, Asst. City Admin., Trich Crego, Utl. & Infra, Chad Ronchetti, Econ. Dev. Dir., John Mulder, City Administrator & Alissa McClure, City Clerk	Betrayed by City Officials	11/3/2025
11/20/2025	25-722	Taylor Beckman, studio@camp4collective.com	Wayne Boucher, Mayor	Vote No to the Hermantown Data Center	11/3/2025
11/20/2025	25-723	Bob Kohlmeier, bkkohlmeier@yahoo.com	Wayne Boucher, Mayor	Public Discussion	11/4/2025
11/20/2025	25-724	Mike Moen, mnc@publicnewsservice.org	Wayne Boucher, Mayor	Request for Comment	11/12/2025
11/20/2025	25-725	Debra Thorstensen, 5784 Hermantown Rd.	Wayne Boucher, Mayor, City Council, Joe Wicklund, Asst. City Admin., Eric Johnson, Comm. Dev. Dir. & John Mulder City Administrator	Who is in Control?	11/19/2025
11/21/2025	25-726	Taylor Anderson, anderson.taylor7063281@gmail.com	Eric Johnson, Comm. Dev. Dir.	Data Center	10/30/2025
11/21/2025	25-727	Robert & Catherine Kohlmeier, 5757 St. Louis River Rd.	Eric Johnson, Comm. Dev. Dir.	Hermantown Data Center	11/20/2025
11/24/2025	25-728	Bob Kohlmeier bkkohlmeier@yahoo.com	Grant Hausechild, Senator 03, DFL John Mulder, City Administrator	My Public Response to Mortenson's Dan Lessor's Nov 10 letter to Hermantown City Officials	11/22/2025
11/24/2025	25-729	Diane Cary, dianecary624@gmail.com	John Mulder, City Administrator	Data Center	11/22/2025
11/24/2025	25-730	Joe Wicklund, Asst. City Admin.	Gail Garrick, hurricaneqail@yahoo.com	Re: Safegaurds for data center	11/20/2025
11/24/2025	25-731	Emma Richtman, emmarichtman@gmail.com	Joe Wicklund, Asst. City Admin. Chad Ronchetti, Economic Development Director	Hyper Data Center ripple effects and a few other q's	11/20/2025
11/24/2025	25-732	Mickale Endres & Joseph Butler, Braun Intertech Corporation Senior Engineers	John Mulder, City Administrator James Watters, PE MSA Professional Services	Ugstad Road and Arrowhead Road Improvements - SP 202-101-014- Non Certified Testers	11/21/2025
11/24/2025	25-733	Maija Morton featherink@gmail.com	Joe Wicklund, Asst. City Admin.	Data Center Effects on small communities: noise and vibration	10/19/2025

2025 CORRESPONDENCE

<u>DATE</u>	<u>LOG #</u>	<u>FROM</u>	<u>TO</u>	<u>REGARDING</u>	<u>FILED</u>
11/24/2025	25-734	Bob Foucault, bcfoucault@starryskiesnorth.org	Wayne Boucher, Mayor	Light Pollution Concerns and Recommendations	11/21/2025
11/25/2025	25-735	Mandy McDonald, mandyrose525@gmail.com	Eric Johnson, Comm. Dev Dir., Joe Peterson, City Councilor, & Alissa McClure, City Clerk	Concerns about the proposed AI Data Center	11/21/2025
11/25/2025	25-736	Lisa Fuller, lisafullerdu@gmail.com	Wayne Boucher, Mayor	Data Center	11/21/2025
11/25/2025	25-737	Bob Kohlmeier, bkkohlmeier@yahoo.com	Chad Ronchetti, Econ. Dev. Dir., Eric Johnson, Comm. Dev Dir, Wayne Boucher, Mayor	NDA's and Civil Discourse	11/23/2025

November 24th, 2025

John Mulder
City Administrator
City of Hermantown
5105 Maple Grove Road
Hermantown MN 55811

Re: Keene Creek Trail

Dear John:

Attached is Pay Application #2 for the work associated with the Keene Creek Trail – Segment 4 Construction from October 25, 2025 through November 24, 2025. NCE and Veit & Company, Inc. have reviewed the project progress thus far and agreed upon quantities of work completed. The amount of Pay Application #2 is **\$345,937.75**. The City will hold a 5% retainage of the completed construction through the duration of the project. This retainage amount for pay application #2 is **\$19,926.05**.

NCE has reviewed the quantities through construction inspection and discussions with Veit & Company, Inc. representatives. I recommend payment in the amount of **\$345,937.75** be authorized at the December 1st, 2025 City Council Meeting.

Thank you,



David Bolf, P.E. – City Engineer
Northland Consulting Engineers
218-727-5995
david@nce-duluth.com

CC: Will Goldsworthy, Veit & Company, Inc
Trygve Lodin, Northland Consulting Engineers
Trish Crego, City of Hermantown
Aliss McClure, City of Hermantown
Traci Thoreson, Veit & Company, Inc

Resolution No. 2025-178

**Resolution Approving Pay Request Number 2 For Keene Creek Trail Segment 4
Construction To Veit & Company In The Amount Of \$345,937.75**

WHEREAS, the City of Hermantown has contracted with Veit & Co. (“Contractor”) for Keene Creek Trail Segment 4 (“Project”); and

WHEREAS, Veit & Co. has performed a portion of the agreed upon work in said Project; and

WHEREAS, Veit & Co. has recommended such has submitted Pay Request No. 2 in the amount of \$345,937.75; and

WHEREAS, the necessary documentation for the pay request is on file and available for inspection; and

WHEREAS, the City will maintain an accumulated retainage as shown on the pay requests until the final work and documentation is completed; and

WHEREAS, Northland Consulting Engineers, LLP has approved such Pay Request No. 2 provided that \$19,926.05 as retainage of 5% be withheld pending final acceptance of the Project by the City of Hermantown.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Hermantown, Minnesota as follows:

1. Pay Request No. 1 is hereby approved.
2. The City is hereby authorized and directed to accept the contract increase in the sum of \$345,937.75 which is the amount represented on Change Order No. 2.

Councilor _____ introduced the foregoing resolution and moved its adoption.

The motion for the adoption of such resolution was seconded by Councilor _____ and, upon a vote being taken thereon, the following voted in favor thereof:

Councilors _____

and the following voted in opposition thereto:

Councilors _____

WHEREUPON, such resolution was declared duly passed and adopted December 1, 2025.



Contractor's Application for Payment				No. 2
Application Period:		October 25, 2025 through November 21, 2025	Application Date:	11/24/2025
To City of Hermantown (Owner):	Project Keene Creek Trail	From (Contractor): Veit & Copmany Inc.	Via (Engineer): Northland Consulting Engineers, LLP	
Owner's Contract Number:	Contractor's Project Number:	Engineer Project Number: 23-8004		

Application For Payment Change Order Summary		
Approved Change Orders		
Number	Additions	Deductions
1	\$ 19,328.00	
2		
3		
4		
TOTAL	\$19,328.00	
NET CHANGE BY CHANGE ORDER:		\$19,328.00

Application For Payment Previous Pay Application Summary		
Approved Pay Applications		
Number	Date	Amount
1	10/24/2025	46242.20
2		
3		
4		
8. TOTALS		\$46,242.20

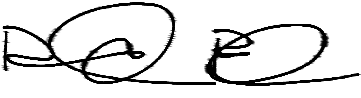
1. ORIGINAL CONTRACT PRICE.....	\$ 2,937,855.30
2. Net change by Change Orders.....	\$ 19,328.00
3. Current Contract Price (Line 1 ± 2).....	\$ 2,957,183.30
4. TOTAL COMPLETED AND STORED TO DATE	
a. See attached Pay Application Summary.....	\$ 398,521.00
b. Materials on Hand (See Attached Invoice).....	\$ 13,585.00
c. (4a+4b).....	\$ 412,106.00
5. RETAINAGE:	
a. 5% X \$398,521.00 Work Completed.....	\$ 19,926.05
b. 5% X Stored Material.....	\$
c. Total Retainage (Line 5.a + Line 5.b).....	\$ 19,926.05
6. AMOUNT ELIGIBLE TO DATE (Line 4 - Line 5.c).....	\$ 392,179.95
7. LESS PREVIOUS PAYMENTS (Line 8).....	\$ 46,242.20
9. AMOUNT DUE THIS APPLICATION.....	\$ 345,937.75
10. BALANCE TO FINISH, PLUS RETAINAGE (Line 3 - 4 + Line 5.c above).....	\$ 2,578,588.35

Payment of: \$ 345,937.75
(Line 9 or other - attach explanation of the other amount)

Contractor's Certification	
The undersigned Contractor certifies, to the best of its knowledge, the following: (1) All previous progress payments received from Owner on account of Work done under the Contract have been applied on account to discharge Contractor's legitimate obligations incurred in connection with the Work covered by prior Applications for Payment; (2) Title to all Work, materials and equipment incorporated in said Work, or otherwise listed in or covered by this Application for Payment, will pass to Owner at time of payment free and clear of all Liens, security interests, and encumbrances (except such as are covered by a bond acceptable to Owner indemnifying Owner against any such Liens, security	
Contractor Signature - Veit and Company Inc.	
By:	Date:

Will Goldsworthy
Digitally signed by Will Goldsworthy
DN: C=US,
E=will.goldsworthy@veitusa.com,
O="Veit & Company, Inc.", CN=Will Goldsworthy
Date: 2025.11.24 10:20:14-06'00'

Recommended by:



David Bolf, P.E. - City Engineer (Date) 11/24/2025

Approved by:

John Mulder, City Administrator (Date)

 Northland Consulting Engineers L.L.P. Structural, Civil and Forensic Engineering			Pay Application #2 - November 24th, 2025						
			Keene Creek Trails						
LINE ITEM NO.	ITEM NO.	ITEM DESCRIPTION	UNIT OF MEASURE	SEGMENT 4 - SOUTH	SEGMENT 4 - NORTH	CONTRACT TOTAL QUANTITY	VEIT UNIT PRICE	TOTAL PROJECT	
								COMPLETED QUANTITIES	COMPLETED COSTS
BASE BID									
1	2021.501	MOBILIZATION	LS	0.5	0.5	1	\$198,000.00	0.50	\$99,000.00
2	2100.601	FURNISH AND INSTALL PAVILION	LS	1	0	1	\$53,000.00	0	\$0.00
3	2101.502	CLEARING	ACRE	1.41	1.45	2.86	\$6,800.00	2.86	\$19,448.00
4	2101.502	GRUBBING	ACRE	3.14	3.24	6.38	\$7,900.00	6.38	\$50,402.00
5	2104.503	SAWING BITMINOUS PAVEMENT (FULL DEPTH)	LF	73	48	121	\$3.20	0	\$0.00
6	2104.504	REMOVE BITUMINOUS PAVEMENT	SY	13.0	12.0	25.0	\$7.00	0	\$0.00
7	2104.602	SALVAGE BOULDER	EACH	10	0	10	\$93.00	8	\$744.00
8	2106.507	SELECT GRANULAR BORROW MOD 7% (CV)	CY	3,294	1,990	5,284	\$34.00	986	\$33,524.00
9	2106.507	GRANULAR EMBANKMENT (CV)	CY	2,316	1,163	3,479	\$32.00	340	\$10,880.00
10	2106.507	EXCAVATION - MUCK	CY	1,278	691	1,969	\$21.00	340	\$7,140.00
11	2106.507	EXCAVATION - ROCK	CY	0	500	500	\$91.00	0	\$0.00
12	2106.507	EXCAVATION - COMMON	CY	5,677	3,636	9,313	\$10.50	3044	\$31,962.00
13	2106.507	COMMON EMBANKMENT (CV)	CY	2,186	1,759	3,945	\$9.00	1323	\$11,907.00
14	2108.504	GEOTEXTILE FABRIC TYPE 5	SY	13,155	8,165	21,320	\$1.90	4056	\$7,706.40
15	2211.507	AGGREGATE BASE (CV) CLASS 5	CY	3,330	2,106	5,436	\$43.00	1000	\$43,000.00
16	2221.507	SHOULDER BASE AGGREGATE (CV) CLASS 5	CY	207	150	357	\$88.00	0	\$0.00
17	2301.504	CONCRETE PAVEMENT 6"	SY	113	11	124	\$168.00	0	\$0.00
18	2360.509	TYPE SP 9.5 WEARING COURSE MIXTURE (3,B)	TON	950	655	1,605	\$108.00	0	\$0.00
19	2360.509	TYPE SP 9.5 NON WEARING COURSE MIXTURE (3,B)	TON	60	0	60	\$178.00	0	\$0.00
20	-	BRIDGE	LS	1	0	1	\$198,000.00	0	\$0.00
21	2411.604	MODULAR BLOCK RETAINING WALL	SF	5,650	3,150	8,800	\$68.00	0	\$0.00
22	2412.502	6X4 PRECAST CONCRETE BOX CULVERT END SECTION	EACH	0	2	2	\$6,700.00	0	\$0.00
23	2412.502	9X6 PRECAST CONCRETE BOX CULVERT END SECTION	EACH	2	0	2	\$11,600.00	0	\$0.00
24	2412.503	6X4 PRECAST CONCRETE BOX CULVERT	LF	0	40	40	\$940.00	0	\$0.00
25	2412.503	9X6 PRECAST CONCRETE BOX CULVERT	LF	56	0	56	\$1,200.00	0	\$0.00
26	2501.502	15" CP PIPE CULVERT	LF	186	165	351	\$58.00	90	\$5,220.00
27	2501.503	15" GS PIPE APRON	EACH	8	12	20	\$778.00	6	\$4,668.00
28	2501.502	18" CP PIPE CULVERT	LF	68	38	106	\$64.00	68	\$4,352.00
29	2501.503	18" GS PIPE APRON	EACH	2	2	4	\$566.00	2	\$1,132.00
30	2501.502	24" CP PIPE CULVERT	LF	138	0	138	\$71.00	0	\$0.00
31	2501.503	24" GS PIPE APRON	EACH	10	0	10	\$677.00	0	\$0.00
32	2501.502	36" CP PIPE CULVERT	LF	103	0	103	\$145.00	0	\$0.00
33	2501.503	36" GS PIPE APRON	EACH	4	0	4	\$1,500.00	0	\$0.00
34	2502.503	4" PERF PVC PIPE DRAIN	LF	2100	1800	3900	\$17.00	257	\$4,369.00
35	2502.602	6" PVC PIPE DRAIN CLEANOUT	EACH	1	0	1	\$220.00	0	\$0.00
36	2506.502	ADJUST FRAME AND RING CASTING	EACH	11	0	11	\$182.00	0	\$0.00
37	2506.503	CONSTRUCT DRAINAGE STRUCTURE DESIGN 4007C	LF	20.21	0	20.21	\$980.00	0	\$0.00
38	2506.602	MANHOLE FRAME SEAL	EACH	22	0	22	\$207.00	0	\$0.00
39	2511.507	RANDOM RIPRAP CLASS III	CY	19	15	34	\$95.00	0	\$0.00
40	2511.602	BOULDER PLACEMENT	EACH	10	0	10	\$112.00	0	\$0.00
41	2521.518	4" CONCRETE WALK	SF	420	1480	1,900	\$23.00	0	\$0.00
42	2531.618	TRUNCATED DOMES	SF	32	16	48	\$52.00	0	\$0.00
43	2540.602	FURNISH AND INSTALL TRASH RECEPTACLES	EACH	7	18	25	\$982.00	0	\$0.00
44	2540.602	FURNISH AND INSTALL BENCHES	EACH	7	18	25	\$2,050.00	0	\$0.00
45	2540.603	METAL RAILING	LF	0	600	600	\$300.00	0	\$0.00
46	2557.502	SALVAGE VEHICULAR GATE	EACH	1	0	1	\$5,000.00	0	\$0.00
47	2557.502	VEHICULAR GATE	EACH	1	2	3	\$4,400.00	0	\$0.00
48	2563.601	TRAFFIC CONTROL	LS	0.5	0.5	1	\$4,250.00	0.50	\$2,125.00
49	2564.518	SIGN PANELS TYPE C	SF	60.16	59.00	119.16	\$100.00	0	\$0.00
50	2565.616	PEDESTRIAN CROSSWALK FLASHER SYSTEM	SYS	0	1	1	\$20,600.00	0	\$0.00
51	2573.501	STABILIZED CONSTRUCTION EXIT	LS	0.5	0.5	1	\$10,500.00	1	\$10,500.00
52	2573.502	CULVERT END CONTROL	EACH	12	7	19	\$338.00	0	\$0.00
53	2573.503	SILT FENCE, TYPE HI	LF	8,975	5,225	14,200	\$4.20	0	\$0.00
54	2573.503	SEDIMENT CONTROL LOG TYPE WOOD FIBER	LF	535	465	1,000	\$4.20	7,408	\$31,113.60
55	2575.604	RAPID STABILIZATION METHOD 4	SY	9,250	4,500	13,750	\$2.30	0	\$0.00
56	2582.503	4" SOLID LINE PAINT	LF	72	0	72	\$3.40	0	\$0.00
57	2582.518	CROSSWALK PREFORM THERMOPLASTIC GROUND IN	SF	180	0	180	\$31.00	0	\$0.00
58	2582.618	PAVEMENT MARKING SPECIAL	SF	350	0	350	\$3.40	0	\$0.00
59	-	CHANGE ORDER NO. 1	LS	1	0	1	\$19,328.00	1	\$19,328.00
						TOTAL AMOUNT EARNED		\$398,521.00	

Date: November 3, 2025

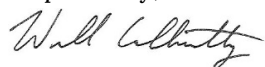
To: Trygve Lodin
Northern Consulting Engineers
102 S 21st Ave
Duluth, MN 55806

Subject: Request for Materials on Hand Payment

Dear Trygve,

I am writing to formally request a payment of **\$13,585** for materials on hand related to the Keene Creek Trail project. This request is for pay item #50 PEDESTRIAN CROSSWALK FLASHER SYSTEM on pay app #2.

Respectfully,



Will Goldsworthy
Estimator / Project Manager
Veit & Company, Inc.
Will.Goldsworthy@veitusa.com

Application and Certificate For Payment

To Owner: VEIT AND COMPANY ATTN: ACCOUNTS PAYABLE 14000 VEIT PLACE ROGERS, MN 55374	Project: KEENE CREEK TRAILS KEENE CREEK TRAIL HERMANTOWN, MN 55811	Application No: 1 Date: 10/21/2025
From (Contractor): HUNT ELECTRIC CORPORATION 1000 BLUE GENTIAN ROAD SUITE 300 EAGAN, MN 55121-1663	Contractor Job Number: 265479	Period To: 10/21/2025
Phone: 651 646-2911	Via (Architect):	Architect's Project No:
	Contract For: KEENE CREEK TRAIL #250312.00-12437	Contract Date: 09/13/2025

Contractor's Application For Payment

Change Order Summary	Additions	Deductions
Change orders approved in previous months by owner		
Number	Date Approved	
Change orders approved this month		
Totals		
Net change by change orders		

The undersigned Contractor certifies that to the best of the Contractor's knowledge, information, and belief the work covered by this Application for Payment has been completed in accordance with the Contract Documents, that all amounts have been paid by the Contractor for work for which previous Certificates for Payment were issued and payments received from the Owner, and that current payment shown herein is now due.

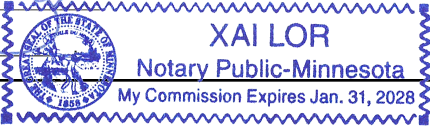
Contractor: Hunt Electric Corporation

By: [Signature] Date: 10/21/25

State of: Minnesota County of: Dakota

Subscribed and sworn to before me this 21 day of October, 2025 (year). Notary public: [Signature]

My commission expires: January 31, 2028



Architect's Certificate for Payment

In accordance with the Contract Documents, based on on-site observations and the data comprising the above application the Architect certifies to the Owner that to the best of the Architect's knowledge, information and belief the Work has progressed as indicated, the quality of the Work is in accordance with the Contract Documents, and the Contractor is entitled to payment of the Amount Certified.

Amount Certified: \$ _____

Original contract sum	21,798.00
Net change by change orders	0.00
Contract sum to date	21,798.00
Total completed and stored to date	13,000.00
Retainage	
5.0% of completed work	650.00
0.0% of stored material	0.00
Total retainage	650.00
Total earned less retainage	12,350.00
Less previous certificates of payment	0.00
Current sales tax	
0.000% of taxable amount	0.00
Current sales tax	0.00
Current payment due	12,350.00
Balance to finish, including retainage	9,448.00

Architect:

By: _____ Date: _____

This Certification is not negotiable. The Amount Certified is payable only to the Contractor named herein. Issuance, payment, and acceptance of payment are without prejudice to any rights of the Owner or Contractor under this Contract.

Application and Certificate For Payment -- page 2

To Owner:VEIT AND COMPANY

From (Contractor):HUNT ELECTRIC CORPORATION

Project:KEENE CREEK TRAILS

Application No:1

Contractor's Job Number:265479

Architect's Project No:

Date: 10/21/25

Period To: 10/21/25

		Work Completed			Materials Presently Stored	Completed and Stored to Date		Balance to Finish	Retention	Memo
Item Number	Description	Scheduled Value	Previous Application	This Period						
01.01	MOBILIZATION	3,500.00	0.00	0.00	0.00	0.00	0.00	3,500.00	0.00	
01.02	PEDESTRIAN CROSSWALK FLASHER	18,298.00	0.00	13,000.00	0.00	13,000.00	71.05	5,298.00	650.00	
Application Total		21,798.00	0.00	13,000.00	0.00	13,000.00	59.64	8,798.00	650.00	



1000 Blue Gentian Rd Ste 300
Eagan, MN 55121

Phone: 651-646-2911
Fax: 651-643-6575

CONDITIONAL RECEIPT AND WAIVER OF MECHANICS' LIEN RIGHTS

Job # 265479

N.B. It is important that the following directions be closely followed, as otherwise the receipt WILL NOT BE ACCEPTED.

1. This is a LEGAL INSTRUMENT and must be executed accordingly by officers of corporations and by partners of co-partnerships.
2. It is important that ALL blanks be completed and that the AMOUNT PAID BE SHOWN.
3. If payment is not in full to date, so state. SHOW UNPAID BALANCE.
4. A receipt similiar to this legal waiver of lien rights will be required for all plumbing, heating and plastering material etc.
5. NO ERASURES OR ALTERATIONS MUST BE MADE.

10/21/2025

Conditional upon receipt of payment in the amount of **\$12,350.00** from **VEIT AND COMPANY** in partial payment of all electrical work and material by the undersigned delivered or furnished to, or performed at **KEENE CREEK TRAILS** and for value received, the undersigned hereby waives all rights which may have been acquired to file mechanics' liens against said premises for labor, skill or material furnished to said premise prior to the date hereof.

HUNT ELECTRIC CORPORATION

BY: 
Ron Somerville, Chief Financial Officer

DATE: 10/21/25

CITY OF HERMANTOWN

City Council Meeting

Monday, November 17, 2025

6:30 PM Central

MEETING CONDUCTED IN PERSON & VIA ZOOM

Mayor Wayne Boucher: Present

Councilor John Geissler: Present

Councilor Andy Hjelle: Present

Councilor Brian LeBlanc: Present

Councilor Joseph Peterson: Present

CITY STAFF: John Mulder, City Administrator; Eric Johnson, Community Development Director; Joe Wicklund, Assistant City Administrator; Jim Crace, Director of Public Safety; Trish Crego, Utility & Infrastructure Director; David Bolf, City Engineer; Gunnar Johnson, City Attorney

1. **CALL TO ORDER**

2. **PLEDGE OF ALLEGIANCE**

3. **ROLL CALL**

4. **ANNOUNCEMENTS**

5. **PUBLIC HEARING**

6. **COMMUNICATIONS**

A. Correspondence 25-684 through 25-699 placed on file

A. **25-694**

From: Dan Lessor, Mortenson Development, Inc.

To: Mayor, City Council, and Planning & Zoning Commission

Re: Application Removal

B. **25-699**

From: DSGW Architects & Kraus-Anderson Construction Co.

To: City of Hermantown

Re: Certificate of Substantial Completion — Arena

7. **PRESENTATIONS**

A. **2026 Budget**

Kevin Orme, Director of Finance & Administration

(Pre-Agenda Only)

B. Hawkline Business Park Update

John Mulder, City Administrator
(Pre-Agenda Only)

8. PUBLIC DISCUSSION

Jeffrey Donahue, 5540 Pine Hill Road, Midway Township, MN - Opposed to the proposed data center. Stated that nearly all residents contacted are against it and criticized the use of NDAs. Expressed concerns about the potential power consumption and environmental impacts, and questioned the council's knowledge of the project. Urged council and staff to resign.

Paul Buckentin, 3379 Stark Junction Road, Midway Township, MN - Stated he lives within a half-mile of the site and only recently learned of the project. Concerned about lack of communication to nearby residents and potential impacts on agricultural areas.

Ken Melanson, 5748 St. Louis River Road, Midway Township, MN - Lives approximately 600 feet from the proposed site and opposes the data center due to family health concerns and proximity. Expressed frustration over increased property taxes.

Cathy Kohlmeier, 5757 St. Louis River Road, Hermantown, MN - Opposed to the data center and criticized the influence of large corporations, NDAs, and zoning changes. Raised environmental concerns including wetlands, trout streams, and long construction impacts. Believes the location is inappropriate.

Derek Strom, 5853 Highway 194, Hermantown, MN - Expressed frustration with the council and stated the project is not supported by residents. Alleged lack of transparency and raised concerns about increased electrical costs and environmental impacts. Encouraged recalling council members and declared candidacy for the 2026 city council election.

Jim Klukkert, 206 North 11th Avenue W, Duluth, MN - Discussed heightened community emotions and a perception of lack of transparency. Believes councilmembers are well-intentioned but warned that continued pursuit of the project will damage public trust and political standing.

Thomas Cooper Bates, 5369 Morris Thomas Road, Hermantown, MN - Thanked council for their service but expressed concerns about noise from data center operations and backup generators, potential health impacts, and pollution.

Andy Pelland, 5831 St. Louis River Road, Hermantown, MN - Opposed to the data center and urged the council to stop pursuing it, stating the majority of affected residents do not want it.

Robert Kohlmeier, 5757 St. Louis River Road, Hermantown, MN - Stated the project does not reflect community values and suggested it be located elsewhere, such as on the Iron Range. Emphasized stewardship, environmental protection, and community trust.

Emma Rickman, 5215 Chris Drive, Hermantown, MN - Shared personal impacts of the project on her family and mental health. Expressed fears over environmental and quality-of-life changes and urged the council to reconsider the project and engage more directly with residents.

Clarissa Ek, 3505 Solway Road, Solway Township, MN - Opposed to the data center, citing lack of transparency, numerous hidden meetings, zoning changes, and environmental and health impacts. Accused the city of continuing the project against overwhelming community opposition.

Eric Enberg, 5425 Morris Thomas Road, Hermantown, MN - Discussed the potential for industrial waste heat reuse from the facility. Suggested the city claim rights to waste heat, install infrastructure for a future district heating system, and create a related working group.

Brea Schminski, 3483 Stark Junction Road, Midway Township, MN - Opposed to the data center due to potential long-term health risks, noise, environmental impacts, effects on wildlife, and lack of benefits for nearby residents. Requested the council vote no.

Jackie Dolentz, 5842 Old Highway 2, Hermantown, MN - Raised concerns about lack of transparency, long construction impacts, environmental risks, and uncertain job benefits. Questioned Minnesota Power's motives and impacts on rates. Opposed to the project.

Tim Resberg, 3646 Midway Road, Hermantown, MN - Noted canceled neighborhood meetings and expressed frustration over unanswered concerns regarding blasting, well impacts, property values, and increased taxes. Criticized the lack of information about building size and environmental effects.

Bruno Zagar, 4454 Maki Road, Brookston, MN - As an environmental specialist, urged a higher-level environmental review such as an EIS. Believes current review is inadequate for a project of this size and that a full review would protect both residents and city officials.

Megan Elling, 5969 Morris Thomas Road, Solway Township, MN - Argued the city altered zoning definitions and the comprehensive plan specifically to allow the project. Believes the data center is heavy industrial and inappropriate for the location. Raised concerns about procedural violations.

Sarah Lofald, 5502 Hermantown Road, Hermantown, MN - Expressed dissatisfaction with project handling, environmental impacts, and lack of early public involvement. Urged the council to engage with residents and reconsider pursuing the project.

Allison Zagar, 4454 Maki Road, Brookston, MN - Expressed concerns about water resources and environmental impacts. Shared personal experiences with lack of communication from government agencies and emphasized the regional importance of water protection.

Isabella DiNapoli, 102 South 17th Avenue East, Duluth, MN - Opposed to the data center and expressed belief that the council is not listening to residents. Criticized NDAs and stated benefits do not outweigh the harms.

9. **MOTIONS**

10. **CONSENT AGENDA**

A. **Minutes** - Approval or correction of November 3, 2025 City Council Continuation Minutes

B. **Accounts Payable** - Approve general city warrants from November 1, 2025 through November 15, 2025 in the amount of \$844,293.00

Motion to approve the Consent Agenda. This motion, made by Councilor Geissler and seconded by Councilor Hjelle, Carried.

Councilor John Geissler: Yea

Councilor Andy Hjelle: Yea

Councilor Brian LeBlanc: Yea

Councilor Joseph Peterson: Yea

Mayor Wayne Boucher: Yea

Yea: 5, Nay: 0

11. **ORDINANCES**

A. **2025-19 An Ordinance Amending Hermantown Code Of Ordinances By Amending Section 350, Accepted And Opened Streets And Roads**

(second reading)

(motion, roll call)

Motion to approve 2025-19 An Ordinance Amending Hermantown Code Of Ordinances By Amending Section 350, Accepted And Opened Streets And Roads.

This motion, made by Councilor LeBlanc and seconded by Councilor Peterson, Carried.

Councilor John Geissler: Yea

Councilor Andy Hjelle: Yea

Councilor Brian LeBlanc: Yea

Councilor Joseph Peterson: Yea

Mayor Wayne Boucher: Yea

Yea: 5, Nay: 0

- B. **2025-20 An Ordinance Renewing A Franchise Granted To Mediacom Minnesota, LLC To Construct, Operate And Maintain A Cable Television System In The City Of Hermantown; Setting Forth Conditions Relating To The Continuation Of The Franchise; Providing For The Regulation And Use Of The Cable Television System; And Prescribing Penalties For The Violation Of Its Provisions**

(first reading)

- C. **2025-21 An Ordinance Granting To Minnesota Power A Nonexclusive Franchise To Construct, Operate, Repair And Maintain In The City Of Hermantown, Minnesota, An Electric Distribution System And Transmission Lines, Including Necessary Poles, Lines, Fixtures And Appurtenances, For The Furnishing Of Electric Energy To The City, Its Inhabitants, And Others, And To Use The Public Ways And Public Grounds Of The City For Such Purposes; And Prescribing Certain Terms And Conditions Thereof**

(first reading)

Eric Enberg, 5425 Morris Thomas Road, Hermantown, MN - Asked how much revenue the city will receive from the utility franchise fee and suggested the city could negotiate higher amounts similar to larger cities.

- D. **2025-22 An Ordinance Imposing A Franchise Fee On Minnesota Power**

(first reading)

12. **RESOLUTIONS**

- A. **2025-171 Resolution Approving Pay Request Number 17 For The NorthStar Ford Arena To Kraus-Anderson Construction Company In The Amount Of \$727,401.87**

(motion, roll call)

Motion to approve 2025-171 Resolution Approving Pay Request Number 17 For The NorthStar Ford Arena To Kraus-Anderson Construction Company In The Amount Of \$727,401.87. This motion, made by Councilor Geissler and seconded by Councilor LeBlanc Carried.

Councilor John Geissler: Yea

Councilor Andy Hjelle: Yea

Councilor Brian LeBlanc: Yea

Councilor Joseph Peterson: Yea

Mayor Wayne Boucher: Yea

Yea: 5, Nay: 0

B. 2025-172 Resolution Repealing An Assessment From Parcel No. 395-0010-05738 Related To Road Improvement District No. 541 & 542 (Hermantown Road & Bridge, And Old Midway Road)

(motion, roll call)

Motion to approve 2025-172 Resolution Repealing An Assessment From Parcel No. 395-0010-05738 Related To Road Improvement District No. 541 & 542 (Hermantown Road & Bridge, And Old Midway Road). This motion, made by Councilor Peterson and seconded by Councilor Hjelle, Carried.

Councilor John Geissler: Yea

Councilor Andy Hjelle: Yea

Councilor Brian LeBlanc: Yea

Councilor Joseph Peterson: Yea

Mayor Wayne Boucher: Yea

Yea: 5, Nay: 0

C. 2025-173 Resolution Approving The Removal Of Restrictive Covenants On City Of Duluth Owned Property And Placing Them On City Of Hermantown Owned Property

(motion, roll call)

Motion to approve 2025-173 Resolution Approving The Removal Of Restrictive Covenants On City Of Duluth Owned Property And Placing Them On City Of

Hermantown Owned Property. This motion, made by Councilor LeBlanc and seconded by Councilor Geissler, Carried.

Councilor John Geissler: Yea

Councilor Andy Hjelle: Yea

Councilor Brian LeBlanc: Yea

Councilor Joseph Peterson: Yea

Mayor Wayne Boucher: Yea

Yea: 5, Nay: 0

D. **2025-174 Resolution Approving The Release Of Memorial Associated With Parcel 395-0160-00030**

(motion, roll call)

Motion to approve 2025-174 Resolution Approving The Release Of Memorial Associated With Parcel 395-0160-00030. This motion, made by Councilor Hjelle and seconded by Councilor Peterson, Carried.

Councilor John Geissler: Yea

Councilor Andy Hjelle: Yea

Councilor Brian LeBlanc: Yea

Councilor Joseph Peterson: Yea

Mayor Wayne Boucher: Yea

Yea: 5, Nay: 0

E. **2025-175 Resolution Authorizing The City Of Hermantown To Provide Municipal Support Of A St. Louis County Grant Funding Request Via The Minnesota Department Of Transportation Local Road Improvement Program Associated With The Reconstruction Of Ugstad Road CR 284 And Lavaque Bypass CSAH 48 As Part Of The Hawklane Business Park**

(motion, roll call)

Motion to approve 2025-175 Resolution Authorizing The City Of Hermantown To Provide Municipal Support Of A St. Louis County Grant Funding Request Via The Minnesota Department Of Transportation Local Road Improvement Program Associated With The Reconstruction Of Ugstad Road CR 284 And Lavaque Bypass CSAH 48 As Part Of The Hawklane Business Park. This motion, made by Councilor Geissler and seconded by Councilor LeBlanc, Carried.

Councilor John Geissler: Yea

Councilor Andy Hjelle: Yea

Councilor Brian LeBlanc: Yea

Councilor Joseph Peterson: Yea

Mayor Wayne Boucher: Yea

Yea: 5, Nay: 0

13. **CLOSED SESSION**

14. **RECESS**

Motion to recess at 8:00 p.m. This motion, made by Councilor Hjelle and seconded by Councilor LeBlanc, Carried.

Councilor John Geissler: Yea

Councilor Andy Hjelle: Yea

Councilor Brian LeBlanc: Yea

Councilor Joseph Peterson: Yea

Mayor Wayne Boucher: Yea

Yea: 5, Nay: 0

ATTEST:

Mayor

City Clerk



**CITY COUNCIL
WORK SESSION MINUTES
LARGE CONFERENCE ROOM**

**Tuesday, November 25th, 2025
at 4:30 P.M.**

ROLL CALL: Councilors Geissler, Hjelle, LeBlanc, Peterson, and Mayor Boucher

ABSENT: None.

CITY STAFF: John Mulder, City Administrator; Joe Wicklund, Assistant City Administrator;

DISCUSSION ITEMS

2026 Budget Discussion

The meeting was called to discuss the proposed 2026 Budget. John Mulder reviewed the General Fund Budget and that the overall tax levy was increasing 10.28%. The total proposed levy is \$10,375,348. Approximately \$100,000 in expenditures is the equivalent of 1% of tax levy. The general fund relies heavily on the tax levy with the levy making up 89% of the total revenue for the general fund. The general consensus was that the City Council wanted to see a reduction in the size of the increase.

John Mulder pointed out that personnel costs make up 64% of the general fund. He reviewed the proposed capital improvement planned for the general fund. The Council also reviewed the total transfers out. The transfers out funded by tax levy included \$535,000 for capital improvements, \$50,000 to Park Dedication, and \$50,000 for Municipal Building Reserve.

The City Council members asked about other funding sources. The City's LGA was increasing only just over \$2,000. The Council asked about Licensee & Permits, Charges for Services, and Investment Income.

After discussion, the general consensus was to reduce the contingency by \$100,000, eliminate the transfer the Park Dedication Fund (\$50,000), and increase the investment income by \$100,000.

Recess

Motion by LeBlanc, second by Hjelle to recess the meeting at 5:38 p.m. All ayes Motion Carried.

Mayor

ATTEST:

City Administrator

CITY OF HERMANTOWN

CHECKS #72654-72682
11/16/2025 - 11/30/2025

PAYROLL CHECKS

Electronic Checks - #-63338-63415	\$135,526.10
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LIABILITY CHECKS

Electronic Checks - #-63330-63337	\$91,809.88
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Checks - #72677-72682	\$6,108.81
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PAYROLL EXPENSE TOTAL	\$233,444.79
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ACCOUNTS PAYABLE

Checks - #72656-72676	\$58,028.74
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Electronic Payments #-97660-97686	\$1,226,799.39
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ACCOUNTS PAYABLE TOTAL	\$1,284,828.13
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TOTAL	\$1,518,272.92
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11/25/2025

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Fun d	Account	Department	Vendor Name	Description	Amount	Check #
601	494300	Water Distribution	CITY OF DULUTH COMFORT SYSTEMS	Oct 2025 Water Charges	118,319.01	-97686
602	494900	Sewer Administration and General	MEDIACOM	Phone PW	13.10	-97685
101	422901	Firehall #1 Maple Grove Road	MEDIACOM	Internet FD	40.98	-97685
601	494400	Water Administration and General	MEDIACOM	Phone PW	8.74	-97685
101	422901	Firehall #1 Maple Grove Road	MEDIACOM	Phone FD	101.45	-97685
101	431100	Street Department	MEDIACOM	Phone PW	21.85	-97685
275	452200	Community Building	MEDIACOM	EWC - Line for Elevator	188.04	-97685
602	494900	Sewer Administration and General	MEDIACOM	Internet PW	71.85	-97685
101	431100	Street Department	MEDIACOM	Internet PW	119.77	-97685
601	494400	Water Administration and General	MEDIACOM	Internet PW	47.91	-97685
275	452200	Community Building	MEDIACOM	EWC Cable TV	179.13	-97685
101	419901	City Hall & Police Building Maintenance	MEDIACOM	Internet CH	163.92	-97685
101	419901	City Hall & Police Building Maintenance	MEDIACOM	Phone CH	405.78	-97685
275	452200	Community Building	MEDIACOM	EWC Internet	354.90	-97685
275	452200	Community Building	MEDIACOM	EWC Telephone	512.07	-97685
605	431160	Street Lighting	MN POWER	0234310000 Overhead St Lights	481.11	-97684
605	431160	Street Lighting	MN POWER	0247020000 Street Lights	402.71	-97684
101	452200	Community Building	MN POWER	0606881181 Community Bldg	677.67	-97684
101	422901	Firehall #1 Maple Grove Road	MN POWER	4995600000 City Hall/Police/Fi	1,941.58	-97684
275	452200	Community Building	MN POWER	5498955531 4289 Ugstad Rd/EWC	12,721.89	-97684
605	431160	Street Lighting	MN POWER	3060281959 Street Lights (Roun	20.51	-97684
101	431901	City Garage	MN POWER	4995600000 4971 Lightning Dr	306.86	-97684
101	422902	Firehall #2 Morris Thomas Road	MN POWER	4995600000 FH #2 MorrisThomas	113.25	-97684
605	431160	Street Lighting	MN POWER	0041881181 Street Lights	477.62	-97684
101	419901	City Hall & Police Building Maintenance	MN POWER	4995600000 City Hall/Police/Fi	3,036.84	-97684
101	422903	Firehall #3 Midway Road	MN POWER	4995600000 FH #3 Midway/Rose	84.02	-97684
605	431160	Street Lighting	MN POWER	1424100000 Street Lights	478.25	-97684
605	431160	Street Lighting	MN POWER	6175310000 Street Lights	743.75	-97684
101	431901	City Garage	MN POWER	4995600000 5255 Maple Grove Rd	25.04	-97684
602	494900	Sewer Administration and General	MN POWER	4995600000 4971 Lightning Dr	122.74	-97684
601	494400	Water Administration and General	MN POWER	4995600000 4971 Lightning Dr	184.11	-97684
602	494900	Sewer Administration and General	MN POWER	0973881171 Sewer	564.58	-97684
275	452200	Community Building	MN POWER	3481871314 EWC Garage	49.92	-97684
101	452100	Parks	MN POWER	0606881181 Parks	300.52	-97684
605	431160	Street Lighting	MN POWER	0733871171 Traffic Lights	838.53	-97684
601	494400	Water Administration and General	MN POWER	3623400000 Water	469.94	-97684
101	424100	Building Inspection	PITNEY BOWES PURCHASE POWER	Refill Postage Meter BI	73.09	-97683
101	421100	Police Administration	PITNEY BOWES PURCHASE POWER	Refill Postage Meter Police	90.75	-97683

CITY OF HERMANTOWN, MN 11/16/2025-11/30/2025
Check # is between 72656 and 72676 or Check # is between -97686 and -97660

11/25/2025

Page 2

Fun d	Account	Department	Vendor Name	Description	Amount	Check #
101	415300	Administration & Finance	PITNEY BOWES PURCHASE POWER	Refill Postage Meter Clerk	319.12	-97683
101	419100	Community Development	PITNEY BOWES PURCHASE POWER	Refill Postage Meter PZ	108.78	-97683
602	494900	Sewer Administration and General	PITNEY BOWES PURCHASE POWER	Refill Postage Meter Utility	45.11	-97683
601	494400	Water Administration and General	PITNEY BOWES PURCHASE POWER	Refill Postage Meter Utility	67.66	-97683
101	452100	Parks	PITNEY BOWES PURCHASE POWER	Refill Postage Meter Park	0.74	-97683
101	422902	Firehall #2 Morris Thomas Road	MN ENERGY RESOURCES CORP	Natural Gas FH2	117.03	-97682
101	431100	Street Department	ACP CREATIVIT, LLC	Nov 2025 Maintenance	16.75	-97681
101	422901	Firehall #1 Maple Grove Road	ACP CREATIVIT, LLC	Nov 2025 Maintenance	70.35	-97681
101	452200	Community Building	ACP CREATIVIT, LLC	Nov 2025 Maintenance	10.05	-97681
101	419901	City Hall & Police Building Maintenance	ACP CREATIVIT, LLC	Nov 2025 Maintenance	237.85	-97681
101	431100	Street Department	BFIRST INDUSTRIAL	Nuts/Bolts	126.77	-97680
101	431901	City Garage	BFIRST INDUSTRIAL	Hitch Pins/Drill Bits	89.22	-97679
475	431150	Street Improvements	BOLTON & MENK, INC.	Hermantown/Lightning Dr Recons	22,773.00	-97678
415	465200	Community Development	DSGW ARCHITECTS, INC.	Hermantown Arena	29,834.20	-97677
230	465100	HEDA	FRYBERGER, BUCHANAN, SMITH & FREDERICK,	Legal Services - HEDA	1,787.00	-97676
602	494500	Sewer Maintenance	GREAT LAKES PIPE SERVICE INC	Sanitary Cleaning	2,225.00	-97675
101	415300	Administration & Finance	INNOVATIVE OFFICE SOLUTIONS, LLC	Receipt Book	38.13	-97674
416	452100	Parks	JMF CONSTRUCTION INC	Fitchner Park Sidewalk	72,096.39	-97673
101	421100	Police Administration	EMERGENCY AUTOMOTIVE TECHNOLOGIES INC	Replace Gas Push Rod - SQD 22	63.98	-97672
415	465200	Community Development	KRAUS-ANDERSON CONSTRUCTION COMPANY, INC	Hermantown Hockey Arena	568,461.70	-97671
415	465200	Community Development	KRAUS-ANDERSON CONSTRUCTION COMPANY, INC	Hermantown Hockey Arena	158,940.17	-97671
603	441100	Storm Water	LHB INC	2025 Bridge Safety Inspection	596.00	-97670
101	431100	Street Department	NORTHERN ENGINE & SUPPLY INC	Air Hose Fittings - H4	100.94	-97669
230	214500	Escrow Deposits Payable	OVEROM LAW, PLLC	Data Center Environmental Matt	2,594.50	-97668
240	433500	Water Improvements	OVEROM LAW, PLLC	Second Water Connection with D	118.00	-97668
230	214500	Escrow Deposits Payable	OVEROM LAW, PLLC	Data Center Project	1,191.00	-97668
101	424100	Building Inspection	OVEROM LAW, PLLC	Maple Fields Tenants' Remedies	770.00	-97668
230	214500	Escrow Deposits Payable	OVEROM LAW, PLLC	Project Loon Cartway Vacation	471.00	-97668
101	424100	Building Inspection	OVEROM LAW, PLLC	Point Superior Mobile Estates	432.00	-97668
101	421100	Police Administration	OVEROM LAW, PLLC	Tactical Response Team	42.00	-97668
101	416100	City Attorney	OVEROM LAW, PLLC	Minnesota Power Franchise Agre	266.00	-97668
416	452100	Parks	OVEROM LAW, PLLC	Fichtner Field Park Improvemen	85.00	-97668
230	214500	Escrow Deposits Payable	OVEROM LAW, PLLC	HEDA: Project Loon Development	2,958.00	-97668
601	494400	Water Administration and General	OVEROM LAW, PLLC	AT&T Water Tower Lease	84.00	-97668
415	465200	Community Development	OVEROM LAW, PLLC	KA Contract Administration - N	306.00	-97668
101	416100	City Attorney	OVEROM LAW, PLLC	Cannabis Licensing	42.00	-97668

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Fun d	Account	Department	Vendor Name	Description	Amount	Check #
230	465100	HEDA	OVEROM LAW, PLLC	Hawklne Infrastructure Develo	1,151.00	-97668
101	424100	Building Inspection	OVEROM LAW, PLLC	Maple Fields Mobile Home Park	448.00	-97668
601	214500	Escrow Deposits Payable	OVEROM LAW, PLLC	AT&T Hawk Circle Equipment Upg	28.00	-97668
260	456101	Cable	OVEROM LAW, PLLC	2023 Mediacom Franchise Renewa	238.00	-97668
415	465200	Community Development	OVEROM LAW, PLLC	Arena Construction - Rec Facil	68.00	-97668
475	431150	Street Improvements	OVEROM LAW, PLLC	Hermantown and Old Midway Rd I	868.00	-97668
475	431150	Street Improvements	OVEROM LAW, PLLC	Hermantown and Old Midway Rd I	42.00	-97668
101	416100	City Attorney	OVEROM LAW, PLLC	Personnel Policies	182.00	-97668
101	416100	City Attorney	OVEROM LAW, PLLC	2025 Construction Contract Upd	42.00	-97668
101	419100	Community Development	OVEROM LAW, PLLC	Correction of Airport Restrict	294.00	-97668
101	419100	Community Development	OVEROM LAW, PLLC	Community Development Matters	28.00	-97668
230	214500	Escrow Deposits Payable	OVEROM LAW, PLLC	HEDA: Project Loon Watermain E	153.00	-97668
101	416100	City Attorney	OVEROM LAW, PLLC	General Matters/Retainer	2,200.00	-97668
101	421100	Police Administration	OVEROM LAW, PLLC	Police Prosecution Procedure	84.00	-97668
101	416100	City Attorney	OVEROM LAW, PLLC	City Clerk Matters	84.00	-97668
101	416100	City Attorney	OVEROM LAW, PLLC	Bankruptcy Claims	126.00	-97668
101	419100	Community Development	OVEROM LAW, PLLC	2025 Oppidan Townhouse Dev	1,122.00	-97668
101	419100	Community Development	OVEROM LAW, PLLC	Titan Premier Title Matter	308.00	-97668
101	419100	Community Development	OVEROM LAW, PLLC	2025 Shoreland Ordinance Updat	68.00	-97668
412	419100	Community Development	OVEROM LAW, PLLC	Rec Facility: Trail Con - Emin	128.00	-97668
101	416100	City Attorney	OVEROM LAW, PLLC	Kleive Workers Compensation Cl	154.00	-97668
101	421100	Police Administration	SYMBOLARTS	Badges - PD	210.00	-97667
101	431100	Street Department	TREVIPAY	Brine Parts - J28	37.98	-97666
101	431100	Street Department	TREVIPAY	Trailer Harness - H4	25.64	-97666
101	431100	Street Department	TREVIPAY	Trailer Harness - H4	-25.64	-97666
101	419100	Community Development	VC3, INC.	Monitor	164.00	-97665
101	431901	City Garage	VIKING INDUSTRIAL CENTER	Gloves	292.80	-97664
401	431100	Street Department	TOWMASTER	Plow Truck Build	204,767.00	-97663
101	419901	City Hall & Police Building Maintenance	DOORCO, INC.	Repair Bottom Seal - Door 4	175.00	-97662
602	494500	Sewer Maintenance	MENARD INC	PVC Cap	3.59	-97661
101	431100	Street Department	MENARD INC	Brine Hose Cap	27.98	-97661
101	419901	City Hall & Police Building Maintenance	MENARD INC	Drywall repair	15.97	-97661
101	422100	Fire Administration	MENARD INC	Mailbox Repair - FD	2.49	-97661
101	419901	City Hall & Police Building Maintenance	MENARD INC	General supplies	54.90	-97661
101	431901	City Garage	MENARD INC	5 Gallon Pails	15.92	-97661
101	431901	City Garage	MENARD INC	Rechargeable Flash Light	114.94	-97661
601	494300	Water Distribution	MENARD INC	Water Radio Install Equipment	115.88	-97661
101	431901	City Garage	MENARD INC	Extension Cord	112.98	-97661

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Fun d	Account	Department	Vendor Name	Description	Amount	Check #
101	431100	Street Department	M-R SIGN CO INC	Street Signs	266.22	-97660
101	424100	Building Inspection	M-R SIGN CO INC	911 Signs	366.52	-97660
101	422100	Fire Administration	AMERICAN TEST CENTER, INC.	Truck/Ladder Test	1,416.00	72656
101	422100	Fire Administration	BOUND TREE MEDICAL, LLC	AED Case	463.98	72657
101	421100	Police Administration	BULLDOG COLLISION	Vehicle Repair - 2018 FORD PD	1,000.00	72658
101	431100	Street Department	CINTAS CORPORATION	Uniforms	19.07	72659
101	431100	Street Department	CINTAS CORPORATION	Uniforms	19.07	72659
101	431100	Street Department	CINTAS CORPORATION	Uniforms	7.92	72659
101	431901	City Garage	CINTAS CORPORATION	Mats/Supplies	62.23	72659
101	431901	City Garage	CINTAS CORPORATION	Mats/Supplies	42.55	72659
101	431100	Street Department	CINTAS CORPORATION	Uniforms	7.92	72659
601	494400	Water Administration and General	CUSTOMER ELATION INC	10/21/25 - 11/17/25 Answering	38.42	72660
602	494900	Sewer Administration and General	CUSTOMER ELATION INC	10/21/25 - 11/17/25 Answering	25.61	72660
101	431901	City Garage	DSC COMMUNICATIONS	Mic Holders for CB's	165.00	72661
602	494500	Sewer Maintenance	DUROVEC, CHRISTOPHER	Safety Boots	96.12	72662
601	494300	Water Distribution	DUROVEC, CHRISTOPHER	Safety Boots	96.12	72662
101	431100	Street Department	DUROVEC, CHRISTOPHER	Safety Boots	96.11	72662
601	494300	Water Distribution	FERGUSON WATERWORKS #2516	Water Valve Box	248.64	72663
601	220100	Refund Payable	HEIRLOOM PROPERTY MANAGEMENT	Refund Overpayment Acct 1598-0	78.03	72664
101	415300	Administration & Finance	HERMANTOWN STAR LLC	Ordinance Amending Fee Schedul	41.25	72665
101	415300	Administration & Finance	HERMANTOWN STAR LLC	Oct 20, 2025 Minutes	90.75	72665
101	415300	Administration & Finance	HERMANTOWN STAR LLC	Ordinance 2025-17	66.00	72665
601	494300	Water Distribution	MAVO CONCRETE SAWING SERVICES, INC.	Saw Cutting @ LaVaque & Arrowh	1,152.00	72666
101	431901	City Garage	NAPA AUTO PARTS	Socket & Wiper Blades	76.75	72667
601	494300	Water Distribution	PACE ANALYTICAL SERVICES, LLC	Drinking Water Testing	941.00	72668
601	494300	Water Distribution	PACE ANALYTICAL SERVICES, LLC	Drinking Water Testing	941.00	72668
101	415300	Administration & Finance	ROCKY MOUNTAIN PRINT SOLUTIONS	W-2 & 1099 Supplies	91.04	72669
602	494900	Sewer Administration and General	ROCKY MOUNTAIN PRINT SOLUTIONS	W-2 & 1099 Supplies	11.38	72669
601	494400	Water Administration and General	ROCKY MOUNTAIN PRINT SOLUTIONS	W-2 & 1099 Supplies	11.38	72669
101	431100	Street Department	SATHERS, LLC	Class 5 - Crushed Material/San	11,354.00	72670
232	465100	HEDA	SHORT ELLIOTT HENDRICKSON INC	Birch Hills Neighborhood Devel	35,604.00	72671
401	431100	Street Department	SUN CONTROL OF MN	Dump Trucks Graphics	850.00	72672
101	421100	Police Administration	THOMSON REUTERS - WEST	Clear Subscription - Sep 25	173.25	72673
101	421100	Police Administration	THOMSON REUTERS - WEST	Clear Subscription - Oct 25	181.91	72673
101	431100	Street Department	TRANSWEST TRUCKS SUPERIOR	Floor Mats 0 H28	346.08	72674
101	422100	Fire Administration	TROY'S SERVICE CENTER	Oil & Filter - Chief 1	95.42	72675
101	421100	Police Administration	TROY'S SERVICE CENTER	Oil & Filter - SQD 22	93.42	72675
101	421100	Police Administration	TROY'S SERVICE CENTER	Oil & Filter - SQD 19	49.99	72675

Fun d	Account	Department	Vendor Name	Description	Amount	Check #
101	421100	Police Administration	TROY'S SERVICE CENTER	Tire Repair - SQD 11	25.00	72675
101	421100	Police Administration	TROY'S SERVICE CENTER	Bead Clean - SQD 16	29.90	72675
101	422100	Fire Administration	TROY'S SERVICE CENTER	Oil & Filter - Rescue 4	95.66	72675
603	441100	Storm Water	VALLI INFORMATION SYSTEMS, INC	Oct 2025 Bill Print	608.25	72676
602	494900	Sewer Administration and General	VALLI INFORMATION SYSTEMS, INC	Oct 2025 Bill Print	608.26	72676
601	494400	Water Administration and General	VALLI INFORMATION SYSTEMS, INC	Oct 2025 Bill Print	608.26	72676

Totals: 156 records printed 1,284,828.13

CITY COUNCIL MEETING DATE: December 1, 2025

TO: Mayor & City Council

FROM: John Mulder, City Administrator

SUBJECT: Ordinance – Mediacom Franchise

☐ **RESOLUTION:** ☒ **ORDINANCE:** 2025-20 ☐ **OTHER:**

REQUESTED ACTION

Hold second reading of an ordinance extending a cable television franchise agreement with Mediacom.

BACKGROUND

The City has had a franchise agreement with Mediacom in excess of 20 years. The franchise agreement allows them to use the City's right of way for their infrastructure (cabling, fiber, and posts, etc.) Mediacom provides a franchise fee to the City. The franchise fee goes to the Cable TV Fund and has historically been used for various audio-visual projects.

The current agreement expires in 2025, the new agreement maintains the status quo and would be for an additional 10 years.

SOURCE OF FUNDS (if applicable)

ATTACHMENTS

Ordinance

ORDINANCE NO. 2025-20

AN ORDINANCE RENEWING A FRANCHISE GRANTED TO MEDIACOM MINNESOTA, LLC TO CONSTRUCT, OPERATE AND MAINTAIN A CABLE TELEVISION SYSTEM IN THE CITY OF HERMANTOWN; SETTING FORTH CONDITIONS RELATING TO THE CONTINUATION OF THE FRANCHISE; PROVIDING FOR THE REGULATION AND USE OF THE CABLE TELEVISION SYSTEM; AND PRESCRIBING PENALTIES FOR THE VIOLATION OF ITS PROVISIONS.

The City Council of the City of Hermantown does ordain:

STATEMENT OF INTENT AND PURPOSE

A. The City of Hermantown (“City”), by Ordinance No. 99-04 as amended by Ordinance No. 2009-06 (“Existing Cable Franchise”) granted a franchise to Mediacom Minnesota, LLC for the construction, operation and maintenance of a Cable System in the City.

B. City intends, by adoption of this Ordinance, to provide for the continuation of a Cable System in the City and the continued operation of it.

C. This Ordinance renews the Existing Cable Franchise by amending and restating the Existing Cable Franchise in its entirety (“Franchise Agreement”).

D. City is authorized to renew the Existing Cable Franchise pursuant to 47 U.S.C. §546(h).

BASED ON THE FOREGOING, City hereby renews the Existing Cable Franchise by amending and restating the Existing Cable Franchise in its entirety to read as follows:

FRANCHISE AGREEMENT

This Franchise Agreement is between the City of Hermantown, Minnesota hereinafter referred to as “City” and Mediacom Minnesota LLC, a limited liability company duly organized and validly existing under the laws of the State of Delaware, hereinafter referred to as “the Grantee.”

City hereby acknowledges that the Grantee has substantially complied with the material terms of the Existing Cable Franchise under applicable law, and that the financial, legal, and technical ability of the Grantee is reasonably sufficient to provide services, facilities, and equipment necessary to meet the future cable-related needs of the community, and having afforded the public adequate notice and opportunity for comment, desires to enter into this Franchise Agreement with the Grantee for the renewal of the Existing Cable Franchise to provide for the revision of the Existing Cable Franchise and operation and maintenance of a Cable System on the terms set forth herein.

SECTION 1

Definition of Terms

1.1. **Terms.** For the purpose of this Franchise Agreement, the following terms, phrases, words, and abbreviations shall have the meanings ascribed to them by the Cable Act (defined herein) as amended from time to time, unless otherwise defined below. When not inconsistent with the context, words used in the present tense include the future tense, words in the plural number include the singular number, and words in the singular number include the plural number:

1.1.1. “Basic Cable Service” means any service tier of Cable Service that includes the retransmission of local broadcast television signals. Basic Cable Service as defined herein shall be the definition in 47 U.S.C. § 522(c).

1.1.2. “Cable Act” means Title VI of the Communications Act of 1934, as amended by the Cable Communications Policy Act of 1984, Pub. L. No. 98-549, 98 Stat. 2779 (1984) (codified at 47 U.S.C. §§ 521-611 (1982 & Supp. V 1987)), the Cable Television Consumer Protection and Competition Act of 1992, Pub. L. No. 102-385 and the Telecommunications Act of 1996, Pub. L. No. 104-458 and as the same may, from time to time, be amended.

1.1.3. “Cable Services” shall mean (1) the one-way transmission to Subscribers of (a) Video Programming, or (b) Other Programming Service, and (2) Subscriber interaction, if any, which is required for the selection or use of such Video Programming or Other Programming Service.

1.1.4. “Cable System” or “System” means a facility, consisting of a set of closed transmission paths and associated signal generation, reception, and control equipment that is designed to provide Cable Service which includes Video Programming and which is provided to multiple Subscribers within a community, but such term does not include:

- (1) a facility that serves only to retransmit the television signals of one or more television broadcast stations;
- (2) a facility that serves Subscribers without using any public Right-of-Way;
- (3) a facility of common carrier which is subject, in whole or in part, to the provisions of 47 U.S.C. §201 et seq., except that such facility shall be considered a Cable System (other than for purposes of 47 U.S.C. §541(c) to the extent such facility is used in the transmission of Video Programming directly to Subscribers, unless the extent of such use is solely to provide interactive on-demand services;
- (4) an open video system that complies with 47 U.S.C. §573; or

- (5) any facilities of any electric utility used solely for operating its electric utility systems.

Cable System as defined herein shall be the definition set forth in 47 U.S.C. §522(7).

1.1.5. “City Utility System” means facilities used for providing public utility service owned or operated by City or an agency thereof, including sewer, storm water, water service, street lighting and traffic signals, but excluding facilities providing heating, lighting, or other forms of energy.

1.1.6. “City” or “Franchising Authority” means the City of Hermantown.

1.1.7. “Demarcation Point” means a point agreed upon by Grantee and the City up to twelve inches outside of the building wall consistent with the FCC’s rules as of the Effective Date of the Franchise or as later amended.

1.1.8. “Drop” means the cable that connects the ground block on the Subscriber’s residence to the nearest distribution cable of the System to provide Cable Service.

1.1.9. “Effective Date” means the date specified in Section 9.12 hereof, which is January 1, 2026.

1.1.10. “FCC” means Federal Communications Commission or successor governmental entity thereto.

1.1.11. “Franchise” means an initial authorization, or renewal thereof (including a renewal of an authorization which has been granted subject to 47 U.S.C. §546) issued by the City, whether such authorization is designated as a franchise, permit, license, resolution, contract, certificate, agreement, or otherwise, which authorizes the construction or operation of a Cable System or other facilities to provide Cable Services or video programming.

1.1.12. “Franchise Agreement” means the terms and provisions of this Ordinance.

1.1.13. “Grantee” means Mediacom Minnesota LLC, or the permitted lawful successor, transferee, or assignee thereof.

1.1.14. “Gross Revenues” means revenues derived from Cable Services received by Grantee from Subscribers in the Service Area; provided, however, that Gross Revenues shall not include franchise fees, the FCC User Fee, bad debt, tower rent, fees for the sale, leasing, or servicing of equipment, system capacity and/or facilities rent for the provision of non-Cable Services (voice or data services), investment income, advertising revenues, any fees itemized and passed through as a result of Franchise imposed requirements or any tax, fee or assessment of general applicability collected by the Grantee from Subscribers for pass-through to a government agency.

1.1.15. “Multichannel Video Program Distributor or MVPD” means a person such as, but not limited to, a cable operator, a multichannel multipoint distribution service, a direct broadcast satellite service, or a television receive-only satellite program distributor, who makes available for purchase, by subscribers or customers, multiple channels of video programming.

1.1.16. “Open Video Services or OVS” means any video programming Services provided to any person by a Franchisee certified by the FCC to operate an Open Video System pursuant to Section 47 U.S.C. 573, as the same may be amended, regardless of the facilities used.

1.1.17. “Person” means an individual, partnership, association, joint stock company, trust, corporation, or governmental entity.

1.1.18. “Public Ground” means all real property owned by or dedicated to the City, other than public ways, with respect to which City holds the legal right or title to grant or withhold easement, leasehold or occupancy rights or servitudes.

1.1.19. “Public Way” means the surface of, and the space above and below, any public street, highway, freeway, bridge, land path, alley, court, boulevard, sidewalk, parkway, way, lane, public way, drive, circle, or other public right-of-way, including, but not limited to, public utility easements, dedicated utility strips, or rights-of-way dedicated for compatible uses now or hereafter held by any governmental entity in the Service Area which shall entitle the Grantee to the use thereof for the purpose of installing, operating, repairing, and maintaining the Cable System.

1.1.20. “Public Rights-of-Way Standards” means the standards contained in Chapter 7819 of the Minnesota Rules, as the same may, from time to time, be amended.

1.1.21. “Service Area” means the present boundaries of the City and shall include any additions thereto by annexation or other legal means.

1.1.22. “Standard Installation” is defined as 125 feet from the nearest tap to the Subscriber’s terminal.

1.1.23. “Subscriber” means a Person who lawfully receives Cable Services from the Cable System with the Grantee’s express permission.

SECTION 2

Grant of Franchise

2.1. **Franchise Required.** It shall be unlawful for any Person to construct, operate or maintain a Cable System, an OVS system or other facilities to provide Cable Services or other video programming in the Service Area without a Franchise authorizing the same, unless applicable federal or State law prohibits the City’s enforcement of such a requirement.

2.2. **Compliance with Minnesota Statutes.** This Franchise Agreement shall comply with all provisions contained in Minnesota Statutes Chapter 238, as the same may, from time to time, be amended, including, without limitation, the provisions of Minnesota Statutes §238.084, as amended.

2.3. **Nonexclusive Franchise.** This Franchise Agreement shall be nonexclusive.

2.4. **Grant of Franchise.** Grantee is authorized to construct and operate a Cable System in, along, among, upon, across, above, over, under, or in any manner connected with Public Ways within the Service Area, and for that purpose to erect, install, construct, repair, replace, reconstruct, maintain, or retain in, on, over, under, upon, across, or along any Public Way such facilities and equipment as may be necessary or appurtenant to the Cable System for the transmission and distribution of Cable Services.

2.5. **Additional Franchises.** The City may grant additional Franchise(s) pursuant to Minn. Stat. §238.081 and 47 U.S.C. §541, as such statutes may, from time to time, be amended. The City agrees that any grant of additional Franchise(s) or other authorizations including OVS authorizations shall require service to the entire Service Area and shall not be on terms and conditions more favorable or less burdensome to the Grantee. In any renewal of this Franchise Agreement, the City, should it seek to impose increased obligations upon the Grantee, must take into account any additional Franchise(s) or authorizations previously granted and find that the proposed increased obligations in the renewal are not more burdensome and/or less favorable than those contained in any such additional Franchise(s) or authorizations.

2.5.1 In the event City grants one or more additional Franchises or one or more non-franchised MVPD's commence providing Cable Service in the City, Grantee shall have the right to modify this Franchise Agreement as provided herein, terminate the Franchise Agreement or reduce the term of this Franchise Agreement in its sole discretion. All Franchises granted or renewed after the date of this Franchise Agreement shall have the same substantive terms and conditions as this Franchise Agreement in order that one MVPD not be granted a competitive advantage over another. Nothing in this provision shall be constructed in such a way as to limit the City's authority to enter into other Franchises.

2.5.2 In the event an MVPD commences operation without a Franchise or is granted a Franchise or permit to operate by the City, the terms and conditions of which do not comply with this Franchise Agreement, Grantee shall notify the City whether it wishes to modify its Franchise Agreement in addition to any rights it may have to modify its Franchise Agreement under state or federal law, terminate the Franchise Agreement or reduce the term of this Franchise Agreement in its sole discretion. The City and the Grantee shall work together in good faith to develop Franchise Agreement modifications which address any competitive inequity and the City shall adopt those modifications within ninety (90) days after receiving notice from Grantee. Failure to adopt the modifications shall allow Grantee to unilaterally opt into the competitor's Franchise or to otherwise reduce or eliminate any obligations imposed by this Franchise Agreement which are not imposed on a competitor in its sole discretion. A MVPD is not an entity that provides direct broadcast

satellite services for purposes of this Section. Notwithstanding any provisions of this Section to the contrary, if the City does not possess authority under applicable laws to require a Franchise from any Person, the provisions of this Section shall not apply.

2.6. **Conformance with State and Federal Laws and Rules.** The City and Grantee shall conform to state laws and rules regarding Cable Services no later than one (1) year after they become effective, unless otherwise stated. The City and Grantee shall conform to federal laws and regulations regarding Cable Services as they become effective. The Grantee agrees to comply with the terms of any lawfully adopted generally applicable nondiscriminatory local ordinance, to the extent that the provisions of the ordinance do not have the effect of limiting the benefits or expanding the obligations of the Grantee that are granted by this Franchise Agreement. Subject to applicable law, neither party may unilaterally alter the material rights nor obligations set forth in this Franchise Agreement. In the event of a conflict between any lawful ordinance, regulation or resolution and this Franchise Agreement, the Franchise Agreement shall control, provided, however, that this Franchise Agreement is subject to all conditions, limitations and immunities now provided for, or as hereafter amended, by state or federal law, including, without limitation, applicable Public Rights-of-Way Standards. In the event that City elects to adopt a right of way ordinance pursuant to Minn. Stat. Sections 237.162 and 237.163, as the same may, from time to time, be amended, the Grantee will comply with the ordinance or regulation adopted by the City, provided such ordinance is consistent with applicable state or federal law and Public Rights-of-Way Standards.

2.7. **Franchise Term.** This Franchise Agreement shall be in effect from the Effective Date until December 31, 2035, unless sooner revoked or terminated as provided herein.

2.8. **Previous Franchise.** Upon acceptance by Grantee as required by Section 9.12 hereof, this Franchise Agreement shall amend and restate any previous Ordinance or Franchise Agreement granting a franchise to Grantee to own, operate and maintain a Cable System within the Service Area.

2.9. **Police Powers.** Nothing herein shall be construed to prohibit City from exercising its police power to adopt and enforce generally applicable, nondiscriminatory ordinances necessary for the health, safety and welfare of the public.

SECTION 3

Construction and Operation of Cable System

3.1. **Compliance with Code.** The Cable System and any wires, conduits, cable, and other property and facilities of the Grantee subject to this Franchise Agreement must be located, constructed, installed and maintained so as not to unreasonably interfere with the City Utility System or the safety and convenience of ordinary travel along and over Public Ways and which shall at all times be subject to the reasonable regulation of the City and shall be located, constructed, installed, and maintained in compliance with applicable law. In the event that City elects to adopt a right of way ordinance pursuant to Minn. Stat. Section 237.162 and 237.163

Grantee will comply with the ordinance or regulation adopted by the City, provided such ordinance is consistent with applicable State or Federal law and Public Rights-of-Way standards.

3.2. **Permits.** Pursuant to applicable local law, the Grantee shall obtain a permit from the proper City authority before commencing construction on its Cable System, including the opening or disturbance of any Public Way or Public Ground. In the event that Grantee fails to meet the conditions of such a permit, the City may seek remedies pursuant to applicable local law.

3.3. **Restoration.** After completing work requiring the opening of a Public Way or Public Ground, the Grantee must restore the same to the condition formerly existing and maintain the same in good condition for six (6) months thereafter, except in the event of an intervening damaging event not related to the work of the Grantee, (the final judge to be the City Engineer of the City of Hermantown) and in accordance with all applicable laws, rules, ordinances and regulations, including, without limitation, the Public Rights-of-Way Standards. The work must be completed as promptly as reasonably permitted given weather conditions and Grantee's system operations at such time. If the Grantee does not promptly perform and complete the work in accordance with this Section 3.4, including removal of all dirt, rubbish, equipment and material, and restore the Public Way or Public Ground, the City may, after demand to the Grantee to cure and the passage of a reasonable period of time but not to exceed thirty (30) calendar days following the demand, make the restoration at the expense of the Grantee. The Grantee must reimburse the City for the reasonable cost of such work done for or performed by the City. This remedy is in addition to any other remedies available to the City for noncompliance with this Section.

3.4. **Maintenance of Grantee's Facilities.** Grantee agrees that for the term of this Franchise Agreement, it will use commercially reasonable efforts to maintain facilities and equipment sufficient to meet the current and future Cable Service needs of City and City residents. While maintaining its facilities and equipment, Grantee shall obtain permits as required by this Franchise Agreement and in accordance with all applicable laws, rules, ordinances and regulations, including the Public Rights-of-Way Standards, (if applicable) except that in emergency situations, Grantee shall take immediate unilateral actions as it determines are necessary to protect the public health, safety, and welfare; in which case, Grantee shall notify City as soon as reasonably possible.

3.5. **City Street Improvements.** City will give Grantee at least thirty (30) days prior written notice of plans for street improvements where paving or resurfacing of a permanent nature is involved that affect Grantee's Cable System. The notice shall contain the nature and character of the improvements, the rights-of-way upon which the improvements are to be made, the extent of the improvements and the time when the City will start the work, and, if more than one right-of-way is involved, the order in which this work is to proceed. The notice shall be given to the Grantee a sufficient length of time, considering seasonable working conditions, in advance of the actual commencement of the work to permit the Grantee to move its Cable System or to make any additions, alterations, or repairs to its Cable System.

Nothing in this Franchise Agreement shall be construed to prevent the City from constructing sewers, grading, paving, repairing and/or altering streets or laying down, repairing or removing watermain or constructing any other public utility.

3.6. **No Relief from Liability.** Nothing contained in the Franchise Agreement shall be construed to relieve a Person from liability arising out of the failure to exercise reasonable care to avoid injuring the Grantee's Cable System while performing work connected with grading, regrading, or changing the line of a street or public place or with the construction or reconstruction of a sewer or water system.

3.7. **Trimming of Trees and Shrubbery.** The Grantee shall have the authority to trim trees or other natural growth in order to access and maintain the Cable System.

3.8. **Underground Construction.** In those areas of the Service Area where all of the transmission or distribution facilities of the respective public utilities providing telephone communications and electric services are underground, the Grantee likewise shall construct, operate, and maintain its Cable System underground. Nothing contained in this subsection shall require the Grantee to construct, operate, and maintain underground any ground-mounted appurtenances.

3.9. **Erection, Removal and Joint Use of Poles.** No poles, conduits, or other wire-holding structures shall be erected or installed by the Grantee without prior approval of City with regard to location, height, type and other pertinent aspects. To the extent reasonably possible and economically feasible, Grantee shall utilize existing poles rather than install new poles. If existing poles are available, Grantee shall be obligated to use commercially reasonable efforts to seek the approval of the owner of the existing poles prior to installing new poles and provide such documentation and evidence as City may require as to the practical or economic reasons why Grantee is unable to utilize such existing poles prior to City approving the installation of new poles by Grantee.

3.10. **Relocation of Grantee's Facilities.**

3.10.1. Grantee shall promptly and at its own expense, with due regard for seasonal working conditions, permanently remove and relocate its Cable System in a Public Way when it is necessary to prevent interference, and not merely for convenience of the government, in connection with: (1) a present or future government use of the right-of-way for a public project; (2) the public health or safety; or (3) the safety and convenience of travel over the Public Way.

3.10.2. Notwithstanding Section 3.10.1, Grantee is not required to remove or relocate its Cable System from a Public Way that has been vacated in favor of a nongovernmental entity unless and until the reasonable costs to do so are first paid to Grantee and Grantee is provided with at least thirty (30) days prior written notice.

3.10.3. In the event that City requires removal and relocation of the Cable System, City shall promptly notify the Grantee of the need for removal and relocation, of the City's intent to assess the cost of removal and relocation against the Grantee and the date by which such removal and relocation is required to be completed. If Grantee reasonably believes another party should be responsible for the cost of removal and relocation in accordance with the terms of this Franchise Agreement, Grantee shall, within thirty (30) days, provide

notice to the City of its objection to the requirement that it pay for the removal and relocation.

3.10.4. The City and/or the party that the Grantee believes should be responsible for the removal and relocation costs shall deposit an amount estimated to cover the Grantee's costs for removal and relocation in an escrow account with an Escrow Agent acceptable to City and Grantee. Upon deposit of the escrowed funds, the City may require the removal and relocation of the Cable System at the Grantee's expense within the time specified in the notice provided pursuant to Section 3.10.3, pending a final agreement or determination of which party bears ultimate responsibility for the costs of removal and relocation. Grantee and the City agree to negotiate the question of responsibility for the costs of removal and relocation in good faith. If the parties are unable to resolve a dispute as to responsibility for the cost of removal and relocation within sixty (60) days from the date of Grantee's notice objecting to the payment of costs, either party may seek judicial recourse. The venue for any such proceeding shall be in the District Court sitting in Duluth, Minnesota.

3.10.5. The removal and/or relocation of the Cable System by Grantee required under this Section 3.10 shall be completed on or before the date specified in the notice provided pursuant to Section 3.10.3 so as not to delay the work that gave rise to the need for the relocation and/or removal of the Cable System.

3.11. **Drops to Public Buildings.** Subject to applicable law, Grantee shall provide installation of one (1) cable drop, one (1) cable outlet and monthly Basic Cable Service without charge to the following institutions and such other public or education institutions located within three hundred (300) feet of the Cable System which City and Grantee may agree upon:

Hermantown City Administrative Services Bldg.	5105 Maple Grove Road
Hermantown Police Department	5111 Maple Grove Road
Hermantown Fire Department	5111 Maple Grove Road
Hermantown Fire Hall 2	4900 Morris Thomas Road
Hermantown Fire Hall 3	4494 Midway Road
Hermantown Schools (Admin.)	4307 Ugstad Road
Hermantown High School	4335 Hawk Circle Drive
Essentia Wellness Center	4289 Ugstad Road
Hermantown Elementary School	5365 Arrowhead Road
Hermantown Hockey Arena	4309 Ugstad Road

Hermantown City Public Services Building
(subject to the cable system being located within
300 feet)

4971 Lightning Drive

Former City Hall

5255 Maple Grove Road

Redistribution of the Cable Programming Service provided pursuant to this section shall only be allowed with Grantee's prior written consent. Additional drops and/or outlets in any of the above locations will be provided by Grantee at the cost of Grantee's time and material. Alternatively, at the City's request, the City may add outlets at its own expense, as long as such installation meets Grantee's standards. If any such outlets or the wiring installed or provided by the City do not meet Grantee's standards then Grantee will be under no obligation to provide service to those outlets until such time as they do meet the Grantee's standards. City will bear any additional costs as a result of meeting such standards. Nothing herein shall be construed as requiring Grantee to extend the Cable System to service additional institutions that may be designated by City if any of such sites are more than three hundred (300) feet away from the Cable System. Grantee shall have one (1) year from the date of City Council designation of additional institutions(s) to complete construction of the requested drop and outlet.

3.12. **City Hall Broadcast.** Grantee agrees to continue provide transport of the PEG signal from the Demarcation Point to accomplish live broadcasting from the Administrative Service Building City Council Chambers. Grantee further agrees to review, identify and resolve any technical issues related to transport of the current PEG channel from the Demarcation Point to the headend.

3.13. **Emergency Alert.** Any Emergency Alert System ("EAS") provided by Grantee shall be operated in accordance with FCC regulations. Any use of such EAS by the City will be only in accordance with the applicable state and local plans as approved in accordance with such FCC regulations. Except to the extent expressly prohibited by law, the City will hold the Grantee, its employees, officers and assigns harmless from any claims arising out of use of the EAS, including but not limited to reasonable attorneys' fees and costs.

3.14. **Abandonment.** Notwithstanding any provision in a Franchise Agreement, Grantee may not abandon the Cable System or a portion of it without having given three months prior written notice to the City. Grantee may not abandon the Cable System or a portion of it without compensating the City for damages resulting to it from the abandonment.

3.15. **Compliance with FCC Technical Standards.** The Grantee shall comply with the technical standards for Cable Systems provided in 47 C.F.R. §§76.601-76.617, which regulations are incorporated herein by reference as if fully set forth herein. The results of tests required by the FCC must be filed within ten (10) days of the conduct of the tests with the City. City shall pay for the cost of any special testing requested by the City to determine if the Cable System is in compliance with these technical standards, unless such testing demonstrates non-compliance in which case Grantee shall pay.

3.16. **Public Inspection.** The Grantee shall make available for public inspection: (1) the length and terms of residential subscriber contracts; (2) the current subscriber charges; and (3) the procedure by which subscriber charges are established, unless such provision is contrary to state or federal law.

3.17. **Subscriber Privacy.** No signals of class IV cable communications channel may be transmitted from a Subscriber terminal for purposes of monitoring individual viewing patterns or practices without the express written permission of the Subscriber. The request for permission must be contained in a separate document with a prominent statement that the Subscriber is authorizing the permission in full knowledge of its provisions. The written permission must be for a limited period of time not to exceed one year, which is renewable at the option of the Subscriber. No penalty may be invoked for a Subscriber's failure to provide or renew the authorization. The authorization is revocable at any time by the Subscriber without penalty of any kind. Grantee shall further comply with 47 U.S.C. §551, which is incorporated herein by reference.

3.17.1. No information or data obtained by monitoring transmission of a signal from a Subscriber terminal, including but not limited to lists of the names and addresses of the Subscribers or lists that identify the viewing habits of Subscribers, may be sold or otherwise made available to any person other than to the company and its employees for internal business use, or to the Subscriber who is the subject of that information, unless the company has received specific written authorization from the Subscriber to make the data available or unless said information is ordered by a court or subpoenaed;

3.17.2. Written permission from the Subscriber must not be required for the systems conducting system wide or individually addressed electronic sweeps for the purpose of verifying system integrity or monitoring for the purpose of billing.

3.17.3. For purposes of this provision, a "class IV cable communications channel" means a signaling path provided by a cable communications system to transmit signals of any type from a subscriber terminal to another point in the communications system.

3.18. **Complaint Resolution Procedure.** Grantee shall comply with the customer service standards promulgated by the FCC under 47 C.F.R. §76.309.

3.19. **Receipt of Complaints.** Grantee shall provide a toll-free or collect telephone number for the reception of complaints to all Subscribers and shall maintain a repair service cable of responding to Subscriber complaints or requests for service within 24 hours after receipt of the complaint or request.

3.20. **Service Extension Policy.** In order that Subscribers will not be unfairly burdened, the following service extension policy is hereby adopted and agreed to by Grantee:

3.20.1. In the event of annexation by City, or as development occurs, any new territory shall become part of the area covered; provided, however, that Grantee shall not be required to extend service beyond its present Cable System boundaries unless there is

a minimum of twenty- five (25) homes per cable mile and the area is unserved by another cable service provider. Access to cable service shall not be denied to any group of potential residential cable Subscribers because of the income of the residents of the area in which such group resides. Grantee shall be given a reasonable period of time to construct and activate cable plant to service annexed or newly developed areas.

3.20.2. Upon request, Grantee shall construct cable plant to any unserved area, provided, the residents of said area pay Grantee's construction costs less the cost of the first one hundred fifty (150) feet from the existing distribution system. If more than one resident desire to have cable plant extended to provide service then Grantee shall construct cable plant to serve such residents if such residents agree to pay all of the cost of the extension less an amount equal to the cost of the first one hundred fifty (150) feet of cable plant for each such resident. Example: If there are ten (10) homes that desire cable service and three thousand (3,000) feet of cable plant would have to be added to the System to serve such residents then Grantee would pay fifty percent (50%) of the cost of such extension and the residents would pay fifty percent (50%) of the cost of such extension.

3.20.3. **New Developments.** In order to accommodate new developments where there are less than twenty-five (25) homes per cable mile, the City may, but is not obligated to, require the Developer, where feasible, to provide extensions of Cable Service by Grantee to the new development. The cost of the extension is to be borne by the Grantee and the Developer in an exact ratio to which the homes per mile are deficient. Example: If there are ten homes per mile, the Grantee would pay 10/25 of the cost (40%); and the Developer would pay 15/25 of the cost (60%) of such extension.

3.21. **Public Access Provisions.**

3.21.1. **Public, Education and Government Access.**

3.21.1.1. City or its designee is hereby designated to operate, administer, promote, and manage access (public, education, and government programming) (hereinafter "PEG access") to the Cable System established pursuant to this Section 3.24. Grantee shall have no responsibility whatsoever for PEG access except as expressly stated in this Section 3.24.

3.21.1.2. The Grantee shall continue to dedicate three (3) channels for PEG access use. All PEG access channels shall be available to Subscribers on the Basic Service Tier.

The Grantee may use the specially designated access channel for local origination during those hours when the channel is not in use by the general public, local educational authorities, local government or commercial or noncommercial users who have leased time. Grantee shall designate the channel locations of the access channels.

3.21.2.Charges for Use. Channel time and playback of prerecorded programming on the specially designated access channels must be provided without charge to the general public, except that personnel, equipment and production costs may be assessed by City for live studio presentations exceeding five (5) minutes in length. Charges for production costs must be consistent with the goal of affording the public a low-cost means of television access.

3.21.3.Access Rules.

3.21.3.1. City shall implement rules for use of any specially designated access channels. The initial access rules and any amendments thereto shall be maintained on file with City and available for public inspection during normal business hours.

3.21.3.2. Prior to the cablecast of any program on any PEG access channel established herein, City shall require any Person who requests access (public, education; and government) to the Cable System to provide written certification in a form and substance acceptable to Grantee and City which releases indemnifies, and holds harmless City, Grantee and their respective employees, offices, agents, and assigns from any liability, cost, damages and expenses, including reasonable expenses for legal fees arising or connected in any way with said program.

3.21.4.Periodic PEG Access Evaluation. Upon written request from City to Grantee, Grantee and City shall meet to evaluate PEG access channel issues. Both parties agree to meet in good faith and use their best efforts to discuss any proposal for modification presented by the other party. Nothing herein shall presume or require consent to any such proposed modification by City. Modifications to public access may only occur by mutual written consent of both parties.

SECTION 4
Fees; Regulation by the City

4.1. Franchise Fee.

4.1.1. The Grantee shall pay to the City a franchise fee of five percent (5%) of annual Gross Revenues (as defined in subsection 1.14 of this Franchise Agreement). In accordance with the Cable Act, the twelve (12) month period applicable under the Franchise Agreement for the computation of the franchise fee shall be a calendar year. Grantee's responsibility for payment of Franchise Fee under this Agreement shall commence on the first day of the calendar month that is at least 30 days after final execution of this Agreement. Until that time, Grantee shall continue to pay the Franchise Fee under any pre-existing Franchise Agreement with the Local Franchising Authority. Grantee shall commence payment of the franchise fee on the first day of the calendar month that is at least 30 days after final execution of this Agreement. The franchise fee

payment shall be due quarterly and payable within ninety (90) days after the end of each of Grantee's fiscal quarters. Each payment shall be accompanied by a brief report prepared by a representative of the Grantee showing the basis for the computation.

4.1.2. Limitation on Franchise Fee Actions. The period of limitation for audit and recovery by the City of any franchise fee payable hereunder shall be three (3) years from the date on which payment by the Grantee is due to the City, after which period any such payment shall be considered final.

4.2. PEG Fee. City may, upon sixty (60) days written notice ("PEG Fee Notice") to Grantee, require Grantee to impose a monthly per subscriber fee in an amount not to exceed sixty-five cents (65¢) to support Public Education and Governmental ("PEG") access operation and programming ("PEG Fee"). The PEG Fee will be imposed by Grantee on its subscribers effective as of the first day of the third month following the date of the PEG Fee Notice. The PEG Fees shall be remitted to City quarterly along with the Franchise Fee.

In the event that the PEG Fee is imposed, the City and Grantee shall mutually agree upon the language to be utilized for the PEG Fee line item to be listed in the subscriber's monthly bills from Grantee. If such language is not agreed upon, the obligation to collect and remit a PEG Fee to the City is suspended until such agreement is reached. The PEG Fee and related records shall be subject to accounting and inspection in the same manner as the franchise fee required to be paid pursuant to Section 4.1 of this Franchise Agreement.

In the event that the PEG Fee is imposed, the City, in its sole discretion, may opt to discontinue the PEG Fee at any time upon providing Grantee sixty (60) days written notice.

4.3. Audit. The City shall have the right to audit the Grantee's accounting and financial records solely to calculate the City's franchise fees upon thirty (30) days prior written notice. The Grantee shall file annual reports with the City detailing Gross Revenues and other information the City deems appropriate; provided, however, such information shall be deemed a trade secret under applicable Minnesota law and shall not be disclosed by the City, except as mandated by applicable law or court order.

4.4. Renewal of Franchise Agreement.

4.4.1. Any subsequent renewal term of the Franchise Agreement shall be limited to not more than ten (10) years. The City and the Grantee agree that any proceedings undertaken by the City that relate to the renewal of the Franchise Agreement shall be governed by and comply with the renewal provisions of federal law.

4.4.2. In addition to the procedures set forth in the Cable Act, the City agrees to notify the Grantee of all of its assessments regarding the identity of future cable-related community needs and interests, as well as the past performance of the Grantee under the then current Franchise Agreement term. The City further agrees that such assessments shall be provided to the Grantee promptly so that the Grantee has adequate time to submit

a proposal pursuant to the Cable Act and complete renewal of the Franchise Agreement prior to expiration of its term.

4.4.3. Notwithstanding anything to the contrary set forth in this Subsection 4.4.3, the Grantee and the City agree that at any time during the term of the then current Franchise Agreement, while affording the public appropriate notice and opportunity to comment in accordance with the provisions of federal law the City and the Grantee may agree to undertake and finalize informal negotiations regarding renewal of the then current Franchise Agreement and the City may grant a renewal thereof.

4.4.4. The Grantee and the City consider the terms set forth in this subsection 4.4 to be consistent with the express renewal provisions of the Cable Act.

4.5. **Conditions of Sale.** If a renewal or extension of the Grantee's Franchise Agreement is denied or the Franchise Agreement is lawfully terminated, and the City either lawfully acquires ownership of the Cable System or by its actions lawfully effects a transfer of ownership of the Cable System to another party, any such acquisition or transfer shall be at the price determined pursuant to the provisions set forth in Section 627 of the Cable Act.

The Grantee and the City agree that in the case of a final determination of a lawful revocation of the Franchise Agreement, the Grantee shall be given at least twelve (12) months to effectuate a transfer of its Cable System to a qualified third party. Furthermore, the Grantee shall be authorized to continue to operate pursuant to the terms of its prior Franchise Agreement during this period. If, at the end of that time, the Grantee is unsuccessful in procuring a qualified transferee or assignee of its Cable System which is reasonably acceptable to the City, the Grantee and the City may avail themselves of any rights they may have pursuant to federal or state law. It is further agreed that the Grantee's continued operation of the Cable System during the twelve (12) month period shall not be deemed to be a waiver, nor an extinguishment of, any rights of either the City or the Grantee.

4.6. **Franchise Transfer.** No sale or transfer of this Franchise Agreement or sale or transfer of stock so as to create a new controlling interest under Minn. Stat. §238.083, shall take place without the written approval of the City, which approval shall not be unreasonably withheld and conditioned that the sale or transfer being completed pursuant to Minnesota Stat. §238.083. The Grantee's right, title, or interest in the Franchise Agreement shall not be sold, transferred, assigned, or otherwise encumbered, other than to an entity controlling, controlled by, or under common control with the Grantee, without prior written notice to the City. No such notice shall be required, however, for a transfer in trust, by mortgage, by other hypothecation, or by assignment of any rights, title, or interest of the Grantee in the Franchise Agreement or Cable System in order to secure indebtedness. Pursuant to Minn. Stat. §238.084, Subd. 1(y), if the Franchise Agreement is transferred or sold by Grantee, the City shall have the right to purchase the Cable System. City shall be deemed to have waived its right to purchase the System under this section in the following circumstances:

4.6.1. If it does not indicate to Grantee in writing, within thirty (30) days of notice of a proposed sale or assignment, its intention to exercise its right of purchase; or

4.6.2 It approves the assignment or sale of the Franchise Agreement as provided within this section.

SECTION 5

Books and Records

The Grantee agrees that the City, upon thirty (30) days written notice to the Grantee and no more than once annually may review such of its books and records at the Grantee's business office, during normal business hours and on a nondisruptive basis, as is reasonably necessary to ensure compliance with the terms of this Franchise Agreement. Such notice shall specifically reference the subsection of the Franchise Agreement that is under review so that the Grantee may organize the necessary books and records for easy access by the City. Alternatively, if the books and records are not easily accessible at the local office of the Grantee, the Grantee may, at its sole option, choose to pay the reasonable travel costs of the City's representative to view the books and records at the appropriate location. The Grantee shall not be required to maintain any books and records for Franchise Agreement compliance purposes longer than three (3) years. Notwithstanding anything to the contrary set forth herein, the Grantee shall not be required to disclose information that it reasonably deems to be proprietary or confidential in nature, nor disclose books and records of any affiliate which is not providing Cable Service in the Service Area. The Grantee shall not be required to provide Subscriber information in violation of Section 631 of the Cable Act.

SECTION 6

Insurance and Indemnification

6.1. **Indemnification.** During the term of the Franchise Agreement, the Grantee shall indemnify, defend and hold harmless the City, its officers, boards, commissions, councils, elected officials, agents and employees (collectively the "Indemnitees") from and against resulting from property damage or bodily injury (including accidental death) that arise out of the Grantee's construction, operation, maintenance or removal of the Cable System in the Service Area provided that the City shall give Grantee prompt written notice of its obligation to indemnify the City within a reasonable time of receipt of a claim or action pursuant to this subsection.

Notwithstanding the foregoing, the Grantee shall not indemnify the City for any damages, liability or claims resulting solely from the willful misconduct or negligence of the Indemnitees.

6.2. **Insurance Requirements.** The Grantee shall obtain and maintain at all times during the term of this Franchise Agreement the insurance required by this Section.

6.2.1 **Compensation Insurance:** The Grantee shall procure and shall maintain during the term of the Franchise Agreement Worker's Compensation Insurance as required by applicable Minnesota law for all employees to be engaged in work in the Service Area.

6.2.2 **Public Liability and Property Damage Insurance and Vehicle Liability Insurance:** The Grantee shall procure and shall maintain during the term of the Franchise

Agreement Property Damage Insurance and Vehicle Liability Insurance and Grantee's Public Liability Insurance in the amounts specified in the sections below.

6.2.3 Proof of Insurance: The Grantee shall furnish the City with a certificate showing the type, amount, class of operations covered, effective dates and dates of expiration of policies. Such certificates shall contain substantially the following statement: "The insurance covered by this certificate will not be canceled, materially altered, or not renewed, except after thirty (30) days written notice or ten (10 days) for non-payment of premium, has been received by the City." City is to be named as an additional insured on such Certificate and not merely as a Certificate holder. Grantee must provide City with appropriate endorsements to its policy(ies) of insurance reflecting the status of City as an additional insured and requiring that the foregoing notice of cancellation, material alteration or non-renewal be provided to owner by the insurance company providing such insurance policy(ies) to Grantee. In addition, all policies shall contain a waiver of subrogation in favor of City.

6.2.4 Limits of Insurance:

Worker's Compensation: As required by Minnesota law with an "all states" endorsement

Comprehensive General Liability,
Premises and Operations:

Bodily Injury	Each Person	\$1,500,000.00
	Aggregate	\$1,500,000.00

Comprehensive General Liability, Property Damage and Bodily Injury: Each Accident	\$1,500,000.00
General Aggregate:	\$2,000,000.00
Products – Completed Operations Aggregate:	\$2,000,000.00
Fire Legal Liability Each Occurrence	\$100,000.00
Medical Expense:	\$5,000.00

Comprehensive Automobile Liability	\$1,500,000.00
Combined single limit each accident (shall include coverage for all owned, hired and non-owned vehicles).	

Property Damage	Each Accident	\$1,500,000.00
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6.3. Performance Bond.

6.3.1. On the Effective Date and at all times thereafter, until the Grantee has liquidated all of its obligations with City, the Grantee shall furnish a bond to City in the amount of Twenty Thousand and No/100 Dollars (\$20,000.00) in a form and with such

sureties as reasonably acceptable to City. This bond will be conditioned upon the faithful performance of the Grantee according to the terms of this Franchise Agreement and upon the further condition that in the event the Grantee shall fail to comply with any law, ordinance or regulation governing the Franchise Agreement, there shall be recoverable jointly and severally from the principal and surety of the bond any damages or loss suffered by City as a result, including the full amount of any compensation, indemnification or cost of removal or abandonment of any property of the Grantee, plus a reasonable allowance for attorneys' fees and costs, up to the full amount of the bond, and further guaranteeing payment by the Grantee of any claim, liens and taxes due to the City which arise by reason of the construction, operation, or maintenance of the System. The rights reserved by City with respect to the bond are in addition to all other rights City may have under the Franchise Agreement or any other law.

6.3.2. If at any time Grantee undertakes additional construction of the Cable System in City, by way of a line extension, rebuild, upgrade or otherwise, with a projected cost in excess of Seventy Thousand and No/100 Dollars (\$70,000.00), Grantee shall provide a bond to City in the amount equivalent to fifteen percent (15%) of the projected construction cost and shall maintain such bond during the term of said additional construction. This bond shall be in addition to the bond required by Section 6.3 and shall be conditioned upon the completion of construction of the Cable System in accordance with the terms of this Franchise Agreement within the times provided for herein and to indemnify City of any loss or damage, including attorneys' fees and costs, which it may suffer or incur as a result of the failure of Grantee to complete construction of the Cable System as provided herein. Upon completion of said additional construction, Grantee shall provide written notice to City. Within thirty (30) day of receipt of notice of completion of said construction, City shall give written notice to Grantee indicating whether City agrees the construction is complete or specifying those items of construction which City determines are not complete. At such time as City and Grantee mutually agree that said additional construction of the Cable System is complete, Grantee shall provide to City a bond in the amount to the bond existing immediately before the commencement of said additional construction. At the time City agrees the construction is complete, the bond provided by Grantee pursuant to this Section 6.3 shall be released.

6.3.3. The bonds provided within this Section shall also be provided on the condition that funds will be paid to City, upon written demand of City, and after the procedures of this Section have been complied with, in payment for penalties charged pursuant to this Section, in payment for any monies owed by Grantee pursuant to its obligations under this Franchise Agreement, or in payment for any damage incurred as a result of any acts or omissions by Grantee pursuant to this Franchise.

6.3.4. In addition to recovery of any monies owed by Grantee to City or damages to City as a result of any acts or omissions by Grantee pursuant to the Franchise Agreement, City in its sole discretion may charge to and collect from the bonds provided for in this Section provided by Grantee to the City for failure to comply with any of the provisions of this Franchise Agreement a penalty of One Hundred and No/100 Dollars (\$100.00) per day for each day, or part thereof, that such failure occurs or continues.

6.3.5. In the event this Franchise Agreement is cancelled by reason of default of Grantee or revoked, City shall be entitled to collect from the bonds provided under Section 6.3.1, 6.3.2, 6.3.3, or 6.3.4 that amount which is attributable to any damages sustained by City pursuant to said default or revocation. Grantee, however, shall be entitled to the return of such performance bond, or portion thereof as remains at the expiration of the term of the Franchise Agreement.

6.3.6. The rights reserved to City with respect to the bonds provided under Section 6.3.1, 6.3.2, 6.3.3., and 6.3.4 are in addition to all other rights of City whether reserved by this Franchise Agreement or authorized by law, and no action, proceeding or exercise of a right with respect to the performance bond shall affect any other right City may have.

6.4. Procedure for Imposition of Penalties.

6.4.1. Whenever the City finds that Grantee has violated one (1) or more material terms, conditions or provisions of this Franchise Agreement or federal or state law or regulation, a written notice shall be given to Grantee informing it of such violation or liability. The written notice shall describe in reasonable detail the specific violation so as to afford Grantee an opportunity to remedy the violation. Grantee shall have thirty (30) days subsequent to receipt of the notice in which to correct the violation.

6.4.2. Whenever a Franchise Agreement violation has been alleged pursuant to Section 6.4, Grantee may, within thirty (30) days of receipt of notice, notify City that there is a dispute as to whether a violation or failure has, in fact, occurred. Such notice by Grantee to City shall specify with particularity the matters disputed by Grantee and shall toll the running of the cure period provided pursuant to Section 6.4.1. City shall hear Grantee's dispute at the next regularly scheduled meeting. City shall supplement any decision with written findings of fact.

6.4.3. Subject to any tolling of the thirty (30) day time frame pursuant to Section 6.4.2, if Grantee fails to cure such default within thirty (30) days after the giving of such notice, or if such default is of such a character as to require more than thirty (30) days within which to cure the same, and Grantee fails to commence to cure the same within said thirty (30) day period and thereafter fails to use reasonable diligence, in City's reasonable opinion, to cure such default as soon as possible, then and in any event, such default shall be a substantial breach of this Franchise Agreement and City, at its option may elect to either cure the default by drawing on the Security or any bond provided to City by Grantee for the amount claimed or terminate and cancel this Franchise Agreement and all rights and privileges of this Franchise Agreement by placing the issue of revocation and termination of the Franchise Agreement before the City at a regular or special meeting of the City. If City decides there is cause or reason to terminate, the procedure in Section 7 shall be followed.

6.4.4. If City draws upon the Security or any bond provided to City by Grantee or any subsequent Security or any bond provided to City by Grantee delivered pursuant

hereto, in whole or in part, Grantee shall replace and restore the amount withdrawn on the Security or any bond provided to City by Grantee within fifteen (15) days.

6.4.5. If any Security or any bond provided to City by Grantee is not so replaced, City may draw on said Security or any bond provided to the City by Grantee for the whole amount thereof and hold the proceeds, without interest, and use the proceeds to pay costs incurred by City in performing and paying for any or all of the obligations, duties and responsibilities of Grantee under this Franchise Agreement that are not performed or paid by Grantee pursuant hereof, including attorneys' fees incurred by the City in so performing and paying.

6.4.5. The rights reserved to the City with respect to the Security or any bond provided to City by Grantee under this Section 6.4 are in addition to all other right of City whether reserved by this Franchise Agreement or authorized by law, and no action proceeding or exercise of a right with respect to the Security or any bond provided to City by Grantee shall affect any other right City may have.

SECTION 7

Enforcement and Termination of Franchise

7.1. **Franchise Termination.** The City has the right to terminate and cancel the Franchise Agreement and the rights and privileges of the Franchise Agreement if the Grantee substantially violates a provision of the Franchise Agreement, attempts to evade the provisions of the Franchise Agreement, or practices fraud or deceit upon the City. The City shall provide the Grantee with a written notice of the cause for termination and its intention to terminate the Franchise Agreement and shall allow the Grantee a minimum of 30 days after service of the notice in which to correct the violation. The Grantee must be provided with an opportunity to be heard at a public hearing before the governing body of the City before the termination of the Franchise Agreement.

7.2. **The Grantee's Right to Cure or Respond.** The Grantee shall have thirty (30) days from receipt of the notice described in subsection 7.1: (A) to respond to the City, contesting the assertion of such noncompliance, or (B) to cure such default, or (C) in the event that, by the nature of such default, it cannot be cured within the thirty (30) day period, initiate reasonable steps to remedy such default and notify the City of the steps being taken and the projected date that they will be completed.

7.3. **Public Hearing.** In the event that the Grantee fails to respond to the notice described in subsection 7.1 pursuant to the procedures set forth in subsection 7.2, or in the event that the alleged default is not remedied within thirty (30) days or the date projected pursuant to 7.2(C) above, if it intends to continue its investigation into the default, then the City shall schedule a public hearing. The City shall provide the Grantee at least ten (10) days prior written notice of such hearing, which specifies the time, place and purpose of such hearing, and provide the Grantee the opportunity to be heard.

7.4. **Enforcement.** Subject to applicable federal and state law, in the event the City, after the hearing set forth in subsection 7.3, determines that the Grantee is in material default of any provision of the Franchise Agreement, the City may:

7.4.1. Commence an action at law for monetary damages or seek other equitable relief; or

7.4.2. In the case of repeated or ongoing substantial non-compliance with a material term or terms of the Franchise Agreement, seek to revoke the Franchise Agreement in accordance with subsection 7.5.

7.5. **Revocation.** Should the City seek to revoke the Franchise Agreement after following the procedures set forth in subsections 7.1-7.4 above, the City shall give written notice to the Grantee of its intent. The notice shall set forth the exact nature of the repeated or ongoing substantial noncompliance with a material term or terms of the Franchise Agreement. The Grantee shall have ninety (90) days from such notice to object in writing and to state its reasons for such objection. In the event the City has not received a satisfactory response from the Grantee, it may then seek termination of the Franchise Agreement at a public hearing. The City shall cause to be served upon the Grantee, at least thirty (30) days prior to such public hearing, a written notice specifying the time and place of such hearing and stating its intent to revoke the Franchise Agreement.

At the designated hearing, Grantee shall be provided a fair opportunity for full participation, including the right to be represented by legal counsel, to introduce relevant evidence, to require the production of evidence, to compel the relevant testimony of the officials, agents, employees or consultants of the City, to compel the testimony of other persons as permitted by law, and to question witnesses. A complete verbatim record and transcript shall be made of such hearing.

Following the hearing, the City shall determine whether or not the Franchise Agreement shall be revoked. If the City determines that the Franchise Agreement shall be revoked, the City shall promptly provide Grantee with its decision in writing. The Grantee may appeal such determination of the City to an appropriate court. Grantee shall be entitled to such relief as the court finds appropriate. Such appeal must be taken within sixty (60) days of Grantee's receipt of the determination of the City.

The City may take any lawful action which it deems appropriate to enforce the City's rights under the Franchise Agreement in lieu of revocation.

7.6. **Force Majeure.** The Grantee shall not be held in default under, or in noncompliance with, the provisions of the Franchise Agreement, nor suffer any enforcement or penalty relating to noncompliance or default, where such noncompliance or alleged defaults occurred or were caused by circumstances reasonably beyond the ability of the Grantee to anticipate and control. This provision includes work delays caused by waiting for utility providers to service or monitor their utility poles to which the Grantee's Cable System is attached, as well as unavailability of materials and/or qualified labor to perform the work necessary.

Furthermore, the parties hereby agree that it is not the City's intention to subject the Grantee to penalties, fines, forfeitures or revocation of the Franchise Agreement for violations of the Franchise Agreement where the violation was a good faith error that resulted in no or minimal negative impact on the Subscribers within the Service Area, or where strict performance would result in practical difficulties and hardship to the Grantee which outweigh the benefit to be derived by the City and/or Subscribers.

7.7. **Removal of Facilities.** Upon termination or forfeiture of the Franchise Agreement, unless otherwise required by applicable law, the Grantee shall remove its cable, wires, and appliances from the streets, alleys, and other public places within the Service Area if the City so requests; provided, however, that if Grantee is providing services other than Cable Services or pursuant to applicable law, City shall not require the removal of the System. In the event the Grantee fails to remove its cable, wires, and appliances from the streets, alleys, and other public places within the Service Area, the Grantee will be subject to the procedures of applicable local law.

SECTION 8

Dispute Resolution

8.1 Dispute Resolution.

8.1.1. Grantee and City shall attempt in good faith to resolve any dispute arising out of this Franchise Agreement by negotiation between the parties. Either party may give the other party written notice that a dispute exists ("Notice of Dispute") which shall include a statement of such party's position. Within ten (10) days of the Notice of Dispute, Grantee and City shall meet at a mutually acceptable time and place, and thereafter as long as both parties reasonably deem necessary; to attempt to resolve the dispute.

8.1.2. If the dispute has not been resolved by negotiation within thirty (30) days of the Notice of Dispute, Grantee and City shall attempt in good faith to resolve the dispute by mediation.

8.1.3. If Grantee and City participate in the dispute resolution process provided in this Section 8.1, all relevant time frames established under state or federal law or this Franchise Agreement shall be tolled until the conclusion of said processes.

SECTION 9

Miscellaneous Provisions

9.1. **Actions of Parties.** In any action by the City or the Grantee that is mandated or permitted under the terms hereof, such party shall act in a reasonable, expeditious, and timely manner. Furthermore, in any instance where approval or consent is required under the terms hereof, such approval or consent shall not be unreasonably withheld.

9.2. **Entire Agreement.** This Franchise Agreement constitutes the entire agreement between the Grantee and the City and supersedes all other prior understandings and agreements oral or written. Any amendments to this Franchise Agreement shall be mutually agreed to in writing by the parties.

9.3. **Reservation of Rights.** Acceptance of the terms and conditions of this Franchise Agreement will not constitute, or be deemed to constitute, a waiver, either expressly or impliedly, by Grantee of any constitutional or legal right which it may have or may be determined to have, either by subsequent legislation or court decisions. The City acknowledges that Grantee reserves all of its rights under applicable Federal and State Constitutions and laws.

9.4. **Notice.** Unless expressly otherwise agreed between the parties, every notice or response required by this Franchise Agreement to be served upon the City or the Grantee shall be in writing, and shall be deemed to have been duly given to the required party when placed in a properly sealed and correctly addressed envelope: a) upon receipt when hand delivered with receipt/acknowledgment, b) upon receipt when sent certified, registered mail, c) within five (5) business days after having been posted in the regular mail or d) or the next business day if sent by express mail or overnight air courier.

If to City:	City of Hermantown Attn: City Administrator 5105 Maple Grove Road Hermantown, MN 55811
If to Grantee:	Mediacom Minnesota LLC Attn: Legal Department One Mediacom Way Mediacom Park, NY 10918
With a copy to:	Mediacom Minnesota LLC Attn: Government Relations Director 1504 2 nd Street SE Waseca, MN 56093

The City and the Grantee may designate such other address or addresses from time to time by giving notice to the other in the manner provided for in this subsection.

9.5. **Franchise Administration.** The City Administrator is responsible for the continuing administration of the Franchise Agreement.

9.6. **Descriptive Headings.** The captions to Sections and subsections contained herein are intended solely to facilitate the reading thereof. Such captions shall not affect the meaning or interpretation of the text herein.

9.7. **Severability.** If any Section, subsection, sentence, paragraph, term, or provision hereof is determined to be illegal, invalid, or unconstitutional, by any court of competent jurisdiction or by any state or federal regulatory authority having jurisdiction thereof, such determination shall have no effect on the validity of any other Section, subsection, sentence, paragraph, term or provision hereof, all of which will remain in full force and effect for the term of the Franchise Agreement.

9.8. **Data Practices Act.** Grantee acknowledges that City is subject to the provisions of the Minnesota Government Data Practices Act.

9.8.1. Grantee must comply with the Minnesota Government Data Practices Act, Minnesota Statutes, Chapter 13, as it applies to all data provided by City in accordance with this Ordinance/Franchise Agreement and as it applies to all data created, collected, received, stored, used, maintained, or disseminated by Grantee in accordance with this Ordinance/Franchise Agreement. The civil remedies of Minnesota Statutes §13.08, apply to Grantee and City.

9.8.2. Minnesota Statutes, Chapter 13, provides that all government data are public unless otherwise classified. If Grantee receives a request to release the data referred to in this Section, Grantee must immediately notify City and consult with City as to how Grantee should respond to the request. Grantee's response shall comply with applicable law, including that the response is timely and, if Grantee denies access to the data, that Grantee's response references the statutory basis upon which Grantee relied. Grantee does not have a duty to provide public data to the public if the public data is available from City.

9.9. **Work Performed by Others.** All provisions of this Franchise Agreement shall apply to any subcontractor or others performing any work or services pursuant to the provisions of this Franchise Agreement. Grantee shall provide notice to City of the name(s) and address(es) of any entity, other than Grantee, which performs substantial services pursuant to this Franchise Agreement.

9.10. **Amendment of Franchise Ordinance.** Grantee and City may agree, from time to time, to amend this Franchise Agreement. Such written amendments may be made if City and Grantee agree that such an amendment will be in the public interest or if such an amendment is required due to changes in federal, state or local laws. City shall act pursuant to applicable law pertaining to the ordinance amendment process.

9.11. **No Waiver.** Any waiver of any obligation or default under this Ordinance/Franchise Agreement shall not be construed as a waiver of any future defaults, whether of like or different character.

9.12. **Franchise Term and Effective Date.** This Ordinance/Franchise Agreement shall be in force and effective January 1, 2026 after all of the following have been completed: passage of this Ordinance/Franchise Agreement, publication as required by law, and acceptance by Grantee. If Grantee does not file a written acceptance with the City within sixty (60) days after the date the City Council adopts this Ordinance/Franchise Agreement, or otherwise informs the City,

at any time, that the Grantee does not accept this Ordinance/Franchise Agreement, the City Council by resolution may revoke this Ordinance/Franchise Agreement or seek its enforcement in a court of competent jurisdiction.

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Passed and approved by the City Council of the City of Hermantown, Minnesota, on this _____ day of _____, 2025.

Mayor

ATTEST:

City Clerk

ACCEPTANCE BY GRANTEE

Mediacom Minnesota LLC hereby accepts the terms and provisions of the foregoing and attached Ordinance No. 2025-20, An Ordinance Renewing a Franchise Granted to Mediacom Minnesota, LLC to Construct, Operate and Maintain a Cable Television System in the City of Hermantown; Setting Forth Conditions Relating to the Continuation of the Franchise; Providing for the Regulation and Use of the Cable Television System; and Prescribing Penalties for the Violation of its Provisions, on the date of _____, 2025.

Mediacom Minnesota LLC

By _____
Its _____
Date _____



CITY COUNCIL MEETING DATE: December 1, 2025

TO: Mayor & City Council

FROM: John Mulder, City Administrator

SUBJECT: Ordinance – MN Power Franchise Agreement

☐ **RESOLUTION:** ☒ **ORDINANCE:** 2025-21 ☐ **OTHER:**

REQUESTED ACTION

Hold second reading of an ordinance extending a franchise agreement with MN Power.

BACKGROUND

The City has had a franchise agreement with MN Power in excess of 20 years. The franchise agreement allows them to use the City's right of way for their infrastructure (poles, transmission lines, etc.).

The current agreement expires in 2025, There only change is that the fee stayed the same but is now listed in a separate ordinance.

All other items materially maintain the status quo.

SOURCE OF FUNDS (if applicable)

ATTACHMENTS

Ordinance

CITY OF HERMANTOWN, MINNESOTA

ORDINANCE NO. 2025-21

AN ORDINANCE GRANTING TO MINNESOTA POWER A NONEXCLUSIVE FRANCHISE TO CONSTRUCT, OPERATE, REPAIR AND MAINTAIN IN THE CITY OF HERMANTOWN, MINNESOTA, AN ELECTRIC DISTRIBUTION SYSTEM AND TRANSMISSION LINES, INCLUDING NECESSARY POLES, LINES, FIXTURES AND APPURTENANCES, FOR THE FURNISHING OF ELECTRIC ENERGY TO THE CITY, ITS INHABITANTS, AND OTHERS, AND TO USE THE PUBLIC WAYS AND PUBLIC GROUNDS OF THE CITY FOR SUCH PURPOSES; AND PRESCRIBING CERTAIN TERMS AND CONDITIONS THEREOF.

THE CITY COUNCIL OF THE CITY OF HERMANTOWN, MINNESOTA, DOES FIND AND ORDAIN, AND THE TABLE OF SPECIAL ORDINANCES OF THE CITY CODE OF ORDINANCES IS HEREBY REVISED TO INCLUDE THE FOLLOWING:

SECTION 1. FINDINGS.

1.1 In Ordinance Number 2025-21 the City has required each Utility Service Provider to obtain and maintain a franchise with the City and to provide consideration to the general fund of the City for the rights afforded to it in the franchise.

1.2 In the interest of fairness and comparable treatment, the City finds it necessary and desirable to formalize its rules and regulations and to implement the terms of Ordinance Number 2025-21 with respect to the City of Hermantown, and, to the extent feasible and practicable, to all other Utility Service Providers.

SECTION 2. DEFINITIONS. For purposes of this Ordinance, the following capitalized terms listed in alphabetical order shall have the following meanings:

City. The City of Hermantown, County of St. Louis, State of Minnesota and the corporate limits thereof on the Effective Date and as they may be adjusted from time to time hereafter.

Facilities used for providing public utility service owned or operated by the City or agency thereof, including sewer, storm sewer, and water service.

Commission. The Minnesota Public Utilities Commission, or any successor agency or agencies, including an agency of the federal government, which preempts all or part of the authority to regulate electric retail rates now vested in the Minnesota Public Utilities Commission.

Company. Minnesota Power, an operating division of ALLETE, Inc., its successors and assigns including all successors or assignees that own or operate any part or parts of the Electric Facilities subject to this Franchise.

Company Service Area. Those areas within the City to which the Company has been assigned the right to provide electric service, as in effect on the Effective Date or as may be hereafter revised.

Council. The City Council of the City of Hermantown as from time to time constituted.

Effective Date. The effective date of this Ordinance.

Electric Facilities. Electric transmission and distribution substations, towers, poles, lines, guys, anchors, conduits, fixtures, and necessary appurtenances owned or operated by the Company for the purpose of providing electric energy for public or private use.

Extension Rules. The rules adopted from time to time by the Company governing its extension of Electrical Facilities.

Franchise. The grant of rights made by the City to the Company in this Ordinance, subject to its terms and conditions.

Notice. A writing served by any party or parties on any other party or parties at the following addresses:

If to the City: City of Hermantown
 5105 Maple Grove Road
 Hermantown, MN 55811

Attn: City Administrator

If to the Company: Minnesota Power
 30 West Superior Street
 Duluth, MN 55802
 Attn: Vice President – Customer Experience

Any party may change its respective address for the purpose of this Ordinance by written notice to the other parties.

Person. A natural person or any partnership, joint venture, corporation, cooperative, limited liability company or any public corporation, political subdivision or agency of the State or any other legal entity that may be created by law.

Public Ground. All real property owned by or dedicated to the City with respect to which the City holds the legal right or title to grant or withhold easement, leasehold or occupancy rights or servitudes.

Public Way. Any street, alley and other public rights-of-way within the City.

Utility. Transmitting, furnishing, transporting, distributing, delivering, selling, receiving, importing, manufacturing, or causing to be produced, transmitted, furnished, transported, delivered, sold, received, imported, or manufactured, electric energy, natural gas, mixed gas, heat, light, power, and services provided through a cable communication system.

Utility Service Provider. Any Person who performs any one or more of the activities of a Utility to or for the public or to or for any one or more persons within the corporate limits of the City and may, as contemplated herein, be the ultimate user or consumer of the Utility service provided.

SECTION 3. THE FRANCHISE.

3.1. **Grant of Franchise.** The City hereby grants the Company, for a period of ten (10) years from the date this Ordinance is passed and approved by the City, the right to transmit and furnish electric energy for any public or private use within and through the Company Service Area. For these purposes, the Company may construct, operate, repair and maintain Electric Facilities in, on, over, under and across the Public Ways and Public Grounds within the Company Service Area, subject to the provisions of this Ordinance. The Company may do all reasonable things necessary or customary to accomplish these purposes, subject however, to all applicable design and safety codes, the provisions of this Ordinance, zoning ordinances, other applicable ordinances, permit procedures and the customary and necessary practices of the City.

3.2. **Not Exclusive.** This Franchise is not exclusive.

3.3. **Effective Date.** This Franchise shall be in force and effect from and after the passage of this Ordinance and publication as required by law and upon the Company's duly authorized acceptance below as executed within thirty (30) days after passage and publication of this Ordinance or any amendment thereto.

3.4. **Extension of Franchise.** The term of this franchise will automatically extend for successive one (1) year periods unless written notice of termination is provided by either party to the other at least ninety (90) days before the end of the then-current term.

SECTION 4. LOCATIONS; CONSTRUCTION; OTHER REGULATIONS.

4.1. **General.** Electric Facilities shall be located, constructed and maintained by the Company: (i) in as safe and secure a condition or manner as reasonably possible, (ii) so as not to interfere with the safety and convenience of ordinary travel along and over Public Ways, and (iii) so as not to disrupt or interfere with the normal use or operation of any Public Ways, Public Ground or the City Utility System. Electric Facilities may only be located on Public Ground as determined by the City in its sole discretion. The Company's construction, reconstruction, operation, repair,

maintenance, location and relocation of Electric Facilities shall be subject to the terms of this Ordinance and such other regulations of the City consistent with authority granted the City to manage its Public Ways and Public Grounds under state law, to the extent not inconsistent with a specific term of this Ordinance.

4.2. **Construction; Maintenance; Repairs.** Whenever the Company desires to open or disturb any Public Way or Public Ground for the purpose of constructing, maintaining, or repairing Electric Facilities, it shall give the City reasonable advance Notice, but not less than ten (10) business days, by filing a written Notice with the City Clerk and shall follow the City's Right of Way Ordinance. In any case, the Company shall not commence such work before obtaining any applicable permit for which the City may impose a reasonable fee, or other appropriate written consent from the City. The Company shall not, during the progress of the work, endanger or unnecessarily obstruct the passage of traffic or the normal and customary use of the Public Ways and Public Ground. During the progress of such work, the Company shall keep the affected Public Ways or Public Ground guarded in order to avoid accidents to persons or property. All work performed by the Company shall comply with all applicable federal, state, and local laws, rules, and regulations.

4.3. **Emergencies.** The requirements for obtaining permits from the City pursuant to Section 5.2 shall not apply if (i) an emergency exists requiring the immediate repair of Electric Facilities and (ii) the Company gives telephone notice to the City before, if reasonably possible, commencement of the emergency repair. Within two (2) business days after commencing the repair, the Company shall apply for any required permits and pay any required fees.

4.4. **Restoration.** Following the completion of any work, the Company shall promptly and diligently restore the affected Public Ways and/or Public Ground to as good a condition as before the work commenced. If the Company fails to promptly restore such Public Ways and/or Public Ground within ten (10) days of Notice by the City, the City may engage an independent contractor at the expense of the Company to perform the restoration of the Public Ways and/or Public Ground as required under this Section. The Company shall pay to the City upon demand the cost to the City of affecting such restoration including the City's administrative expenses and overhead.

4.5. **Avoidance of Damage.** The Company must take reasonable measures to prevent the Electric Facilities from causing damage to persons or property. The Company must take reasonable measures to protect the Electric Facilities from damage that could be inflicted on the Electric Facilities by persons, property, or the elements. The Company must take protective measures when the City performs work near the Electric Facilities, if given reasonable Notice by the City of such work prior to its commencement.

4.6. **Field Locations.** The Company shall provide field locations (GIS field maps) for all its underground Electric Facilities when requested by the City within a reasonable period of time. The period of time will be deemed reasonable if it meets the requirements of the one call excavation notice system as now provided in Minnesota Statutes, chapter 216D (commonly known as of the Effective Date as the "Gopher State One Call" system).

4.7. **Shared Use of Poles; Street Lights.** If the City desires to place facilities on the Company's poles, the City shall enter into a License Agreement for Pole Attachment Rental with the

Company containing non-monetary terms and conditions substantially similar to those contained in other such Agreements that the Company has with other governmental entities.

4.8. **Tree Trimming.** Subject to such procedures, regulation and supervision as the Council may establish, the Company may, at its cost, trim all trees and shrubs in the Public Ways located within the Company Service Area to the extent the Company finds it necessary to avoid interference with the proper construction, operation, repair and maintenance of any of the Company's Electric Facilities installed or maintained hereunder, provided that the Company shall hold the City harmless from liability arising therefrom consistent with Section 6.1 of this Agreement.

If at any time any claim of any kind is made against the City for injury to persons or property arising from the acts or failure to act by the Company, its agents, servants, or employees in connection with the operations of the Company under and pursuant to this Franchise, the Company shall fully indemnify, defend and hold harmless the City, its agents, servants or employees from any and all such claims, including, but not limited to, reimbursement of any reasonable attorneys fees and costs and expenses the City may incur in handling, denying, or defending such claims. The Company's obligation to indemnify the City shall not extend to any injury to persons or property caused by the negligent act or failure to act by the City or any actions taken by the Company pursuant to directions of the City if performed within the scope of the City's directions without negligence by the Company. The City shall determine who will defend any such claims arising under this Section 4.8 and the Company will thereafter have complete control of such litigation; provided, however, the Company may not settle any such claims without the prior approval of the City, which approval will not be unreasonably withheld. This Section is not, as to third parties, a waiver of any defense or immunity otherwise available to the City; and the Company, in defending any action shall be entitled to assert every defense or immunity that the City could itself assert in its own behalf. The Company's obligations under this Section shall survive the expiration, amendment, or termination of this Ordinance.

4.9. **Notice of City Improvements.** The City will give the Company reasonable advance Notice of plans for improvements to Public Ways and Public Ground in the Company Service Area where the City has reason to believe that the Company's Electric Facilities may affect or be affected by such improvements. The Notice will contain: (i) the nature and character of the improvements, (ii) the Public Ways and/or Public Ground upon which the improvements are to be made, (iii) the extent of the improvements, (iv) the time when the City will start the work, and (v) if more than one Public Way or parcel of Public Ground is involved, the order in which the work is to proceed.

4.10. **Acquisition.** The City shall have the right to purchase or otherwise acquire the Company's Electric Facilities or the Company Service Area, or portion(s) thereof, at any time by way of eminent domain under Minnesota Statutes, Chapter 117 or under Minnesota Statutes, Chapter 216B, in either case, as such statutes or amendments to such are in effect on the date the City commences such purchase or acquisition. In that event, the pleading commencing the acquisition proceeding by the City shall be noticed to the Company for it to make any adjustments to its long-range planning for facilities and service for the area affected by the proceeding. Any damages to the Company as a result of such proceeding shall be determined as of the commencement of such proceeding. The Company shall continue to operate the Electric Facilities at the City's sufferance only until such acquisition is completed. The expiration or termination of this Franchise as

hereinbefore provided shall not, by itself, be an independent basis of any claim by the Company against the City.

SECTION 5. ELECTRIC FACILITIES RELOCATION.

5.1. **Relocation.** In the event the City reasonably determines that it is necessary for the Company to move any part of its Electric Facilities because the City has determined to change, move or improve its Public Ways or that the Electric Facilities have become or will become a substantial impairment to the existing or imminent public use of Public Ground, upon reasonable Notice by the City to the Company, then the Company will move its Electric Facilities at its sole cost. The City shall consider reasonable alternatives in designing its public works projects so as not to arbitrarily cause the Company unreasonable additional expense in exercising its authority under this Section 5.1. This Section 5.1 shall not constitute a taking by the City nor be construed as a waiver or modification of any easement or prescriptive rights acquired by the Company independent of and without reliance by the Company on this Franchise.

5.2. **No Release of Liability.** Nothing contained herein shall relieve any third party from liability arising out of their failure to exercise reasonable care to avoid injuring the Company's Electric Facilities while performing any work connected with grading, regarding or changing the line of any Public Way or with any construction on or adjacent to any Public Way; provided, however, this Section 5.2 shall not limit the City's rights to indemnification under Section 6.1 nor shall the City in any way be liable to the Company for claims arising from the negligence of any third party.

SECTION 6. INDEMNIFICATION.

6.1. **Indemnification.** If at any time any claim of any kind is made against the City for injury to persons or property arising from the acts or failure to act by the Company, its agents, servants, or employees in connection with the operations of the Company under and pursuant to this Franchise, the Company shall fully indemnify, defend and hold harmless the City, its agents, servants or employees from any and all such claims, including, but not limited to, reimbursement of any reasonable attorneys fees and costs and expenses the City may incur in handling, denying, or defending such claims. The Company's obligation to indemnify the City shall not extend to any injury to persons or property caused by the negligent act or failure to act by the City or any actions taken by the Company pursuant to directions of the City if performed within the scope of the City's directions without negligence by the Company. The City shall determine who will defend any such claims arising under this Section 6.1 and the Company will thereafter have complete control of such litigation; provided, however, the Company may not settle any such claims without the prior approval of the City, which approval will not be unreasonably withheld. This Section is not, as to third parties, a waiver of any defense or immunity otherwise available to the City; and the Company, in defending any action shall be entitled to assert every defense or immunity that the City could itself assert in its own behalf. The Company's obligations under this Section shall survive the expiration, amendment, or termination of this Ordinance.

6.2. **Insurance.** The Company is required to maintain Commercial General Liability Insurance protecting it from claims for damages for bodily injury, including death, and for claims for

property damage, which may arise from operations under this Ordinance. Insurance minimum limits are as follows:

- \$2,000,000 per occurrence; and
- \$4,000,000 annual aggregate.

The following coverages shall be included: Premises and Operations Bodily Injury and Property Damage; Personal and Advertising Injury Blanket Contractual Liability and Products and Completed Operations Liability.

The City must be endorsed as an Additional Insured.

With the City's consent, which shall not be unreasonably withheld, the Company shall have the option of providing a program of self-insurance to meet its obligation under this Ordinance. In such event, the Company shall submit to the City a Certificate of Self-Insurance or other documents showing proof of its financial responsibility.

6.3. Compliance with Laws; Hazardous Substances. In its operation under this Ordinance, the Company shall observe all federal, state and local laws, rules, regulations and orders with respect to the transmission, distribution, transformation or furnishing of electric energy and the handling of materials, substances and wastes deemed toxic or hazardous to health, natural resources or the environment (collectively, "Hazardous Substances"). The Company shall remove or remediate any Hazardous Substances located on, in or surrounding its Electric Facilities or caused to be located on, in or surrounding the Public Ways and Public Grounds or elsewhere in the City in compliance with all applicable laws, regulations and lawful government orders, and pay or cause to be paid all costs associated therewith. The indemnification terms and conditions of Section 6.1 shall apply to all claims made against the City by any Person, including any governmental agency, who or which asserts any right to costs, damages or other relief based upon the terms and conditions imposed upon the Company under this Section 6.3 or which arise from or are related to the Company's acts or failure to act in compliance with any law, rule, regulation or lawful order governing Hazardous Substances.

SECTION 7. VACATION OF PUBLIC WAYS. The City will consult with the Company at least four (4) weeks prior to its action on any proposed vacation of a Public Way. The City and the Company will comply with Minnesota Rules, 7819.3200 and applicable ordinances consistent with law.

SECTION 8. ABANDONED FACILITIES. The Company shall comply with City ordinances and Minnesota Statutes, Section 216D.01 et seq., as they may be amended from time to time. The Company shall maintain records describing the exact location of all abandoned and retired Facilities within the City, produce such records at the City's request and comply with the location requirements of Section 216D.04 with respect to all Electric Facilities, including abandoned and retired Electric Facilities.

SECTION 9. RATES AND SERVICE. The electric service provided and the rates charged by the Company for electric service, as of the Effective Date, are subject to the jurisdiction of the Commission as provided in Minnesota Statutes, chapter 216B. In the event the Company shall

determine after the Effective Date to change its rates or terms and conditions of electric service, the Company shall provide reasonable advance Notice of such proposed action to the City.

SECTION 10. FRANCHISE FEE.

10.1. **Authority.** The City reserves all rights under Minnesota Statutes, Sections 216B.36 and 301B.01 or other law to require a franchise fee at any time during the term of, and in consideration for, this Franchise. The franchise fee may be expressed (i) as a specified charge per measurable unit of electricity being provided, transported, transmitted, sold, furnished, delivered, or received within the City, or (ii) as a percentage of the Gross Revenues received by the Company for its operations within the City, or (iii) a flat fee per customer based on service to retail customers within the City or on some other similar basis, or (iv) in such other manner or fashion as the City may determine. The method of imposing the franchise fee may differ by customer class, by type of Utility, by particular circumstances of a Utility Service Provider, or by other relevant factor, and may combine the methods described in (i) through (iv) above. Any franchise fee must be imposed by a separate ordinance adopted by the City, which ordinance may not become effective until the Company's first full billing cycle that is at least sixty (60) days following the Company's filing notifying the Commission of such fee and including a copy of Company's tariff sheet for the franchise fee. The Company will thereby pass along the costs of such fee to the Company's customers located within the City. The Company agrees to use its commercially reasonable efforts to obtain such Commission authorization.

10.2. **Payment of Fee.** Subject to Commission approval, or no later than 90 days the franchise fee shall be payable monthly and shall be based on the complete billing month for which payment is due. The payment shall be due forty-five (45) days after the end of the month for which the payment is due. Each payment shall be accompanied by a brief report showing the basis for the computation of the payment and such other relevant facts to support the computation as may be requested by the City from time to time. The Company may, in its sole discretion, impose a surcharge equivalent to the franchise fee in its rates for electric service. The Company shall pay the City the franchise fee based upon the prevailing rate and as billed to the customer, but subject to subsequent adjustment in either of the following events: (i) if any amount so billed subsequently becomes uncollectible after reasonable efforts of collection by the Company or (ii) if the Company shall, after any said billings, retroactively reduce its rates or costs to its retail electric customers so that a refund is due from the Company of an amount previously paid or incurred by the retail electric customers. For purposes of calculating the franchise fee, no other adjustment may be made to Gross Revenues, regardless of how calculated or described and whether or not characterized as a rebate, dividend, patronage, refund, return of capital or ownership interest.

10.3. **No Waiver or Release.** No acceptance of any payment shall be construed as an accord that the payment made is in fact the correct amount, nor shall such acceptance of the payment be construed as a release of any claim that the City may have for further sums payable under the provisions of this Ordinance. All amounts paid shall be subject to audit and re-computation by the City. The Company agrees to make all records necessary to audit the Company's calculation of any payment available for inspection by the City or its designated representative at reasonable times.

10.4. **Initial Franchise Fee.** The initial franchise fee shall be set by separate ordinance.

10.5. **Separate Ordinance.** Notwithstanding anything to the contrary, the franchise fee may be changed by the City from time to time by separate ordinance; provided, however, such changes shall not occur more often than once in any calendar year and shall be effective not sooner than the first day of the first calendar month which follows the effective date of the ordinance adopting the change by not less than sixty (60) days subject to Company obtaining Commission approval of the new franchise fee rate but no later than 90 days. Notice of the proposed change shall be given to the Company not later than the effective date of the ordinance adopting the change.

SECTION 11. DEFAULTS. If the Company shall be in default in the performance of any of the material terms and conditions of this Ordinance, and shall continue in default for more than thirty (30) days (or fails to initiate the cure of the default within said period and diligently pursue said cure, if the cure of the default cannot reasonably be accomplished within said 30 days) after receiving Notice from the City of such default, the City may elect to cure such default and charge the Company for the costs thereof.

SECTION 12. AMENDMENT PROCEDURE. The City reserves the right to amend this Franchise by ordinance. The Company's rights hereunder are subject to the police power of the City to adopt and enforce ordinances necessary to the health, safety, and welfare of the public, and this Franchise may be amended by the City as deemed necessary or appropriate in the exercise of such power.

SECTION 13. GENERAL PROVISIONS OF ORDINANCE.

13.1. **Governing Law.** This Franchise is granted and is intended to be performed in the State of Minnesota and shall be construed and enforced in accordance with the laws of the State of Minnesota. The Company shall be subject to personal jurisdiction in the State of Minnesota. All actions related to this Ordinance or its enforcement shall be venued in the District Court of the State of Minnesota within which venue the City is located.

13.2. **Right to Repeal.** If this Franchise, having become final and operative as herein provided, shall be declared in any part illegal or void, then the City, in its sole discretion, may repeal the entire or any portion of this Ordinance. If any material portion of this Ordinance is declared void or illegal, then this Ordinance shall be void in its entirety.

13.3. **Limitation on Applicability.** This Ordinance constitutes a franchise between the City and the Company as the only parties and no provision of this Franchise shall in any way inure to the benefit of any third person (including the public at large) so as to constitute any such person as a third party beneficiary of the agreement or of any one or more of the terms hereof, or otherwise give rise to any cause of action in any person not a party hereto.

13.4. **Assignment.** The Company may assign this Franchise without the prior approval of, but upon not less than thirty (30) days' prior Notice to, the City. Such Notice shall include the identity of and contact information for, the assignee and the statement of the assignee's plans and intentions for the operation of the Electric Facilities under this Franchise.

SECTION 14. ACCEPTANCE BY THE COMPANY.

14.1. **Acceptance by the Company.** The Company shall, within thirty (30) days after passage and publication of this Ordinance or any amendment thereto, file with the City Clerk in writing its acceptance or rejection as provided in Section 14.2. If such acceptance is not filed or if a rejection is filed within said period, the Company, by its continuing operations, shall be deemed to have accepted the terms and conditions of this Franchise or any amendment hereto, except with respect to such particulars as it may successfully challenge under the procedures specified in Section 14.2.

14.2. **Rejection Procedures.** A rejection of this Franchise or any amendment hereto may be made by the Company only upon the grounds that the terms and conditions hereof or of such amendment exceed the lawful authority of the City under the Constitutions or Laws of the United States or the State of Minnesota or are otherwise unlawful. Any rejection shall be submitted in writing to the City, stating with particularity the points and authorities of law upon which the Company relies. If the City fails to amend this Franchise or otherwise satisfy the Company's objections as stated within thirty (30) days of its receipt of the Company's rejection, the Company shall have the right thereafter to seek appropriate judicial or administrative relief based solely upon those provisions it has alleged are unlawful in its rejection notice. If the Company fails to initiate such legal action within thirty (30) days from the expiration of the aforementioned thirty (30) day period provided for the City's amendment or cure, the Company shall be deemed to have waived its objections and to have accepted the terms of this Franchise or any amendment hereto.

Passed by the City Council of _____ this _____ day of _____, ____.

Mayor

ATTEST:

City Clerk

Published on the _____ day of _____, _____, in the _____,
a paper of general circulation within the City of _____, Minnesota.

The provisions of the foregoing Ordinance are hereby accepted:

DATED _____, ____.

MINNESOTA POWER

By: _____
Its Vice President – Customer Experience

By: _____
Its Secretary



CITY COUNCIL MEETING DATE: December 1, 2025

TO: Mayor & City Council

FROM: John Mulder, City Administrator

SUBJECT: Ordinance – MN Power Franchise Fee

☐ **RESOLUTION:** ☒ **ORDINANCE:** 2025-22 ☐ **OTHER:**

REQUESTED ACTION

Hold second reading of an ordinance re-stating the franchise fee with MN Power.

BACKGROUND

The City has had a franchise agreement with MN Power in excess of 20 years. The franchise agreement allows them to use the City's right of way for their infrastructure (poles, transmission lines, etc.). In the past, the fee was part of the franchise agreement. The new agreement removes the fee, and it will be in a separate ordinance

MN Power provides a franchise fee to the City. The franchise fee goes to the Street Light Fund and has historically been used for various street lights & traffic signal lights projects.

This ordinance maintains the status quo, but simply puts the fee in a separate ordinance.

SOURCE OF FUNDS (if applicable)

ATTACHMENTS

Ordinance

Ordinance No. 2025-22

AN ORDINANCE IMPOSING A FRANCHISE FEE ON MINNESOTA POWER

THE CITY COUNCIL OF THE CITY OF HERMANTOWN DOES ORDAIN THAT:

Section 1. Purpose and Intent. Pursuant to Section 10 of Ordinance No. 2025-21 the City will impose a Franchise Fee on Minnesota Power (herein “Company”). The purpose of the Franchise Fee is to collect a fee to be paid by the Company based on its operations within the City.

Section 2. Notice. The City shall serve Notice of this Ordinance on the Company by certified mail.

Section 3. Calculation of Fee. The City hereby requires the Company to collect a Franchise Fee from retail customers within the City limits, as follows:

- (i) \$2.00 per month for each residential service agreement;
- (ii) \$2.00 per month for each commercial, industrial or other service agreement.

Section 4. Exemption. No Franchise Fee will be imposed upon: (i) a meter if the City has notified the Company that such meter services property owned by the City; or (ii) those meters servicing property owned or leased by the Company; or (iii) dual fuel service agreements.

Section 5. Collection of Fee. Implementation, collection and payment of the Franchise Fee will be as provided in Section 10 of City Ordinance No. 2021-21 subject to any additional requirements imposed by order of the Minnesota Public Utilities Commission.

Section 6. Effective Date. This Ordinance shall be effective with the Company’s first full billing cycle that is at least 60 days following Minnesota Power’s filing with the Minnesota Public Utilities Commission notifying the Commission of this Franchise Fee and including a copy of Minnesota Power’s tariff sheet for the Franchise Fee.

Dated: _____

Mayor

Attest:

City Clerk

Adopted: _____

Published: _____

Effective Date: _____

CITY COUNCIL MEETING DATE: December 1, 2025

TO: Mayor & City Council

FROM: Eric Johnson, Community Development Director

SUBJECT: Amendment to Chapter 18 of the Hermantown Zoning Code by adding Section 1830, Accessory Dwelling Units

☐ **RESOLUTION:** ☒ **ORDINANCE:** 2025-23 ☐ **OTHER:**

REQUESTED ACTION

Conduct a first reading on an amendment to Chapter 18 of the Hermantown Zoning Code by adding Section 1180, Accessory Dwelling Units.

BACKGROUND

City staff has been discussing the addition of accessory dwelling units (ADU) to residentially zoned districts for the past 22 months. In January 2024, ADU's were discussed at the Planning and Zoning Commission meeting. There was a general support of ADU's from the Commission but no further action was taken at the time.

This item was also discussed with the City Council in April 2025, with the City Council directing staff to start the process by which ADU's could be incorporated into the City's residentially zoned districts.

Recently, there has been requests from City residents to allow ADU's in residential areas. As a result, City staff has reviewed other municipalities to understand what they allow and under what conditions.

Staff reviewed zoning ordinances from the following communities:

- St. Louis County
- City of Duluth
- City Minneapolis
- City of Richfield
- City of Northfield
- City of Burnsville
- City of White Bear Lake
- City of Golden Valley

All of these communities allowed ADU's and identified conditions under which they could be permitted.

The proposed ordinance amendment proposes the following:

- Minimum size: 350 square feet

- Maximum size: 1,000 square feet
- Primary residence owner must live on premises
- Water and sewer connections from primary structure or direct connection to City services
- Minimum of 1 additional parking space for the ADU
- May be part of a garage or separate structure
- Maximum height of 35 feet
- Same setback requirements as underlying residential district
- Review and approval to be conducted on a staff basis

Staff will prepare an application for Accessory Dwelling Structures, with a proposed application fee being \$350.00, which is the same as an administrative parcel split.

A public hearing for this item was held at the November 18, 2025 Planning and Zoning Commission meeting. There were no members of the public who spoke to the item with the Planning and Zoning Commission recommended the item to the City Council for their review and approval.

SOURCE OF FUNDS (if applicable)

N/A

ATTACHMENTS

Ordinance
Community Analysis

Ordinance No. 2025-23

The City Council of the City of Hermantown Does Ordain:

**AN ORDINANCE OF THE CITY OF HERMANTOWN, MINNESOTA, AMENDING
CHAPTER 18 OF THE HERMANTOWN ZONING CODE BY ADDING A NEW SECTION
1830, ACCESSORY DWELLING UNITS**

Section 1. Purpose and Intent. The purpose of this Ordinance is to allow for and regulate the location, placement, design and use of accessory dwelling units in the City of Hermantown to broaden the range of its housing options.

Section 2. Amendment to Heading. The City of Hermantown Zoning Code is hereby amended by revising Chapter 18's heading to read as shown:

“Chapter 18. Home Occupations and Accessory Dwelling Units.”

New language is underlined.

Section 3. Addition to Code. The City of Hermantown Zoning Code is hereby amended by adding a new Section 1830, Accessory Dwelling Units, to read as shown on Exhibit A attached hereto.

Section 4. Added to Zoning Code. The terms and provisions of this ordinance shall be amended in the appropriate place in the Hermantown Zoning Code, after adoption and becoming effective.

Section 5. Effective Date. The provisions of this Ordinance shall be effective after adoption immediately upon publication once in the official newspaper of the City of Hermantown and upon recording with the St. Louis County Recorder's Office.

Dated: _____

Mayor

Attest:

City Clerk

Adopted: _____

Published: _____

Effective Date: _____

EXHIBIT A

Section 1830 - Accessory Dwelling Units.

1830.1. **Purpose.** The purpose of this section is to allow for and regulate the location, placement, design, and use of Accessory Dwelling Units (ADU) that broadens the range of housing options in the City of Hermantown (“City”).

1830.2. **Definitions.** The following words, terms and phrases, when used in this section, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

1830.2.1. **Accessory Dwelling Unit.** A smaller, independent residential dwelling unit located on the same lot as a stand-alone single-family home.

1830.2.2. **Finished Space.** the area within a house which is suitable for human habitation including suitable finished basement areas but excluding garages, services areas and unfinished portions of the building.

1830.2.3. **Owner.** The person who holds fee title or is a bona fide purchaser under a contract for deed of the property.

1830.2.4. **Detached ADU.** An accessory dwelling unit which is stand-alone from the principal structure, or which is incorporated into an existing stand-alone accessory structure.

1830.3. **General Regulations.** Accessory dwelling units shall not be created or used except in conformity with the following requirements:

1830.3.1. Accessory dwelling units shall only be allowed on lots in residential zoning districts that have a single-family home present.

1830.3.2. There shall be no more than one accessory dwelling unit allowed per lot.

1830.3.3. The owner must have permanent residence established at the property and reside in either the principal or accessory dwelling.

1830.3.4. Accessory dwelling units shall provide complete independent living facilities for one or more persons, including permanent provisions for living, sleeping, eating, cooking and sanitation.

1830.3.5. A minimum of one additional off-street parking space shall be provided for the accessory dwelling unit in addition to those required for the principal dwelling.

1830.3.6. Utility connections for the accessory dwelling unit shall be connected to City sanitary sewer and water services, or, if applicable, connected to the private well and industrial sewage treatment system serving the principal dwelling on the lot if said principal dwelling is not otherwise serviced by or required to be served by City sewer and water services and the same shall be in compliance with City Code.

1830.3.7. All other provisions of zoning code relating to single-family dwelling units shall be met, unless specifically amended by this code section.

1830.3.8. Accessory dwelling units shall have the same address as the principal structure. Prior to occupancy the owner shall notify the Hermantown Fire Department and register the ADU with their Community Connect program so that emergency responders are notified in the event of an emergency there are two distinct dwellings at the same address.

1830.3.9. Administration and Establishment.

1830.3.9.1. Establishment of an accessory dwelling unit shall require an administrative review by City Staff in addition to any required permits relating to construction.

1830.3.9.2. No accessory dwelling unit shall be created except in compliance with all applicable Minnesota State Building Code and related codes of the City;

1830.3.9.3. The accessory dwelling unit shall not be sold independently of the principal residential dwelling and may not be a separate tax parcel.

1830.4. **Detached ADUs.** Stand-alone accessory dwelling units shall be subject to the following requirements.

1830.4.1. Location Restrictions.

1830.4.1.1. The accessory dwelling unit is subject to all of the setback restrictions as the principal structure.

1830.4.1.2. The accessory dwelling unit must be a permanent structure affixed to a foundation.

1830.4.2. Size; Height Restrictions.

1830.4.2.1. The floor area of the accessory dwelling unit shall be no more than 50 percent of the home's gross living area, or 1,000 square feet, whichever is less.

1830.4.2.2. The accessory dwelling unit shall have a minimum floor area of 350 square feet.

1830.4.2.3. Detached accessory dwelling units shall be restricted to a maximum height of 35 feet.

1830.4.3. **Design Guidelines.**

1830.4.3.1. The detached accessory dwelling unit shall be designed and use materials which complement and match the existing principal dwelling and are compatible with the surrounding neighborhood in terms of design, form, height, materials and landscaping.

Accessory Dwelling Units – March 31, 2025

St. Louis County, MN

- 1 ADU allowed per 1 acre minimum lot in shoreland areas
- Maximum size – 700 square feet
- Maximum height – 20 feet
- ADU may be part of a garage
- ADU may not be used for commercial or rental purposes
- ADU must meet all setbacks per underlying zoning district
- ADU must have adequate septic along with principal structure
- Applies to both shoreland and non-shoreland areas
- ADU's are allowed on lots less than ½ acre in shoreland areas, however
 1. Maximum size – 250 square feet
 2. Maximum height – 14 feet

Duluth, MN

- Must be attached to permanent foundation (no RV's)
- Primary residential owner does not need to live on premises
- Maximum of 800 square feet. May not exceed square footage of principal structure
- 20 feet maximum height. May not exceed height of principal structure
- 1 additional parking space required
- Connected to public water and sanitary. May be stubbed from house or have its own services

Accessory dwelling units are secondary or subordinate dwelling units added to an existing one or two family dwelling; these are often called granny flats, mother-in-law homes, or carriage houses. These must be located on the same platted lot or tax parcel as a primary residential structure and must be owned by the same owner, but may be rented (with an approved rental permit from the Life Safety Division of the City of Duluth Fire Department).

Accessory dwelling units must provide the basic requirements for living, sleeping, cooking, eating, and sanitation, and are constructed on compliant permanent footings or foundation, with permanent connections to public sanitary sewer and water (which may be stubbed from the primary dwelling).

No recreational vehicle, or structure on a chassis, can be an accessory dwelling unit. Only one accessory dwelling unit is allowed per one or two family dwelling.

The city does not require that the owner of a primary residential structure with an accessory dwelling unit live on site. Traditionally that has been common, with the owner living on site in the primary residential structure and renting out the accessory dwelling to family or non-family members. But residency is not a requirement in the zoning code. The owner of the parcel that contains the primary and accessory dwellings may live outside the city or state.

Accessory dwelling units must not exceed 800 square feet of total floor space, nor shall it exceed the total floor area square footage of the principal structure. It should be designed and built consistent in

character and design with the primary dwelling, and shall not exceed the height of the principal residential structure or 20 feet, whichever is greater. In addition, at least one off-street parking space shall be provided in addition to off-street parking that is required for the primary dwelling.

Minneapolis, MN

- Minimum size – 300 square feet. Maximum size 800 square feet
- Maximum height – 21 feet
- Water and sewer connections are from primary structure

ADUs are accessory to both owner-occupied and non-owner-occupied single- and two-family dwellings.

Minimum ADU size is 300 sq. ft.; maximum is 800 sq. ft. Maximum building height is 21 feet.

Eaves/overhangs shall not extend closer than two feet to the lot line (exception for alley side). Openings (windows, doors, vents, etc.) are not permitted within three feet of side (shared) property line (exception for alley side).

Habitable space in the ADU and hallways, bathrooms, toilet rooms, laundry rooms shall have a ceiling height of not less than seven feet.

Water and sewer connections are specific to a PID number. A detached ADU is an accessory structure to the primary dwelling and is typically served through water and sewer service extensions from the primary structure to the ADU. However, dedicated water and/or sewer services to a detached ADU may be allowed in special circumstances. The layout and design of any new services shall be in accordance with engineering design standards and governing ordinances as well as the Minnesota Plumbing Code.

Richfield, MN

- No more than one ADU shall be allowed on a lot.
- ADU must be attached to a garage or to the primary residential structure. Standalone units are not allowed
- The lot must meet current width and depth requirements.
- The creation of an ADU shall not create a separate tax parcel.
- An owner of the property must live on the lot. Proof of homesteading shall be required, and a rental license is required for the non-owner-occupied unit.
- ADUs must have a minimum floor area of 300 square feet, and cannot exceed 800 square feet.
- Exterior materials for new ADU construction must match the structure to which the ADU is attached.
- On the main residential structure, no additional entrances facing the public street may be added.
- No exterior stairways constructed with raw or unfinished lumber may be added to access an ADU.
- Excess garage space may be converted to an ADU without replacement so long as at least two auto parking spaces are preserved.
- A minimum of three off-street parking spaces are required in order to add an ADU of any kind.

Northfield, MN

- ADUs can be located as part of a detached garage or can be their own separate structure. If the ADU is part of a garage, then the garage regulations should be followed.
- Limit on size: cannot exceed 50% of the gross floor area of the main home or 1,000 square feet, whichever is less.
- Constructed to be compatible with the main home and neighborhood.
- Must be at least 10 feet from the main home.
- Parking is not required, but have to provide unrestricted, improved access must be provided from the street to the ADU entrance.
- Must have a kitchen, bathroom, sanitary and water services.
- The ADU or main home may be rented if the owner of the property lives resides on the property.

Burnsville, MN

- Be built and maintained with a consistent look/style of the primary home
- Be constructed on a permanent foundation with no wheels
- Contain no more than two bedrooms
- Be a minimum of 300 square feet
- Not exceed more than 50% of the primary home's square footage
- Have 1 additional parking space for ADU

Garage Conversion: A garage cannot be converted into an ADU unless a new 440-square-foot (or larger) garage is built without the need for a variance

Entry Door: If the exterior door for the ADU is on the same wall as the primary residence front door, the doors must be at least 20 feet apart

Both attached and detached ADUs must be connected to and served by the same municipal water, sanitary sewer, gas and electric utility, private well and/or septic system as the primary home. Temporary water, sewer and electrical connections are not allowed.

Properties that contain an ADU must provide one additional off-street parking space (in addition to the two spaces required for the primary home). An additional garage may be constructed if it complies with all state and City regulations.

All dwellings must be built and maintained to comply with all City Codes, and residents must adhere to the following:

Property owner must live in either the primary residence or ADU as their permanent home a minimum of 185 days each year

An ADU cannot be subdivided or sold separately from the primary home

Park Dedication fees are required when adding an ADU. These, and any additional utility connection fees will be collected if and when a building permit is issued for renovations

White Bear Lake, MN

- ADUs shall be located in existing single family structures (principal or accessory), with the owner of the single family structure residing in the principal structure. Separate ownership of the accessory unit is not permissible
- Exterior modifications which detract from the single family character of the neighborhood will not be permitted
- ADUs shall not exceed 880 square feet or 40% of the habitable area within the single family home, whichever is less
- Where conditions or circumstances of a specific property make implementation of the zoning code standards impractical, City Council *may* alter the conditions of the section for the specific property in question
- If you are renting an ADU to a non-relative you are required to have a [rental license](#)

Begins with the homeowner submitting a [Land Use Application](#), including plans, to the Community Development Department

1. City staff brings the application to the Planning Commission and makes a recommendation for approval as-is, approval with additional conditions or denial. In turn, the Planning Commission hears the case and makes one of the above recommendations to City Council
2. City Council hears the case and has the final authority in approving or denying the application

The process typically takes 2-3 months and requires a non-refundable [application fee](#).

Golden Valley, MN

- One ADU per lot. An ADU is only allowed in conjunction with a single-family home.
- The property owner must reside in either the principal dwelling or ADU as either their sole or primary residence.
- Minimum floor area: 250 square feet
- Maximum floor area: 950 square feet or 35 percent of the home's livable floor area, whichever is less
- Height: 12 feet measured from the structure floor to the top plate or highest horizontal component of the frame building.
- Setbacks: 35' – Front yard; 10' – side yard; 25' – rear yard; 10' minimum from existing home
- Designed and use materials that complement and match the principal dwelling.
- Entrances shall only face the side or rear yard.
- One additional off-street parking space is required for the ADU above the minimum required for single-family homes. The creation of an ADU by conversion of garage space shall not reduce the home's provide off-street parking below the minimum requirements.
- Utility connections for the ADU shall be provided from the existing principal structure so long as adequate capacity exists or can be provided.

Resolution No. 2025-179

Resolution Authorizing The Publication Of A Summary Of An Ordinance Renewing A Franchise Granted To Mediacom Minnesota LLC

WHEREAS, the City Council has adopted Ordinance No. 2025-20, an Ordinance Renewing a Franchise Granted to Mediacom Minnesota, LLC (herein “Ordinance”); and

WHEREAS, Minnesota Statutes Section 412.191, Subd. 4 (2009) authorizes the City Council to publish a summary of lengthy ordinances upon a four-fifths vote of its members; and

WHEREAS, the Ordinance is quite lengthy and detailed; and

WHEREAS, the City Council desires to publish a summary of the Ordinance; and

WHEREAS, a summary of the Ordinance has been prepared and attached hereto as Exhibit A; and

WHEREAS, a copy of the full text of the Ordinance is available for review at the Hermantown City Offices, 5105 Maple Grove Road, Hermantown, MN 55811 during regular business hours.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Hermantown, Minnesota, as follows:

1. That a summary attached hereto as Exhibit A of the Ordinance be published in lieu of the publication of the entire Ordinance; and
2. The City Council hereby authorizes and directs the City Administrator to publish the summary attached hereto as Exhibit A once in the Hermantown Star.

Councilor _____ introduced the foregoing resolution and moved its adoption.

The motion for the adoption of such resolution was seconded by Councilor _____, and upon a vote being taken thereon, the following voted in favor thereof:

Councilors _____

and the following voted in opposition thereto:

Councilors _____

WHEREUPON, such resolution was declared duly passed and adopted December 1, 2025.

EXHIBIT “A”

SUMMARY OF ORDINANCE NO. 2025-20, AN ORDINANCE RENEWING A FRANCHISE GRANTED TO MEDIACOM MINNESOTA, LLC

The City Council of Hermantown, Minnesota has approved Ordinance No. 2025-20, an Ordinance Renewing a Franchise Granted to Mediacom Minnesota, LLC; and

The new ordinance focuses on regulations in the right-of-way, focus of service delivery of a Public Access Channel and consistency with the gas and electric franchises, including

- a. Term of 10 years
- b. Use of Right-of-Way
 - i. Restoration
 - ii. Notice of improvements to Right-of-Way
 - iii. Relocation of utilities
- c. Insurance requirements

The foregoing is a summary of a lengthy and detailed Ordinance. The full text of the Ordinance is on file in the office of the City Clerk of the City of Hermantown, 5105 Maple Grove Road, Hermantown, MN 55811, during regular business hours.

If there are any inconsistencies between this summary and the full text of the Ordinance, the terms of the full Ordinance shall govern.

The Ordinance is effective as of the date of publication of this summary.

Resolution No. 2025-180

**Resolution Authorizing The Publication Of A Summary Of An Ordinance Granting To
Minnesota Power**

WHEREAS, the City Council has adopted Ordinance No. 2025-21, an Ordinance Granting To Minnesota Power A Nonexclusive Franchise To Construct, Operate, Repair And Maintain In The City Of Hermantown, Minnesota, An Electric Distribution System And Transmission Lines, Including Necessary Poles, Lines, Fixtures And Appurtenances, For The Furnishing Of Electric Energy To The City, Its Inhabitants, And Others, And To Use The Public Ways And Public Grounds Of The City For Such Purposes; And Prescribing Certain Terms And Conditions Thereof (herein “Ordinance”); and

WHEREAS, Minnesota Statutes Section 412.191, Subd. 4 (2009) authorizes the City Council to publish a summary of lengthy ordinances upon a four-fifths vote of its members; and

WHEREAS, the Ordinance is quite lengthy; and

WHEREAS, the City Council desires to publish a summary of the Ordinance; and

WHEREAS, a summary of the Ordinance has been prepared and attached hereto as Exhibit A; and

WHEREAS, a copy of the full text of the Ordinance is available for review at the Hermantown City Offices, 5105 Maple Grove Road, Hermantown, MN 55811 during regular business hours.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Hermantown, Minnesota, as follows:

1. That a summary attached hereto as Exhibit A of the Ordinance be published in lieu of the publication of the entire Ordinance; and
2. The City Council hereby authorizes and directs the City Administrator to publish the summary attached hereto as Exhibit A once in the Hermantown Star.

Councilor _____ introduced the foregoing resolution and moved its adoption.

The motion for the adoption of such resolution was seconded by Councilor _____, and upon a vote being taken thereon, the following voted in favor thereof:

Councilors _____

and the following voted in opposition thereto:

Councilors _____

WHEREUPON, such resolution was declared duly passed and adopted December 1, 2025.

EXHIBIT A

SUMMARY OF ORDINANCE NO. 2025-21, AN ORDINANCE GRANTING TO MINNESOTA POWER ITS SUCCESSORS AND ASSIGNS, PERMISSION TO CONSTRUCT, REPAIR AND MAINTAIN IN THE CITY OF HERMANTOWN, MINNESOTA, AN ELECTRIC DISTRIBUTION AND TRANSMISSION SYSTEM INCLUDING NECESSARY POLES, LINES, FIXTURES AND APPURTENANCES AND TO USE PUBLIC WAYS AND PUBLIC GROUNDS OF THE CITY FOR SUCH PURPOSES

The City Council of Hermantown, Minnesota has approved Ordinance No. 2025-21, which grants permission to Minnesota Power, its successors and assigns permission to construct, repair and maintain within the City of Hermantown (herein “City”) an electric distribution and transmission system, including necessary poles, lines, fixtures and appurtenances and to use public ways and public grounds of the City of Hermantown for such purposes (herein “Ordinance”). The entire Ordinance is available for review at City Hall during normal business hours.

Purpose The purpose of this Ordinance is to grant to Minnesota Power, for a period of ten (10) years from the effective date of this Ordinance, the nonexclusive right to construct, operate, repair and maintain the electric facilities in, over, under and across public ways and public grounds. Minnesota Power may do all things reasonably necessary to accomplish such purposes, including the establishment, operation and maintenance of communications and data transmissions relating to the delivery of electric energy. This Ordinance shall supersede and replace any previous ordinances granted to Minnesota Power or its predecessors.

Definitions. The Ordinance contains a lengthy definition section; please refer to the full Ordinance, on file at City Hall, for definitions of words or phrases used in the Ordinance or in this Summary.

Conditions of Use. The electric facilities must be located, constructed, installed and maintained in such a way where the facilities do not interfere with the City utility system or the safety and convenience of ordinary travel along and over the City’s public ways. In addition, Minnesota Power shall provide field locations of any of its underground electric facilities upon request of the City.

Upon completion of the work required to open a public way or public ground, Minnesota Power must restore the public way or public ground, including paving and foundation, to the same condition it was in before the work is done and maintain in the same condition for two (2) years thereafter. All work performed must be completed within a reasonable time frame. Minnesota Power must also make space available on its poles, towers or, upon timely request by the City, underground lines and conduit for City fire, water utility, police or other City utility system whenever such use will not interfere with the use of such poles, towers, underground lines or conduit by Minnesota Power.

Minnesota Power will take all reasonable steps necessary to prevent the electric facilities from causing damages to persons or property. Furthermore, Minnesota Power must hold the City harmless from any liability arising from the trimming or the application of herbicides to all trees, shrubs and other vegetations interfering with the construction, operation, repair and maintenance of the electric facilities. Should the City be required to perform work in areas where the electric facilities may be affected by such required work, the City shall provide reasonable notice to Minnesota Power regarding the required work.

Minnesota Power must comply with any right-of-way ordinances or regulations adopted by the City, provided that such ordinance or regulation are consistent with the rules and regulations adopted by the Minnesota Public Utilities Commission.

In any area where a new residential or commercial development is under construction and where utility lines have been placed underground, Minnesota Power shall extend its new electric systems underground.

Relocations. The City may require Minnesota Power to relocate electric facilities within or remove electric facilities from public ways or grounds upon a finding by City that the electric facilities have become or will become a substantial impairment of the public use or enjoyment to which the public way or ground is or will be put. Nothing in this Ordinance requires Minnesota Power to relocate, remove, replace or reconstruct at their own expense where such relocation, removal, replacement or reconstruction is solely for the convenience of the City and is not reasonably necessary for construction or reconstruction of an improvement to a public way, public ground or City utility system.

The City must provide notice of a proposed vacation of a public way. Such public way must not deprive Minnesota Power of its right to operate and maintain the electric facilities until the reasonable cost of relocation, including the any losses and expenses resulting from such relocation, is provided to Minnesota from the City.

Maintenance of Service. Minnesota Power shall use its best efforts to provide efficient service, make necessary repairs promptly and interrupt service only for good cause and for the shortest practicable time. Minnesota Power shall respond to all emergency situations as quickly as practicable.

Rates and Charges. All rates and charges for services provided by Minnesota Power are subject to the regulation of the State of Minnesota or its agencies, if not otherwise agreed upon between the parties if such regulation is not applicable.

Default; Dispute Resolution. Should the City or Minnesota Power assert the other party is in default of any obligation of this Ordinance, the complaining party must notify the other party in writing of the default. Both parties must have representatives meet in good faith to negotiate a resolution of the dispute. While Minnesota Power will defend and hold the City harmless from any and all liability with respect to any injury to persons or property damage caused by Minnesota Power, the City will not be indemnified by Minnesota Power for losses or claims in

which the City is determined to be more than fifty percent (50%) at fault. If litigation is brought against the City under circumstances in which the agreement to indemnify applies, Minnesota Power will defend the City at its own cost and expense.

Successors in Interest. This Ordinance and the franchise it confers, may not be assigned by Minnesota Power without the written consent of City.

Franchise Fee. The City reserves the right to require Minnesota Power to continue to collect a franchise fee from retail customers within the City limits. The City also has the right to alter, amend or repeal the franchise fee imposed in accordance with the gross revenues received by the Company from its operations within the City; or as a flat, per customer fee based on metered serve to customers within the City; or as a fee based on the units of energy delivered to any class of customers within the City. Such fees are payable not less often than quarterly.

The foregoing is a summary of a lengthy and complicated Ordinance. The full text of the Ordinance is on file in the office of the City Clerk of the City of Hermantown, 5105 Maple Grove Road, Hermantown, MN 55811, during regular business hours.

If there are any inconsistencies between this summary and the full text of the Ordinance, the terms of the full Ordinance shall govern.

The Ordinance is effective as of the date of publication of this summary.

Resolution No. 2025-181

Resolution Adopting Assessment Roll For Delinquent Utility Charges For 2025

WHEREAS, pursuant to Hermantown City Code Section 910.11; 920.06.3; 930.09.6 940.10 the City Clerk has prepared an Assessment Roll for delinquent Utility charges through September 30, 2025; and

WHEREAS, the individuals responsible for the payment of such accounts have been duly notified of the intent of the City to certify such accounts to the County Auditor to be paid with the real estate taxes on the property served payable in 2026; and

WHEREAS, the Utility Commission has met, heard and passed upon all objections to the proposed assessment roll for the delinquent utility charges for 2025, and made amendments to the assessment roll as it deemed just and reasonable under the circumstances.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Hermantown, Minnesota, as follows:

1. Such proposed assessment, a copy of which is attached hereto as Exhibit A and made a part hereof, is hereby accepted and shall constitute an assessment against the lands named therein.
2. Such assessments shall be paid in full with general property taxes for the year 2025, collectable with the taxes of 2026.
3. The City Clerk shall forthwith transmit a certified duplicate copy of this assessment to the County Auditor to be extended on the tax list of the County.

Councilor _____ introduced the foregoing resolution and moved its adoption.

The motion for the adoption of such resolution was seconded by Councilor _____ and, upon a vote being taken thereon the following voted in favor thereof:

Councilors _____

and the following voted in opposition thereto:

Councilors _____

WHEREUPON, such resolution was declared duly passed and adopted on December 1, 2025.

EXHIBIT A

Parcel ID	Delinquent Stormwater	Admin Fee	Amount to be Certified
395-0012-00210	\$ 333.63	\$ 100.00	\$ 433.63
395-0120-00180	\$ 119.66	\$ 100.00	\$ 219.66
395-0061-00090	\$ 111.21	\$ 100.00	\$ 211.21
395-0123-00160	\$ 111.21	\$ 100.00	\$ 211.21
395-0010-08567	\$ 111.21	\$ 100.00	\$ 211.21
395-0010-02090	\$ 111.21	\$ 100.00	\$ 211.21
395-0010-01653	\$ 111.21	\$ 100.00	\$ 211.21
395-0120-00060	\$ 111.21	\$ 100.00	\$ 211.21
395-0010-02240	\$ 111.21	\$ 100.00	\$ 211.21
395-0081-00050	\$ 111.21	\$ 100.00	\$ 211.21
395-0010-04102	\$ 111.21	\$ 100.00	\$ 211.21
395-0010-02020	\$ 111.21	\$ 100.00	\$ 211.21
395-0140-00075	\$ 111.21	\$ 100.00	\$ 211.21
395-0010-09509	\$ 111.21	\$ 100.00	\$ 211.21
395-0010-09740	\$ 111.21	\$ 100.00	\$ 211.21
395-0049-00280	\$ 111.21	\$ 100.00	\$ 211.21
395-0010-06146	\$ 111.21	\$ 100.00	\$ 211.21
395-0010-08680	\$ 111.21	\$ 100.00	\$ 211.21
395-0010-01810	\$ 111.21	\$ 100.00	\$ 211.21
395-0010-02040	\$ 111.21	\$ 100.00	\$ 211.21
395-0010-07833	\$ 111.21	\$ 100.00	\$ 211.21
395-0010-00272	\$ 111.21	\$ 100.00	\$ 211.21
395-0010-01680	\$ 111.21	\$ 100.00	\$ 211.21
395-0010-08892	\$ 111.21	\$ 100.00	\$ 211.21
395-0010-02494	\$ 111.21	\$ 100.00	\$ 211.21
395-0010-05995	\$ 111.21	\$ 100.00	\$ 211.21
395-0010-09370	\$ 111.21	\$ 100.00	\$ 211.21
395-0012-00321	\$ 111.21	\$ 100.00	\$ 211.21
395-0010-09285	\$ 111.21	\$ 100.00	\$ 211.21
395-0010-09302	\$ 111.21	\$ 100.00	\$ 211.21
395-0010-02265	\$ 111.21	\$ 100.00	\$ 211.21
395-0010-01350	\$ 111.21	\$ 100.00	\$ 211.21
395-0010-02274	\$ 111.21	\$ 100.00	\$ 211.21
395-0081-00030	\$ 111.21	\$ 100.00	\$ 211.21
395-0010-01720	\$ 111.21	\$ 100.00	\$ 211.21
395-0010-03330	\$ 111.21	\$ 100.00	\$ 211.21
395-0010-01420	\$ 111.21	\$ 100.00	\$ 211.21
395-0010-01596	\$ 111.21	\$ 100.00	\$ 211.21
395-0010-05042	\$ 111.21	\$ 100.00	\$ 211.21
395-0010-09772	\$ 109.76	\$ 100.00	\$ 209.76
395-0020-00210	\$ 80.11	\$ 100.00	\$ 180.11
395-0010-00400	\$ 61.53	\$ 100.00	\$ 161.53
395-0010-08865	\$ 56.56	\$ 100.00	\$ 156.56
395-0010-01740	\$ 56.56	\$ 100.00	\$ 156.56

395-0010-09790	\$	56.56	\$	100.00	\$	156.56
395-0010-05516	\$	56.56	\$	100.00	\$	156.56
395-0020-00200	\$	56.56	\$	100.00	\$	156.56
395-0061-00050	\$	56.56	\$	100.00	\$	156.56
395-0010-02450	\$	56.56	\$	100.00	\$	156.56
395-0118-00025	\$	56.56	\$	100.00	\$	156.56
395-0010-05680	\$	56.56	\$	100.00	\$	156.56
395-0010-05790	\$	56.56	\$	100.00	\$	156.56
395-0010-00445	\$	56.56	\$	100.00	\$	156.56
Total	\$	5,441.62	\$	5,300.00	\$	10,741.62



CITY COUNCIL MEETING DATE: December 1, 2025

TO: Mayor & City Council

FROM: Alissa McClure, City Clerk

SUBJECT: Assessment Deferral – 5671 Hermantown Road (Assessment Roll No. 541A-55)

☒ **RESOLUTION:** 2025-182 ☐ **ORDINANCE:** ☐ **OTHER:**

REQUESTED ACTION

Adopt resolution 2025-182 approving the hardship deferral for Assessment Roll No. 541A-55.

BACKGROUND

The property located at 5671 Hermantown Road (CVT-Plat-Parcel No. 395-0049-00310) has been assessed \$9,400.00 for the construction of Road Improvement District No. 541 & 542. The property owner applied for a hardship deferral of the assessment under Minnesota Statutes § 435.193 et seq., and Hermantown Resolution No. 2024-09.

The deferral will postpone assessment payments, with interest accruing at the same rate as other assessments until the earliest of:

- The owner's death
- Sale, transfer, or subdivision of the property
- Loss of homestead status
- Council determination that hardship no longer exists

at which time, all deferred payments will be due in full.

SOURCE OF FUNDS (if applicable)

N/A

ATTACHMENTS

Resolution

Resolution No. 2025-182

Resolution Approving Application Of Assessment Roll Number 541A-55 For Deferral Of Assessment Against The Property For The Construction Of Road Improvement District No. 541 & 542 ("Hardship Deferral")

WHEREAS, the owner of Assessment Roll Number 541A-55 ("Owner") owns property in the City of Hermantown at 5671 Hermantown Road ("Owner's Property"), which property has been assigned CVT-Plat-Parcel Number 395-0049-00310; and

WHEREAS, the Owner's Property has been assessed the sum of \$9,400.00 for the construction of Road Improvement District No. 541 & 542; and

WHEREAS, Owner, pursuant to Hermantown Resolution No. 2024-09 with reference to Minnesota Statutes Section 435.193, et. seq., applied for the deferral of the payments on such assessment; and

WHEREAS, the City Council has fully considered this matter and hereby makes the following:

FINDINGS OF FACT

1. Owner properly applied for a deferral of the payments on the assessment in accordance with Hermantown Resolution No. 2025-09 and Minnesota Statutes Section 435.193 et. seq.
2. The Owner's Property is the homestead of Owner.
3. Owner is/has:
 - 3.1. X over the age of sixty-five (65);
 - 3.2. _____ retired by the virtue of a permanent or total disability;
 - 3.3. _____ a member of the military service in active duty; or
 - 3.4. _____ exceptional and unusual circumstances.
4. Owner occupies the property as Owner(s) principal residence.
5. The average annual payment from all assessments levied against Owner's property exceeds (i) two percent (2%) of the adjusted gross income of Owner.

NOW, THEREFORE, on the basis of the foregoing Findings of Fact, which are hereby adopted and the authority granted by Minnesota Statutes Section 435.193 and Hermantown Resolution No. 2024-09, the City Council of the City of Hermantown is hereby resolved as follows:

1. The annual payment of the assessment against the Owner's Property is hereby deferred.

2. The assessment levied against the Owner's Property, shall bear interest at the rate set forth in Resolution No. 2025-161, "Resolution Adopting Final Assessment Roll For Road Improvement District No. 541 & 542 (Hermantown Road & Bridge and Old Midway Road)" ("Assessment Resolution") during the term of the deferral.

3. The deferral of the payment of the portion of the assessment that is deferred by operation of this Resolution shall terminate and all payments that were deferred on such property shall be due and payable immediately upon the occurrence of any of the following events:

3.1. The death of Owner(s).

3.2. The sale, transfer or subdivision of such parcel of property or any part thereof.

3.3. The loss of the homestead status of such parcel of property for any reason.

3.4. If, for any reason, the City Council determines that there would be no hardship on owners to require immediate or partial payments of the Deferred Assessment against such parcel of property.

4. Following the termination of the deferral, all payments on the assessment that were not deferred by this resolution shall be paid in the manner set forth in the Assessment Resolution.

5. The City Clerk shall file with the County Recorder and/or Registrar of Titles and County Auditor an appropriate Certificate with respect to the deferral of the payment on such assessment and shall provide written notice to Owner of the action of the City Council on his application and the terms and provisions applicable to the approved deferral.

Councilor _____ introduced the foregoing resolution and moved its adoption.

The motion for the adoption of such resolution was seconded by Councilor _____ and, upon a vote being taken thereon, the following voted in favor thereof:

Councilors _____

and the following voted in opposition thereto:

Councilors _____

WHEREUPON, such resolution was declared duly passed and adopted on December 1, 2025.



CITY COUNCIL MEETING DATE: December 1, 2025

TO: Mayor & City Council

FROM: Paul Senst, Public Works Director

SUBJECT: Cooperative Agreement with St. Louis County for 2026 Road Striping

☒ **RESOLUTION:** 2025-183 ☐ **ORDINANCE:** ☐ **OTHER:** Add

REQUESTED ACTION

Approve a cooperative agreement with St. Louis County for Road Striping in 2026.

BACKGROUND

St Louis County (SLC) will be striping other roads in SLC. We will be working with SLC in a Co-Op agreement. Through this cooperative agreement, SLC will also seek bids and manage the contract for Road Striping on the City of Hermantown's Streets/Roads. Participating in cooperative agreements is more efficient way to purchase road repairs.

SOURCE OF FUNDS (if applicable)

101-431100

ATTACHMENTS

Resolution
Cooperative Agreement

Resolution No. 2025-183

**Resolution Authorizing The City Of Hermantown To Participate In The St. Louis County
Maintenance Programs**

WHEREAS, St. Louis County invites townships and cities to participate in its maintenance programs which include maintenance striping and crack sealing/scrub seals/chip seals; and

WHEREAS, the City of Hermantown requests to participate in the Maintenance Striping Program and the crack sealing, scrub seals, and chip seals program.

NOW THEREFORE, BE IT RESOLVED, that the City of Hermantown is hereby authorized to enter into a cooperative agreement with St. Louis County for the purpose of the 2026 St. Louis County Maintenance Programs Solicitation.

Councilor _____ introduced the foregoing resolution and moved its adoption.

The motion for the adoption of such resolution was seconded by Councilor _____ and, upon a vote being taken thereon, the following voted in favor thereof:

Councilors _____

and the following voted in opposition thereto:

Councilors _____

WHEREUPON, such resolution was declared duly passed and adopted December 1, 2025.



St. Louis County Public Works Department
2026 Maintenance Striping Request Form
Due Date: Monday, June 2, 2025

Agency Name
Address
City, State, Zip
Contact Name
Email
Phone Number

My agency is requesting to participate in the Maintenance Striping Program

Total Estimated Quantities:

4" Solid Line Paint - <u>Yellow</u> (Linear Feet)	LF
4" Solid Line Paint - <u>White</u> (Linear Feet)	LF
4" Broken Line Paint - <u>Yellow</u> (Linear Feet) ¹	LF
4" Double Solid Line Paint - <u>Yellow</u> (Linear Feet) ²	LF

- 1.) Measure only the painted line segments. Do not include the gaps between the painted line segments.



Sum the length (L) of all broken line segments for the total estimated quantity.

- 2.) Measure the length of the double solid line. Do not measure the length of each solid line.



Sum the length (L) of all double solid line segments for the total estimated quantity.

Please complete and submit this form to:

Email:
mattonent@stlouiscountymn.gov

OR

Mail:
Saint Louis County Public Works
Attn: Tanja Mattonen
4787 Midway Rd.
Duluth, MN 55811

A resolution must be attached from the town board or city council that approves entering into a cooperative agreement with St. Louis County. Applications that do not include this resolution may not be accepted into the program.

For questions, please contact Tanja Mattonen by phone at 218-625-3791 or via email at mattonent@stlouiscountymn.gov



CITY COUNCIL MEETING DATE: December 1, 2025

TO: Mayor & City Council

FROM: Kevin Orme, Director of Finance & Administration

SUBJECT: Award Contract – Managed IT Services

☒ **RESOLUTION:** 2025-184 ☐ **ORDINANCE:** ☐ **OTHER:**

REQUESTED ACTION

Award contract to Computer Integration Technologies, Inc. to provide Managed Information Technology Services.

BACKGROUND

The City of Hermantown sought proposals for managed information technology services by issuing a RFP on October 1, 2025.

Proposals were received back from VC3, Marco Technologies, LLC, Computer Integration Technologies, Inc, and the City of Duluth.

After reviewing the proposals, the City is recommending the lowest bidder, Computer Integration Technologies, Inc. (CIT). The transition from our current provider would happen the beginning of 2026.

SOURCE OF FUNDS (if applicable)

ATTACHMENTS

Resolution
CIT Proposal

Resolution No. 2025-184

Resolution Authorizing A Contract For Managed It Services With Computer Integration Technologies, Inc. ("CIT")

WHEREAS, the City of Hermantown ("City") desires to have a Managed Information Technology Provider; and

WHEREAS, the City of Hermantown ("City") issued an RFP; and

WHEREAS, Computer Integration Technologies, Inc. ("CIT") submitted the lowest proposal ("Proposal"); and

WHEREAS, the City Council believes that it is in the best interests of the City of Hermantown to approve the Proposal; and

WHEREAS, City and Computer Integration Technologies, Inc ("CIT") desire to enter into a Professional Services Agreement attached hereto.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Hermantown, Minnesota that the Mayor and City Clerk are hereby authorized and directed to execute and deliver a Professional Services Agreement with Computer Integration Technologies, Inc ("CIT") substantially in the form of the one attached hereto as Exhibit A.

Councilor _____ introduced the foregoing resolution and moved its adoption.

The motion for the adoption of such resolution was seconded by Councilor _____ and upon a vote being taken thereon, the following voted in favor thereof:

Councilors _____

and the following voted in opposition thereto:

Councilors _____

WHEREUPON, such resolution was declared duly passed and adopted December 1, 2025.

EXHIBIT A

**MASTER SERVICES AGREEMENT
FOR PROFESSIONAL SERVICES**

**CITY OF HERMANTOWN
AND
COMPUTER INTEGRATION TECHNOLOGIES, INC (“CIT”)**

THIS AGREEMENT is made this 1st day of December, 2025 by and between the **City of Hermantown**, Minnesota, a statutory city under the laws of the State of Minnesota, hereinafter referred to as “City”, and **Computer Integration Technologies, Inc.**, a Minnesota corporation, d/b/a CIT, hereinafter referred to as “Consultant” in response to the following situation:

- A. City desires to utilize Consultant’s technology management services.
- B. Consultant has represented that it is qualified and willing to perform the services desired by the City.

NOW, THEREFORE, the City and Consultant do mutually agree as follows:

1. Services to be Performed.

1.1 The scope of services to be provided to City by Consultant is as set forth in the Proposal.

1.2 The principal contact person for Consultant is _____ (*name of contact.*)

2. Assignment. Consultant represents that it will utilize only its own personnel in the performance of services set forth herein; and further agrees that it will neither assign, transfer, or subcontract any rights or obligations under this Agreement without prior written consent of the City.

3. Contract Period. This Agreement shall be effective as of the date first above written and shall continue until _____ unless sooner terminated as provided in paragraph 4 hereof.

4. Termination of Contract. Either the Consultant or the City may, by giving written notice specifying the effective date which shall not be less than thirty (30) days from the date such notice is given, terminate this contract in whole or in part. In the event of termination, all property and finished or unfinished documents and other writings prepared by the Consultant under this contract shall be delivered to the City and Consultant shall be entitled to compensation for time expended to the date of termination and expenses incurred.

5. Independent Contractor. The relationship between the Consultant and the City shall be that of an independent contractor. Nothing herein shall in any way make or create any employer-employee relationship between the City and Consultant.

6. Standard of Performance and Insurance.

6.1. Comprehensive general liability insurance that covers the consultant services performed by Consultant for City with a combined single limit of liability of at least Two Million Dollars (\$2,000,000.00).

6.2. Errors and omissions or equivalent insurance that covers the consultant services performed by Consultant for City with a combined single limit of liability of at least Two Million Dollars (\$2,000,000.00).

6.3. Worker's compensation insurance covering Consultant (if an individual) all of Consultant's employees with coverages and limits of coverage required by law.

6.4. In addition to the coverages listed above, Consultant shall maintain a professional liability insurance policy in the amount of Two Million Dollars (\$2,000,000.00). Said policy need not name the City as an additional insured. It shall be Consultant's responsibility to pay any retention or deductible for the professional liability insurance. Consultant agrees to maintain the professional liability insurance for a minimum of two (2) years following termination of this Agreement.

Consultant shall indemnify and hold harmless City from and against all errors, omissions and/or negligent acts causing claims, damages, liabilities and damages arising out of the performance of his/her/its services hereunder.

Consultant certifies that Consultant is in compliance with all applicable worker's compensation laws, rules and regulations. Neither Consultant (if an individual) nor Consultant's employees and agents will be considered City employees. Any claims that may arise under any worker's compensation laws on behalf of any employee of Consultant and any claims made by any third party as a consequence of any act or omission on the part of Consultant or any employee of Consultant are in no way City's obligation or responsibility. By signing this Agreement, Consultant certifies that Consultant is in compliance with these laws and regulations.

Consultant shall deliver to City, concurrent with the execution of this Agreement, one or more certificate(s) of insurance evidencing that Consultant has the insurance required by this Agreement in full force and effect. City shall be named as additional insured under such Consultant's comprehensive general liability policy. The insurer will provide at least thirty (30) days prior written notice to City, without fail, of any cancellation, non-renewal, or modification of any of the Consultant's comprehensive general liability policy or coverage evidenced by said certificate(s) for any cause, except for nonpayment of premium. The insurer will provide at least

ten (10) days prior written notice to City, without fail, of any cancellation of any of the Consultant's comprehensive general liability policy or coverage evidenced by said certificate(s) for nonpayment of premium. Consultant shall provide City with appropriate endorsements to Consultant's comprehensive general liability policy reflecting the status of City as an additional insured and requiring that the foregoing required notice of cancellation, material alteration or non-renewal be provided City by the insurance company providing such insurance policy to Consultant.

The Consultant shall require any subcontractor permitted by City to perform work for Consultant to have in full force and effect the insurance coverage required of the Consultant under this Agreement before any subcontractor(s) begin(s) work. Consultant shall require any such subcontractor to provide to Consultant a Certificate of Insurance evidencing that such subcontractor has the insurance required by this Agreement in full force and effect. The Consultant and City shall be named as additional insureds under such policies. The insurer will provide 30 day written notice to City and Consultant, without fail, of any cancellation, non-renewal, or modification of the subcontractor's comprehensive general liability policy or coverage evidenced by said certificate(s) for any cause, except for nonpayment of premium. The insurer will provide at least ten (10) days prior written notice to City and Consultant, without fail, of any cancellation of any of the subcontractor's comprehensive general liability policy or coverage evidenced by said certificate(s) for nonpayment of premium. City and Consultant shall also be provided with appropriate endorsements to subcontractor's comprehensive general liability policy reflecting the status of City and Consultant as an additional insured and requiring that the foregoing required notice of cancellation, material alteration or non-renewal be provided City by the insurance company providing subcontractor's comprehensive general liability policy.

7. Compensation. Consultant shall be compensated for the services to be performed hereunder in accordance with the Proposal approved by the City. Consultant shall submit to the City itemized statements of services rendered during each month setting forth the date such services were rendered, a description of the services rendered, the person performing such services and the amount of time expended in performing such services.

8. Confidentiality. Consultant agrees that, at all times, both during the term of this Agreement and after the termination of this contract, it will be faithful to City by not divulging, disclosing or communicating to any person, firm or corporation, in any manner whatsoever, except in furtherance of the business of City or as required by an applicable law, rule, regulation or ordinance of City or any other governmental authority, any information of any kind, nature or description concerning any matters affecting or relating to the business, employees, agents, customers of City, or parties contracting with City.

9. Intellectual Property Rights. For the purposes of this contract, Project Materials means copyrights and all works developed in the performance of this contract, including, but not limited to, the finished product and any deliverables, including any software or data whether in written or electronic format. Project materials do not include any materials that Consultant developed, acquired or otherwise owned or had a license to use prior to the date of this contract.

All Project Materials are agreed by Consultant to be “works made for hire” as defined under 17 U.S.C. §101, for which City has the sole and exclusive right, title and interest, including all rights to ownership and copyright and/or patent. In addition, City hereby assigns all right, title and interest, including rights of ownership and copyright in the Project Materials to City no matter what their status might be under federal law. Consultant shall provide City with copies of all Project Materials. Upon request by Consultant, City may authorize Consultant to use specified Project Materials to evidence Consultant’s progress and capability. In all such uses of Project Materials by Consultant, reference shall be made to City and the Project and that the Project Materials are owned by City. Consultant also acknowledges and agrees that all names and logos provided to Consultant by City for use are and shall remain the sole and exclusive property of City.

10. Notices. Any notice required to be given hereunder shall be deemed sufficient if delivered in writing personally, or mailed certified mail, return receipt requested, postage prepaid to the following places and directed to the following persons:

If to City:

City of Hermantown
5105 Maple Grove Road
Hermantown, MN 55811
Attn: John Mulder, City Administrator

If to Consultant:

Computer Integration Technologies, Inc.
(CIT)
2375 Ventura Drive
Woodbury, MN 55125

11. Miscellaneous. This contract constitutes the sole and complete agreement relating to the subject matter of this contract between the parties, superseding any and all other agreements between the parties and no verbal or other statements, inducements or representations have been made or relied upon by either party. No modifications hereof shall be binding upon either party unless in writing and properly executed.

12. No Contractual Authority. Consultant shall have no authority to enter into any contracts or agreements binding upon City or to create any obligations on the part of City.

13. Data Practices Act. Consultant acknowledges that City is subject to the provisions of the Minnesota Government Data Practices Act. Consultant must comply with the Minnesota Government Data Practices Act, Minnesota Statutes, Chapter 13, as it applies to all data provided by City in accordance with this contract and as it applies to all data created, collected, received, stored, used, maintained, or disseminated by Consultant in accordance with this contract. The civil remedies of Minnesota Statutes § 13.08, apply to Consultant and City. Minnesota Statutes, Chapter 13, provides that all government data are public unless otherwise classified. If Consultant receives a request to release the data referred to in this Section, Consultant must immediately notify City and consult with City as to how Consultant should respond to the request. City’s response shall comply with applicable law, including that the response is timely and, if Consultant denies access to the data, that Consultant’s response references the statutory basis upon which Consultant

relied. Consultant does not have a duty to provide public data to the public if the public data is available from City.

14. Choice of Law and Venue. All matters relating to the validity, construction, performance, or enforcement of this Agreement shall be determined in accordance with the laws of the State of Minnesota. All legal actions initiated with respect to or arising from any provision contained in this Agreement shall be initiated, filed and venued in the State of Minnesota District Court located in the City of Duluth, County of St. Louis, State of Minnesota.

15. Counterparts. This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be an original, but such counterparts shall together constitute on and the same instrument.

16. Recordkeeping. Consultant hereby agrees:

16.1. To maintain all books, documents, papers, accounting records and other evidence pertaining to the fees and expenses for which it seeks payment or reimbursement hereunder and appropriate records with respect to the services performed by him under this Agreement.

16.2. To make such materials available at its office at all reasonable times during the contract period and for three (3) years from the date of final payment under this Agreement for inspection by the City and copies thereof shall be furnished to City upon request by City.

16.3. That no employee, officer or agent of the City, any member of the family of any such person, any partner of any such person or any organization which employs or is about to employ any of the above has a financial or other interest in the business of Consultant.

[SIGNATURES APPEAR ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the City and Consultant have executed this contract as of the date first above written.

CITY:

City of Hermantown

By _____
Its Mayor

And By _____
Its City Clerk

CONSULTANT:

Computer Integration Technologies, Inc.

By _____
Its _____

EXHIBIT A



Request For Proposal Response

City of Hermantown

Date: October 31, 2025

Prepared For:

City of Hermantown
Kevin Orme, Director of Finance &
Administration
5105 Maple Grove Road
Hermantown, MN 55811
Email: korme@hermantownmn.com
Phone: (218) 729-3600

Prepared by:

Computer Integration Technologies, Inc. (CIT)
Kurt Ostrowski, Account Executive
2375 Ventura Drive
Woodbury, MN 55125
Email: kurt.ostrowski@citsolutions.net
Phone: (651) 255.5792

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Executive Summary



Computer Integration Technologies (CIT) is pleased to propose a comprehensive, all-inclusive Managed IT Services solution designed specifically to meet the high-security and operational demands of the City of Hermantown. Leveraging over three decades of public sector experience, our approach guarantees total IT management, security, and strategic alignment.

Our core offering is centered on 24/7/365 operational continuity and security. This is achieved through dedicated Security Operation Center (SOC) and Network Operation Center (NOC) monitoring, ensuring immediate threat response, system backup remediation, and unlimited access to our support desk for users and dispatch services for onsite support. Crucially, the entire solution is built on guaranteeing compliance with strict CJIS regulations. We track regulatory changes and implement continuous security governance.

The comprehensive plan includes proactive maintenance and patching for all workstations, servers, and networks, full Microsoft 365 license management, and a single point of contact for all technological needs. Finally, CIT provides long-term value through quarterly strategic IT planning and the option for a flexible Hardware as a Service (HaaS) model to simplify budgeting and equipment refresh cycles as needed.



We provide end to end IT services, including infrastructure management, physical security, network infrastructure management and security, cloud solutions, application development services and proactive system monitoring and management and technology strategy solutions.

Understanding the importance of uninterrupted IT operations, we implement structured onboarding, robust documentation, and knowledge transfer strategies to ensure a smooth transition with minimal disruption.

CIT has a comprehensive, reliable, timely, proactive IT management approach to support the mission of the City of Hermantown.

Expected Outcomes

CIT understands the unique challenges faced by City Government customers ranging from managing multiple departments, to maintaining data security and ensuring seamless collaboration across teams. With deep expertise in industry specific needs, CIT delivers comprehensive technology solutions designed to keep Government Agencies agile, secure, and connected.

City's Requirement	CIT's Alignment/Answer
All-inclusive approach that includes all services.	CIT offers comprehensive Managed Services which includes a wide array of solutions like proactive support & monitoring, enhanced security, strategic planning, remote control support, asset management, and network infrastructure management.
24x7x365 unlimited access to support desk, and timely response to service requests with defined escalation process.	CIT states it provides 24/7/365 support and has skilled professionals committed to your success available around the clock. Our managed services include performance and availability monitoring and an alerting system that can create trouble tickets and escalate notifications.
24x7x365 remote & onsite (if critical) support for users, servers, network, and third-party software like MS Office.	CIT's Managed Services include 24/7/365 support, remote control support, and Microsoft and third-party application patching. We are a dedicated IT partner for the government sector.
24x7x365 dedicated Security Operation Center (SOC) monitoring and responding to any security threats or indications of compromise.	CIT offers Managed Security Services and has an established partnership with SentinelOne and Threatlocker to provide Managed SOC and advanced, 24/7 security services.
24x7x365 dedicated Network Operation Center (NOC) monitoring and remediating system alerts including system backups.	CIT's Managed Services include NOC performance and availability monitoring, network infrastructure management, and a focus on proactive support & monitoring to minimize downtime.

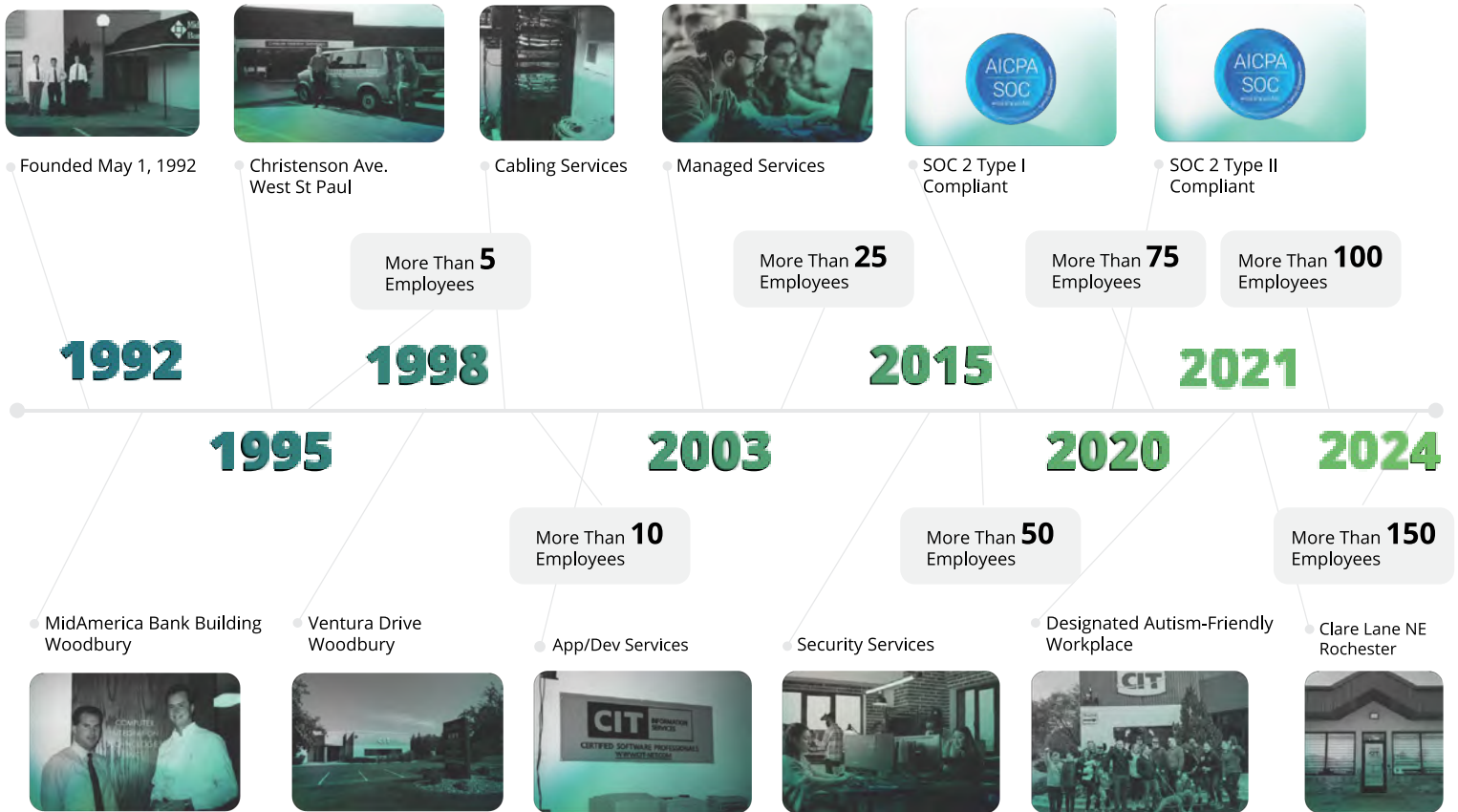
Expected Outcomes Continued

City's Requirement	CIT's Alignment/Answer
Proactive maintenance and patching of all workstations, servers, and networks.	CIT Managed Services include Microsoft and third-party application patching on servers and workstations and proactive support & monitoring.
Microsoft 365 license management.	CIT is a Microsoft Gold Certified Partner and Cloud Solutions Partner, offering license subscription management, application development services and physical infrastructure and Azure/SharePoint/Teams and OneDrive solutions.
Single contact for all technological needs who can involve third-party vendors on an as-needed basis.	CIT's approach includes a dedicated team of specialized engineers providing end-to-end problem-solving, acting as a single, central point of contact for IT needs.
Quarterly strategic IT planning for alignment with IT best practices, IT budgeting, and technology roadmap.	CIT's Managed Services include strategic IT planning to align technology with business objectives, which is often delivered through regular, consultative meetings.



SOC 2 Type II certification places CIT at the forefront of service providers with a demonstrated ability to manage data securely over time. This attestation confirms our ongoing commitment to the highest standards of operational excellence with a structured focus on security, availability, processing integrity, confidentiality, & privacy of the systems we use to process users' data.

About Computer Integration Technologies, Inc. (CIT)



It all started with two guys on a fishing dock. Their goal was to make technology clear, understandable, and painless for business. Since 1992 Computer Integration Technologies' focus on people, solutions, cybersecurity, hardware, software, and the future makes technology work for everyone. CIT is the IT member on your team. We are the experts in the ever-changing technology landscape so you can focus on what truly matters to you and your business.




This is an autism-friendly environment.
ALL ARE WELCOME.

CORE VALUES



Our People



Passion for our Customers



Integrity



Our Culture



Our Solutions

Incorporated: 1992

Years in Business: 33

SOC 2 Type 2 Compliant

BCA Screened Vendor and Solution

CJIS Certified

CIT Authorized Signer: Sarah Burns

Number of Full-Time Employees: 155

102 located in MN

Locations: Headquarters, 2375 Ventura Drive, Woodbury, MN 55125, and Satellite location in Rochester, MN 55906

CIT Services Team are subject to background checks and vetted by the Minnesota Bureau of Criminal Apprehension (BCA) Workforce Certificate of Compliance.

CIT is small enough to provide great service through dedicated resources and relationships, but large enough to provide scalable enterprise solutions to meet the needs of our clients. Larger organizations struggle with the ability to provide this level of personal relationship, trust and true understanding of their unique needs and technology goals. Today, CIT has 150 W-2 employees and services over 500 customers located throughout the Minnesota metro area and western Wisconsin. CIT headquarters are in Woodbury and through our hybrid workforce the majority of employees are dispatched from this location, with a small portion of employees working remotely throughout the United States.

CIT technical resources hold certifications across our major manufacturer partners vendors and are assigned to clients based on the client infrastructure and support requirements.

CIT is an equal opportunity employer and all qualified applicants will receive consideration for employment, regardless of their race, color, creed, religion, ancestry, national origin, sex, affectional preference, disability, age, marital status or status with regard to public assistance. CIT also has an affirmative action plan in place to continuously strive to maintain a diverse workforce. Lastly, CIT also holds a workforce certificate of compliance through the MN Department of Human Rights.

CIT uses Automatic Data Processing (ADP)'s background checks system through its workforce now Human Resources (HR) management system to verify the financial and criminal background of each new employee. Upon acceptance of a position, contingent upon a successful background check, each individual is verified by through one of ADP's agencies. Our standard background screening checks include:

About CIT Cont.

- Identity Validations
- Address History
- Criminal Court Records
- Driving Records
- Credit Records
- Government Registries
- Workers' Compensation Records
- Reference Verifications
- Substance Abuse Testing

In addition, ADP helps us create customized, position-specific background screening packages. ADP's checks allow us to perform Fair Credit Reporting Act (FCRA) – compliant employment background checks. We are confident our identity validations, criminal background checks and other screens will deliver us the information to make informed decisions. As a company, we have a very low turnover rate. We have over a 90% retention rate.

NAME OF COMPANY:

Computer Integration Technologies, Inc. (CIT)

ADDRESS: 2375 Ventura Drive

CITY, STATE, ZIP: Woodbury, MN 55125

OFFICE NUMBER: 651.255.5780

FEDERAL EIN: 41-1720479

DUNS NUMBER: 80-574-3632

E-RATE SPIN NUMBER: 143014000

SWIFT VENDOR ID: 0000868280

SWIFT CONTRACT ID: 81434

In-House Services

Application Development



Cabling



Cloud Solutions



Cybersecurity & Compliance



Hardware



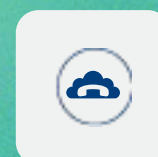
Training



Physical Security



Voice Solutions



About CIT - Leadership



KYLE ETTER
President & CEO

651.255.5703
kyle.etter@cit-net.com



TODD SORG
Chief Operating Officer &
CISO

651.255.5750
todd.sorg@cit-net.com



ROB CRAMER
Director of Services

651.255.5737
rob.cramer@cit-net.com



ANN MAUER
Director of Sales

651.255.5729
ann.mauer@cit-net.com



NATE SCHMITT
Director of Cybersecurity

651.255.5773
nate.schmitt@cit-net.com

We believe in forging connections that propel us forward, which is why our leadership team is always just a message away—**ready to collaborate, listen, and help you meet your goals.**

Out of respect for our employees privacy, we do not disclose their individual bios and certifications. We operate as a team and can ensure that the appropriate skilled engineer will be assigned to address the specific needs and support tickets of the City and your end users

References

Our mission is to empower organizations to achieve their goals through innovative technology solutions tailored to their unique needs. With a history spanning over three decades, our company has grown to serve a diverse customer base, including construction, manufacturing, and businesses of varying verticals and sizes.

Our expertise lies in understanding the specific requirements and challenges faced by organizations like the City of Hermantown.

We excel in providing scalable, reliable, and secure IT solutions that enhance operational efficiency and support their mission-critical activities. By leveraging our deep industry knowledge and technical proficiency, we ensure that our customers receive top-tier service and support, enabling them to focus on their core objectives without worrying about their IT infrastructure.

Our track record of successful projects and satisfied clients is a testament to our commitment to excellence and client satisfaction. We are dedicated to building longterm partnerships and delivering customized solutions that drive success for our customers.

References

City of Gilbert

Randy Parkhurst
IT Contractor
218.748.2232
randyparkhurst@gilbertmn.org

City of Hudson

Brent Michalek
City Administrator
715.661.0229
bmilchakek@hudsonwi.gov

City of Corcoran

Dean Busch
Information Technology Manager
763.400.7030
dbusch@corcoranmn.gov



The individual, who was the first point of contact at CIT took down my information and problem. He connected me with a second individual, who got some basic issues out of the way, as well as the "danger" signals. I was then turned over to the third and final tech, who was CJIS certified, and he went through several programs to make sure everything was clear and my computer was no longer compromised. The whole process took probably 20 minutes total. I was satisfied with the prompt and able assistance of all involved. Thank you.

- City of Spring Lake Park



My CIT experience was so worth it with Kathleen Peterson. She took the time to walk me through the process of having my laptop update itself, which it hadn't been updated since early last year. She worked to resolve the popup situation with the HP maintenance box that has been popping up since early last year!! She called back today to monitor the progress made with the updates, the laptop performance, my Microsoft Teams notifications- alerts visual & sound. My first tech J Bell did exactly what he said he would do- get me to an Expert! Thank you J Bell. Thank you so much Kathleen!

- Mental Health Resources



A great team effort on your end helping me and Jack Henry get our new branch capture up and running in time to get our daily teller work scanned timely. Thank you!

- Community Bank of Owatonna



Cities face unique challenges in maintaining compliance while leveraging technology for growth. We understand these complexities & offer tailored solutions that not only address your immediate needs but also position your business for future success.

Our Approach



Innovative Solutions, Tailored to Your Industry:

Our approach begins with a thorough analysis of the Your business's IT infrastructure, focusing on areas such as Cybersecurity, Microsoft 365 services, Managed Services, Cloud Solutions, and unique regulation requirements. This allows us to tailor our solutions, ensuring they address your specific needs while fostering innovation.



Reliable & Proactive Management:

CIT prides itself on reliability. We implement proactive monitoring & maintenance strategies to ensure your network infrastructure is secure, effective, and always up-to-date. Our dedicated team stands ready to tackle any IT challenge, providing peace of mind and allowing you to focus on serving the clients of Your business.



Customer-Centric Service:

Through clear communication & collaborative planning, we ensure our IT solutions align with your vision for Your business's future. CIT's Managed Service support has dedicated Pod structure for our Public Sector customer support. CIT also has close working relationships with the manufacturers that we utilize and partner with. We can easily engage these third-party manufacturers when needed.

Our Partners



Learn more
about all of
our partners
by visiting our
[partner page.](#)



POWERING BUSINESSES ROUND THE CLOCK WITH UNRIVALED EXPERTISE

Your Partner in Business Success - Staffed 24/7/365 with a dedicated support structure. Ahead of trends, empowering your tech discovery.



Round-the-Clock
Support



Fortified
Cybersecurity



No Upfront
Costs

KEY BENEFITS

Proactive Support & Monitoring:

Minimize downtime & maximize productivity with our 24/7 hands-on team.

Robust In-House Team:

Fortify your operations with a large, seasoned cybersecurity staff available anytime.

Zero Setup Investment:

Launch with ease: No upfront costs, begin your CIT journey free from setup fees.

Strategic IT Planning:

Align technology with your business objectives for impactful & measurable outcomes.

Expertise at Your Fingertips:

On-demand IT wisdom: skilled professionals supporting your vision around the clock.

Flexible IT Partnership:

Thrive with a low-risk commitment: exceptional IT management without the long-term Contract.

CUSTOMER REVIEWS



As a sole on-site IT professional for my company, it's nice to occasionally reach out to my "team" at CIT to bounce thoughts and questions about issues I am seeing in my environment. This instance of a patch gone bad is exactly why I kept the RMM tools from CIT in place when I started here. Thanks!

We received an alert from CIT because our secondary Internet circuit was down. While our WAN gear also alerts, CIT managed monitoring and alerting is an added layer of protection and is a service I highly recommend.

Staff was so friendly, professional and courteous. Most importantly, my technical issue was resolved in a very timely matter. I would strongly recommend CIT to anyone needing a great IT partner.

Managed Services Overview

WHY CIT?



Growth
Enabler



Tailored
Solutions



Innovation
Leadership



Strategic
Partner



Staffed
24/7/365



In-House
Cybersecurity

PROACTIVE

Unlock seamless tech management. Ensuring your tech ecosystem—servers, workstations, & networks—remains robust, secure & efficient.

SECURE

24/7 vigilance, AI-driven threat detection, enlightening education, and critical insights. Your digital fortress, powered by in-house expertise & cutting-edge technology.

ONDEMAND

Tailored on-site support with optimal flexibility. From workstation deployments to tech installations, enjoy preferred rates & a dependable team.

STRATEGIC

Our dedicated advisors, your strategic partners. From aligning technical needs to facilitating deeper understanding, we offer guided support, robust reporting & personalized meetings to propel your growth journey.



Managed Services Overview

We are proposing our ProActive Standard tier. Many of our tools and services are available à la carte, ensuring you can customize your package to align precisely with your organization's evolving demands.

	ProActive Assist	ProActive Standard	ProActive Premium
SERVER/WORKSTATION			
Remote Management/Monitoring/MS Patching	●	●	●
Third-Party Patching	●	●	●
Premium Workstation Setup*			●
On-site Issue Remediation - Available in the Twin Cities Metro Area			●

**Install of new or replaced equipment purchased through CIT. Additional Terms & Conditions may apply.*

NETWORK			
ISP/Firewall/Switch Monitoring Alarm Triage & Issue Escalation	●	●	●
Dynamic Network Mapping & Monitoring	●	●	●

CYBERSECURITY		●	●
Managed Endpoint Detection & Response (MDR) 24x7 SOC		●	●
Privileged Access Management (PAM)/App Whitelisting/Configuration Management		●	●
Dark Web Monitoring		●	●
Cybersecurity Awareness Training & Simulated Phishing		●	●
DMARC Monitoring		●	●
Domain Name System (DNS) Security Software		●	●
Password Manager Add-on			●
SAAS Shadow Application Reporting Add-on			●

*CYBERSECURITY ASSESSMENTS			
Active Directory Security Review - Annual		●	●
Firewall Security Review - Annual		●	●
Incident Response Plan - Annual		●	●
Internal Vulnerability Scan - Annual		●	●
External Vulnerability Scan - Annual		●	●
Email Cybersecurity Review - Annual		●	●

**Remediation services billed as time and material outside of Managed Agreement*

Managed Services 2025

	ProActive Assist	ProActive Standard	ProActive Premium
SERVICE & SUPPORT			
Unlimited End User Remote Help Desk 24x7*		●	●
24/7 Support Desk RMM/KNE Access/Triage		●	●
Strategic Business Review		●	●
Monthly On-Site visits (Up to 4 hours Included)			●
Customer Managed Alerts	●		

*For unlimited help desk anything that is an install, deploy, or upgrade is not covered.

Optionals

CYBERSECURITY

[Security Information Event Monitoring \(SIEM\)](#)

Continuous Vulnerability Scanning

Network Access Control

[Threatlocker](#) Detect with Cyberhero Managed Detection & Response (MDR)

[Microsoft 365](#)

[Datto Backup](#)

COMPLIANCE - GOVERNANCE, RISK, & COMPLIANCE (GRC) PACKAGES

[GRC Evidence](#)

[GRC Assist](#)

[GRC vCISO](#)

Customized Service Perks & Smart Savings

ProActive Assist:

Take advantage of 20% discount on services with a pre-paid retainer.

ProActive Standard & Premium:

Unlock a 25% discount on services with a pre-paid retainer.

All pre-paid retainer hours never expire. Talk to your account executive or reach out at info@citsolutions.net or call [651.255.5780](tel:651.255.5780) to find out more.

City of Hermantown Estimated Investment

Description				
Fee breakdown based on your pricing model.			Per Device, Server, KNE, Site and User	
What is the pricing model? Fixed fee, hourly rate, hybrid, other?				
Managed Service Standard	Qty		Price	Est Price
Per Device	54	\$	33.00	\$ 1,782.00
Per Server	8	\$	33.00	\$ 264.00
Per KNE - Estimate	15	\$	10.00	\$ 150.00
Per Site	4	\$	90.00	\$ 360.00
Email Domain	2	\$	20.00	\$ 40.00
Unlimited Remote Help Desk	50	\$	65.00	\$ 3,250.00
			Managed Service Agreement Estimate	\$ 5,846.00

Question	Answer
What services are included in the pricing? Address specifically the following (and feel free to include anything not included in this list):	See Service Inclusions List
On-site time	Time and Materials Billing
Help-desk support	Unlimited Remote Support
Response time/problem resolution time	SLA's
Travel time	One way travel time
Vendor management	Vendor liaison support included, Vendor Management is not.
Training	TBD
Regular in-person strategic business review	Annually
Regular reporting on system-health in business terms	Customer Portal Dashboard Access
Response to major system problems or outages	SLA's
Equipment Purchases	Scoped Estimate with Hardware and Labor
Must provide an option for the City of Hermantown, MN to purchase directly with pre-approved specs but provide options/markups for purchased equipment.	Yes
Equipment Upgrades	Scoped Estimate with Hardware and Labor
Equipment Replacements	Scoped Estimate with Hardware and Labor
Provide contingency pricing options based on tangible changes to service needs should the City of Hermantown, MN hire a full-time skilled employee.	Available
Retainer Available for Scoped Work	TBD

ProActive Assist:

Take advantage of 20% discount on services with a pre-paid retainer.

ProActive Standard & Premium:

Unlock a 25% discount on services with a pre-paid retainer.

All pre-paid retainer hours never expire. Talk to your account executive or reach out at info@citsolutions.net or call [651.255.5780](tel:651.255.5780) to find out more.

Desktop Technician/Project Management	\$160
Services Engineer/Security SOC Services/Application Development	\$235
Security Incident Response (Prepaid Retainer Required) / vCISO	\$315
Standard Training Services (Excludes Security Training)	\$195
vCIO/IT Consulting/Security Services	\$295

Emergency services are available and are subject to an emergency dispatch fee of \$400 and will be billed at 1.5 x rates Monday-Saturday and 2 x rates Sundays and holidays.

Standard Service Rates are billed for work performed during normal business hours, which are defined as 8 a.m. to 5 p.m., Monday through Friday (except holidays).

CABLING HOURLY BILLING RATES

Infrastructure Technician I	\$175
Infrastructure Technician II	\$225
Fiber OTDR Tester Fee	\$500
Fusion Splicer Fee	\$500

Meet Your CIT Support Ecosystem

At CIT, our collaborative approach to your success is built around a comprehensive team structure, specifically designed to ensure a seamless, enriched, and empowering experience.



ACCOUNTING TEAM: FINANCIAL CLARITY & SUPPORT

Our Accounting team ensures your billing, payments, and financial queries are handled with transparency and efficiency. Comprising experienced professionals, they're at the forefront of providing you with clarity and support on all accounting-related matters, empowering you to focus on what you do best – growing your business.



CUSTOMER SUCCESS TEAM: YOUR SATISFACTION, OUR MISSION

Customer satisfaction lies at the core of everything we do. The Customer Success team is your go-to for service updates, feedback, and ensuring your experience with CIT is nothing short of exceptional. Through regular check-ins and a proactive approach, they're dedicated to aligning our services with your evolving needs.



SERVICES TEAM: TECHNICAL EXCELLENCE UNLEASHED

Staffed with certified and seasoned professionals, our Services team tackles your technical challenges, ensuring your IT infrastructure is robust, secure, and optimized. From routine maintenance to complex deployments, their expertise is your asset – keeping your operations smooth and your tech ahead of the curve.



VISIONARY GUIDANCE, TAILORED STRATEGIES

At the heart of our strategic engagement is your CIT Strategy Expert. This seasoned expert collaborates closely with you to align technology with your business goals, providing tailored advice and roadmap planning. Think of them as your navigator in the vast digital landscape, constantly seeking avenues for your success.



ACCOUNT EXECUTIVE: EMPOWERING YOUR GROWTH

Your Account Executive stands as your primary point of contact and a bridge to the myriad of CIT services. With an in-depth understanding of your business, they're here to ensure you have access to the solutions you need, when you need them, thereby empowering your growth every step of the way.



Kurt Ostrowski

Dedicated Account Executive
kurt.ostrowski@citsolutions.net
 (651) 255-5792

Contacting CIT Services



651.255.5799



support@cit-net.com



cit-net.com/support

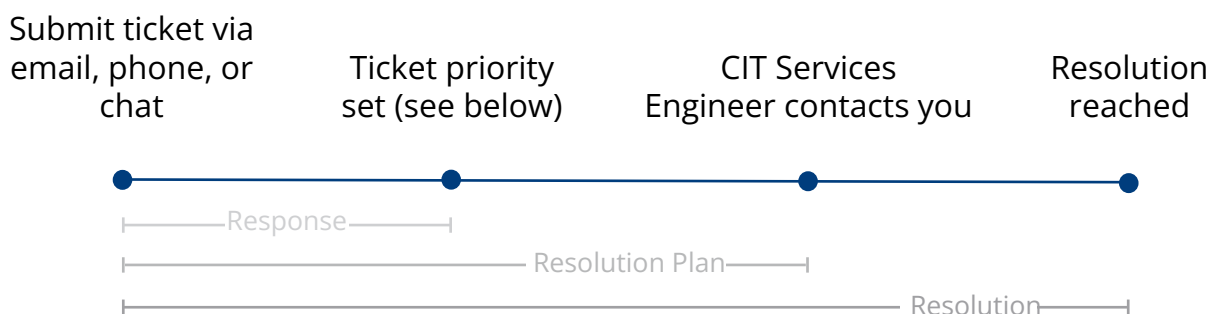
When calling, live chatting, or emailing:

1. Provide your company name, your name, best call back number, and email address.
2. Describe the issue.
3. When did the issue start?
4. How many people is it affecting?
5. Have any troubleshooting steps been taken by you or us in the past?
6. Are you remote or on-site?
7. Is this impacting any other part of your ability to work today or co-workers/company?

When communicating about existing tickets:

Please provide the ticket number and let our Dispatch Team know if the engineer working with you has requested additional information.

TICKET TIMELINE



CIT RESPONSE (SLA)

Priority	Remediation	Impact	Response	Resolution Plan	Resolution
1	Critical	Over 50% of users	Within 1 hour	Within 2 hours	Within 8 hours
2	Serious	Under 50% of users	Within 4 hours	Within 8 hours	Within 24 hours
3	Standard	Single user	Within 8 hours	Within 24 hours	Within 72 hours



LIVE CHAT

- Go to **cit-net.com/support** and click the **chat icon box**.
- Fill in the required info before starting a chat and a member of our Dispatch Team will confirm your submission and ask any additional questions.
- The best engineer for your issue will be assigned to your ticket and contact you once they are ready to set a resolution plan.

SCHEDULE YOUR TIME

- After submitting your ticket our team will determine how much time we believe we need to schedule with you to handle your service issue.
- You will receive a scheduling link through email* from **support@cit-net.com** with the subject line **"Choose a convenient time to work with an engineer"**
- Once scheduled, you'll receive a confirmation email, and a calendar invite.
- At the scheduled time you will receive a call from the engineer helping you to resolve your issue.

*Be sure to check your Junk email folder

Options delivered
straight to your inbox

2:00PM

2:30PM

3:00PM

3:30PM



YOUR FEEDBACK MATTERS

After your ticket is resolved the engineer working with you will send you an email asking for your feedback - it's as easy as clicking a smiley face. Your feedback helps us change and refine our processes to better serve you.

Whether it's positive, neutral, or negative our leadership team works with our team members to celebrate the wins and work through the challenges.

Contacting the CIT Customer Success Team and Accounting Resources

Our Customer Success Team is dedicated to ensuring your satisfaction and helping you make the most of our products and services. In this guide, we will outline the various ways you can get in touch with our team for assistance.

CUSTOMER SUCCESS TEAM SUPPORT CHANNELS



Email Support

You can reach our Customer Success Team via email at success@cit-net.com. Our team will respond to your inquiry within 24 hours during business days. Please provide as much detail as possible in your email.



Phone Support

For immediate assistance, you can call our Customer Success Team at **651.255.5795**. Our phone support is available **Monday through Friday, from 8:00 AM to 5:00 PM CST** excluding holidays. Please have any relevant information ready when you call.

CONTACTING THE CUSTOMER SUCCESS TEAM

To ensure efficient and effective communication with our Customer Success Team, it's helpful to have relevant information ready when you call or email us. Below is an outline of the information you should prepare based on the services we provide:

Managing Your Inquiries

- A clear description of your question or concern
- Any relevant account numbers, order numbers, or invoice numbers
- Any relevant screenshots or error messages (if applicable)

Quoting Hardware & Software

- A list of the specific hardware or software you need quotes for
- Any special requirements or preferences (e.g., brand, model, features)



Assisting with Invoice & Purchase Order Questions

- Invoice or purchase order number
- Specific questions or concerns related to the invoice or purchase order

Hardware Requests

- Type of hardware needed (e.g., desktop, laptop, monitor)
- Any specific requirements or preferences (e.g., brand, model, features)
- Quantity needed

Microsoft 365 and Adobe Licensing Requests

- Number of licenses needed
- Type of licenses (e.g., Microsoft 365 Business Standard, Adobe Creative Cloud)
- Any additional information about your organization's licensing needs

Checking for Updates on Purchase Orders/Tracking Details

- Purchase order number
- Date of order placement
- Any specific questions or concerns related to the order status or tracking details

Updates to Company Information

- Current company information on file
- Specific changes needed (e.g., adding or editing users, updating the address)
- Any additional information or documentation required for the changes

General Questions and Support

- A clear description of your question or concern
- Any relevant account information, order numbers, or invoice numbers (if applicable)
- Any relevant screenshots or error messages (if applicable)

By having this information ready when you contact our Customer Success Team, you'll help us provide you with a faster and more accurate response. We're looking forward to assisting you with your needs and ensuring your success with CIT's products and services.

SERVICES OFFERED BY THE CUSTOMER SUCCESS TEAM

Managing your inquiries

Our team is committed to addressing your questions and concerns promptly and efficiently. Whether you need help with a specific issue or have a general question, we're here to help.

Quoting hardware & software

We can provide you with accurate quotes for the hardware and software you need, ensuring that you make informed decisions about your technology investments.

Assisting with invoice & purchase order questions

Our team can help you with any questions related to your invoices and purchase orders, including payment terms, order status, and tracking information.

Hardware Requests

We can provide quotes for new or replacement desktops, laptops, and monitors, ensuring that you have the right equipment to meet your business needs.

Microsoft 365 and Adobe licensing requests

Our team can assist you with your Microsoft 365 and Adobe licensing needs, making sure that you have the right licenses for your organization.

Checking for updates on purchase orders/tracking detail

We can provide you with timely updates on your purchase orders, including tracking details, so you always know the status of your orders.

Updates to company information

Our team can help you with any changes to your company information, such as adding or editing users, updating your address, and more.

General questions and support

If you have any other general questions or need assistance, our Customer Success Team is here to help or direct you to the appropriate team within our organization.



CONTACTING THE ACCOUNTING TEAM



Email Support

At your service, our dedicated Accounting Team is just an email away at **accounting@cit-net.com**. Committed to excellence, we ensure a response within 24 hours on business days, embracing every query with the attention it deserves.



Phone Support

For direct and immediate assistance, dial **651.255.5779**. Your preparedness with account or order details aids in our mission to serve you promptly.

General Questions & Support

To facilitate a swift and accurate response, kindly prepare:

- A detailed description of your inquiry or issue
- Relevant account, order, or invoice numbers
- Any applicable screenshots or error messages

Your proactive engagement not only streamlines our service delivery but significantly enhances your experience, spotlighting our dedication to not just meeting, but exceeding, your expectations.

Onboarding Timeline

Here's an overview of both the first 30 days after signing your agreement and then the next 90 days after support is available.

THE FIRST 30 DAYS

ONBOARDING CHECKLIST

The checklist can be accessed by [clicking here](#) and your project manager will email it to you as well. We are on hand to help you answer any of the questions. Your project manager is an expert in helping you locate the data needed. This questionnaire is a crucial step to help us learn your unique structure and systems.

CUSTOMER KICK-OFF CALL

After filling out the [online questionnaire](#) our team will review and schedule a kickoff call with you. This call is to set expectations for on-site onboarding and review the questionnaire with you while answering any questions you may have.

REMOTE PRE-ONBOARDING

The onboarding process starts before our team arrives on-site. Your implementation engineer will:

- Check for adequate license/software seats and order more if needed
- Setup your business in our network monitoring tool & configure default settings
- Setup your business in the Endpoint Detection & Response (EDR) portal
- Setup your business in the Auvik portal
- Setup your business in the SecureDNS portal
- Prepare our probe device for deployment

PHASE I ONBOARDING

An Implementation Engineer will:

- Collect and test all passwords
- Install the CIT device into the network
- Install a Monitoring Agent & EDR on all workstations and servers
- Label all switches, hosts, firewalls and SANs (if approved)
- Collect pictures of network equipment
- Collect any previously existing customer documentation

PHASE II ONBOARDING

The onboarding process continues after our Phase I onboarding. This process takes 2-business days. After the initial onboarding engineer will:

- Check on rollout of network Monitoring of workstations, servers, & networks
- Check on the rollout of EDR
- Deploy Secure DNS
- Uploading & creating documentation from Phase I onboarding
- Deploy Endpoint Lockdown management platform

SUPPORT AVAILABLE

This happens 2 business days after Phase I onboarding is complete. Congrats you and your team are ready to reach out to support. Whether it's by calling, emailing, or live chatting our support team is here for you 24/7. More details are on [pg. 8.](#)

A services engineer will be meeting with you before support is available to give you even more details and be available for questions.

THE NEXT 90 DAYS

INTRODUCTION & REVIEW

30 days after support becomes available we will walk through your first invoice, discuss your environment, & have an open discussion on the process so far. This time will also be used to introduce any new CIT team members that will working directly with you from this point forward.

SECURITY REVIEW

Around 50 days after support becomes available you will have a scheduled security review with a member of our in-house cybersecurity team. This time will be used to review any concerns, risks, audits, reports, recommendations, & strategic future plans.

*In some cases your Security Review may take place after your Strategic Business Review

BUSINESS REVIEW

Our team will schedule a review with you for 90 days after support is available. The following will be discussed:

- Update on how things are going
- Operation Reporting
- ProActive Review
- Review & update contacts
- Open Project Review (if applicable)
- Strategic recommendations & future planning

Guide to Patching

WHAT IS PATCHING?

Patching is essentially the process of updating or fixing software applications and operating systems to correct security vulnerabilities and improve functionality. Given its role in securing your IT infrastructure, understanding and managing patching is pivotal.

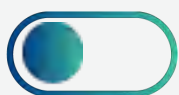


Navigating the patch management landscape may bring a slew of questions and understanding the “how” and “why” behind our process can pave the way for a more secure and efficient IT infrastructure. Here at CIT, we’ve tailored a responsive and measured approach to patch deployment, emphasizing reliability while addressing the dynamic nature of updates.

- 1. Gain Visibility into Asset Management:** First, we initiate an overview of all your company's assets, ensuring a comprehensive understanding of your IT infrastructure. This clarity forms the foundation of proactive and strategic patch management.
- 2. Detect Missing Patches:** Our system identifies any missing patches across your network. This step guarantees that no device goes unnoticed and all vulnerabilities are acknowledged swiftly.
- 3. Download Patches from Vendors:** We then source and download the necessary patches directly from the vendors. **It's important to note that while most common vendors are covered under CIT's patching scope, there may be instances where patches from certain niche or obscure vendors fall outside our purview.** For more info reference of included 3rd party patching please reference [this Kaseya web page.](#)
- 4. Prioritize Patching:** Not all patches are created equal. We prioritize them based on threat severity, compliance requirements, and the role of affected systems in your daily operations. This ensures a logical and strategic application, focusing foremost on the patches that matter most to your business continuity.
- 5. Test Patches:** Before rolling out patches, CIT meticulously tests them to mitigate any risk of disruption. This step is crucial for maintaining the integrity and efficiency of your systems, reflecting our commitment to your operational stability.
- 6. Deploy Patches:** Deployment is initiated with a calculated approach. **If you don't observe patching actions directly on your devices, it may be due to them being in the holding period—our strategic pause—or because they are queued based on priority.** This period allows us to monitor stability and ensure a rollout that's both seamless and expeditious.
- 7. Perform Patch Audit:** Our team conducts thorough audits to confirm that patches are correctly applied and functional. This step verifies the effectiveness of the deployment and ensures full coverage across your digital ecosystem.
- 8. Update the Patch Report:** Finally, we compile and update patch reports that provide transparent and digestible insights into the patching process. This step keeps you informed and confident in the security and performance enhancements being applied to your IT landscape.

CUSTOMIZING YOUR EXPERIENCE

Recognizing that each business's tolerance for risk and operational needs can differ, we offer customization in this waiting period. If your organization prefers a more aggressive or conservative patching approach, we can adjust the observation window accordingly, aligning with your desired risk profile.



Custom Approval Processes



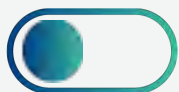
Priority Setting & Scheduling



Variable Observation Windows



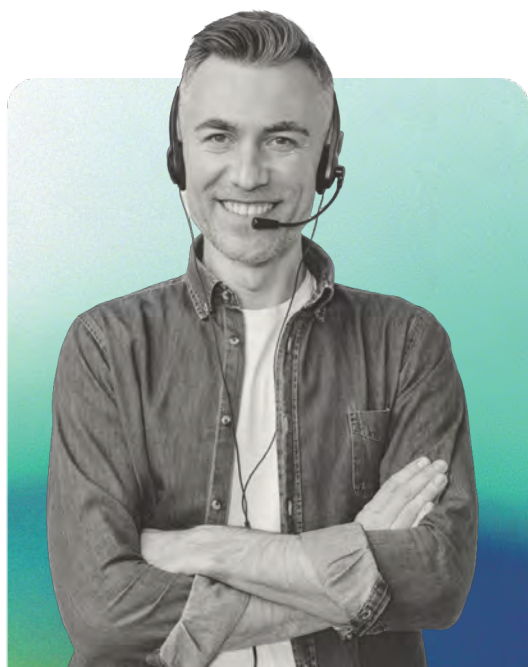
Custom Patch Testing Parameters



Selective Device Exclusion



Custom Reporting & Notifications



TAILORING YOUR PATCH MANAGEMENT

We're committed to customizing your patch management experience to align perfectly with your evolving needs. Whether initiating collaboration during onboarding with your dedicated Project Manager or adjusting settings on-the-fly, our support team is always at your service. **For comprehensive customization or quick adjustments, email us at support@cit-net.com or call 651.255.5799.**

SERVICES	Definition
Remote Management/ Monitoring/MS Patching	A service that oversees systems remotely, identifying and addressing potential issues. It ensures environments remain secure and up-to-date through regular patching.
Third-Party Patching	A service that manages updates for non-Microsoft applications. It addresses potential vulnerabilities in various software, maintaining the security of diverse software ecosystems. A comprehensive service designed to ensure the seamless integration of new or replacement workstations. This meticulous setup process optimizes each workstation for peak performance, tailoring configurations to meet your specific business needs & enhancing overall productivity from day one. *Install of new or replaced equipment purchased through CIT. Additional Terms & Conditions may apply.
Premium Workstation Setup	
On-site Issue Remediation	A responsive, hands-on approach to resolving complex IT challenges directly at your location. This service brings our expert technicians to your doorstep, addressing issues that require physical presence or intricate problem-solving. It ensures minimal downtime & provides peace of mind through face-to-face interactions & immediate solutions tailored to your unique environment.
ISP/Firewall/Switch Monitoring Alarm Triage & Issue Escalation	A monitoring system that observes network infrastructure, identifying and categorizing potential issues. It includes a process for addressing and, when necessary, escalating problems to maintain network integrity.
Dynamic Network Mapping & Monitoring	A service that creates real-time visualizations of network topology. It provides insights into network structure and performance, adapting to changes in the network environment.
Managed Endpoint Detection & Response (MDR) 24x7 SOC	A comprehensive security service that continuously monitors endpoints for threats. It utilizes advanced analytics and human expertise to detect, investigate, and respond to cybersecurity incidents around the clock.
Privileged Access Management (PAM)/ App Whitelisting/ Configuration Management	A multi-faceted approach to security that controls and monitors privileged access to critical systems. It includes tools for managing user permissions, restricting application execution to approved software, and maintaining consistent system configurations.
Dark Web Monitoring	A service that scans the hidden parts of the internet for sensitive information related to an organization. It alerts businesses to potential data breaches or unauthorized sharing of confidential information.

ProActive Glossary

Cybersecurity Awareness Training & Simulated Phishing	An educational program designed to improve an organization's overall security posture. It combines instructional content on cybersecurity best practices with practical exercises, including simulated phishing attempts, to reinforce learning and assess staff readiness.
DMARC Monitoring	A system for tracking and analyzing email authentication results based on Domain-based Message Authentication, Reporting & Conformance (DMARC) policies. It helps organizations protect their email domains from unauthorized use and reduces the risk of email-based fraud.
Domain Name System (DNS) Security Software	A solution that enhances the security of an organization's DNS infrastructure. It protects against DNS-based threats, such as cache poisoning and DDoS attacks, ensuring the integrity and availability of critical online services.
Password Manager Add-on	A cutting-edge solution that simplifies & strengthens your organization's password security. This add-on seamlessly integrates with your existing systems, providing a centralized platform for generating, storing, & managing complex passwords. It empowers your team to maintain robust security practices without sacrificing productivity, effectively addressing the challenge of password fatigue in today's digital landscape.
SaaS Shadow Application Reporting	An innovative visibility tool that illuminates the hidden corners of your organization's software ecosystem. This reporting service uncovers & tracks unauthorized SaaS applications used within your network, providing crucial insights into potential security risks & compliance issues. By shedding light on shadow IT, it enables proactive management of your digital resources, aligning technology use with your business objectives & enhancing overall operational efficiency.
Active Directory Security Review - Annual	A comprehensive evaluation of an organization's Active Directory infrastructure, conducted yearly. This review assesses permissions, group policies, and overall directory health to identify potential security risks and ensure optimal configuration.
Firewall Security Review - Annual	A thorough annual examination of an organization's firewall settings and rules. This process helps maintain the effectiveness of the firewall in protecting the network from external threats and ensures compliance with current security best practices.
Incident Response Plan - Annual	A yearly update and testing of an organization's cybersecurity incident response strategy. This review ensures the plan remains current, effective, and aligned with the evolving threat landscape and organizational changes.

ProActive Glossary

Internal Vulnerability Scan - Annual	A systematic annual assessment of an organization's internal network and systems to identify potential security weaknesses. This scan helps prioritize remediation efforts and strengthen the overall internal security posture.
External Vulnerability Scan - Annual	A yearly examination of an organization's externally facing assets and infrastructure to detect potential vulnerabilities visible from outside the network. This scan helps protect against external threats and maintain a robust security perimeter.
Email Cybersecurity Review - Annual	An annual evaluation of an organization's email security measures and policies. This review assesses the effectiveness of current email protection strategies, identifies potential gaps, and recommends improvements to guard against evolving email-based threats.
Unlimited End User Remote Help Desk 24x7*	A round-the-clock lifeline for your team, offering seamless access to expert IT support whenever & wherever they need it. This service empowers your workforce with instant resolution to everyday tech challenges, minimizing downtime & maximizing productivity. Our skilled technicians are always at the ready, providing a reassuring presence in your digital workspace. *For unlimited help desk, anything that is an install, deploy, or upgrade is not covered.
24/7 Support Desk RMM/KNE Access/Triage	A round-the-clock service that combines remote monitoring & management (RMM) with knowledge-enabled (KNE) support. This system provides continuous access to technical expertise, prioritizing issues and notifying of IT challenges at any time of day or night.
Strategic Business Review	A comprehensive analysis of an organization's technology landscape and its alignment with business objectives. This periodic assessment evaluates current IT strategies, identifies areas for improvement, and outlines potential technological advancements to support long-term business goals. It serves as a roadmap for optimizing IT investments & enhancing operational efficiency.
Monthly On-Site visits (Up to 4 hours Included)	A proactive approach to your IT health, bringing our expertise directly to your doorstep on a regular basis. These scheduled visits allow our technicians to address complex issues, perform hands-on optimizations, & provide personalized guidance tailored to your unique environment. It's a blend of preventative care & strategic planning, ensuring your technology aligns perfectly with your evolving business needs.

Managed Services 2025



Included Services

SERVICES	ProActive Assist	ProActive Standard	ProActive Premium
24x7 Support Desk & RMM Ticketing Resolution		○	●
24x7 Support Desk & RMM Ticketing/Triage		●	●
Add/Enable/Disable User Account		○	●
Annual Active Directory Assessment Reporting		●	●
Annual Email Assessment Reporting		●	●
Annual Vulnerability Scan Reporting		●	●
Chrome/Firefox/Adobe Reader Patching	●	●	●
Cloud Email Add/Disable Users, Distribution Lists, Troubleshooting (MS 365, G Suite)		○	●
Computer Performance Issues		○	●
Darkweb Monitoring & Notifications		●	●
Device Network Connectivity Monitoring	●	●	●
Domain-based Message Authentication, Reporting & Conformance (DMARC) Monitoring & Change Notification		●	●
Domain Name System (DNS) Security Filtering Custom Rules & Exception Management		●	●
Email Client Configuration			●
End User Application Request Review/Response		●	●
End User Privileged Access Management (PAM) Review/Response		●	●
Firewall Rules, Firmware Update (Excludes Firewall Feature Deployments; KNE License Required)		○	●
Internet Connectivity Monitoring (KNE License Required)	●	●	●
macOS X General Help		○	●
Managed Detection & Response (MDR) Alerting, Review, Isolation		●	●
Microsoft Patching (Windows Update - Critical, Security, Update, Drivers)	●	●	●
Microsoft Windows Feature Update Deployment		○	●
Network Switch Firmware Updates		○	●
Notifying Vendors with Support Agreements of Issues (Documentation Required)		○	●
On-site Issue Remediation (CIT Disclosed Markets)			●

Managed Services 2025



Included Services

SERVICES	ProActive Assist	ProActive Standard	ProActive Premium
Password Manager End User Support			●
Password Resets		○	●
Productivity App (PC/Mac) Application Installation & Access Support		○	●
Remote User VPN Issues		○	●
SaaS (Software as a Service) Shadow Application Reporting			●
Security Remediation Not Resolved by Patching on Managed Devices			●
Server Reboots		○	●
Server Service Restarts		○	●
Software Upgrades/Installations			●
Suspected Virus Removal		○	●
User Cybersecurity Training Campaign Management/Reporting		●	●
WiFi Access Point Monitoring, SSID Password Change (KNE License)		○	●
Windows General Help		○	●
Workstation Replacement Service (Purchased from CIT)			●

● = Included in corresponding tier ○ = Included with Unlimited Help Desk add-on

**On-site service offerings are contingent upon location and may not be available in all markets; contact us for more information.*

***Services, Solutions, and Tools not noted in the table above would be subject to Time & Materials (T&M).*

Managed Services 2025



T&M Services

SERVICES

Line of Business Applications

Network Hardware Upgrades/Additions

On-site Email Server

Phone/Security System Support

Storage Area Network (SAN) Firmware/SW Upgrade

Windows Major Version Upgrade

CITY COUNCIL MEETING DATE: December 1, 2025

TO: Mayor & City Council

FROM: Eric Johnson, Community Development Director

SUBJECT: Preliminary and Final Planned Unit Development– Peyton Acres

☒ **RESOLUTION:** 2025-185 ☐ **ORDINANCE:** ☐ **OTHER:**

REQUESTED ACTION

Council approval of a Preliminary and Final Planned Unit Development (PUD) for construction of a 3 lot (6 unit total) PUD development at 3956 Stebner Road. The property has a zoning of R-3, Residential.

BACKGROUND

Applicant is requesting approval of a Preliminary and Final Plat for construction of a 14 lot, residential development at 3956 Stebner Road. The property has a zoning of R-3, Residential.

SITE INFORMATION:

Parcel Size:	+/-1.8 acres
Legal Access:	3956 Stebner Road
Wetlands:	Yes, delineation approved in 2019; Impacts approved in 2020 and 2024
Existing Zoning:	R-3, Residential (1/2 acre minimum)
Airport Overlay:	None
Shoreland Overlay:	None
Comprehensive Plan:	Mixed Use

Development Details

JLG Enterprises of Hermantown LLP (Applicant) is proposing to construct the final phase of the Peyton Acres development. As part of this phase the applicant is proposing 3 lots within the plat to be designated as a PUD in order to construct 3 two-family homes (6 units total). The applicant is proposing another type of housing style (two-family homes) that are in keeping with the size and scale of the other homes within the development.

A public hearing for this proposed project was held on November 18, 2025. There were no members of the public who spoke at the meeting. The Planning and Zoning Commission unanimously recommended the application to the City Council for their review and approval.

Zoning Analysis

The property is zoned R-3, Residential. The applicant has applied for a Planned Unit Development (PUD) for the property. A PUD is a permitted use in an R-3 zone district. Section 11 of the zoning ordinance explains that: ‘A PUD is intended to encourage a more efficient and creative use of land and development, more efficient and effective use of streets, utilities and public services; protection of natural resources; and more efficient and effective provision of recreational, public and open space than can be achieved through conventional development procedures.

The purpose of the PUD request is to allow for the creation of 3 two-family structures for a total of 6 units.

Lot Size

The proposed lot sizes are equal to or greater than ½ acre. The lot size for a stand alone two-family structure is 1 acre within the R-3, Residential zoning district.

Setbacks

City Code allows a PUD to have standards that meet the City’s goals for each proposed development. These standards include building height, density, roadway widths and setbacks. The proposed project is for 3 two-family structures (6 units total). The applicant is proposing a minimum 10’ foot minimum, 25’ total aggregate, side yard setback, a 50’ foot front yard setback and a 40’ foot rear yard setback. The PUD allows for the setting of site specific setbacks.

The proposed site plan shows the building setbacks associated with the PUD to be consistent with the R-3, Residential dimensional standards for the adjacent single-family homes.

Table 1. R-3 Residential Requirements	R-3 Requirement	Proposed Two-family Structure
Minimum lot area	½ acre (2 units/acre)	½ acre minimum
Minimum lot width (at setback line)	100 feet	100 foot minimum
Minimum front yard	50 feet from public ROW	50’ from public ROW
Minimum side yard	10 feet, 25 feet aggregate	10 feet minimum, 25 feet aggregate
Minimum rear yard	40 feet	40’ feet minimum
Roadway ROW width	66 feet	66’ Public ROW – 28’ with curb, gutter and 5’ sidewalk

PUD Process:

The City's zoning regulations governing PUD's require that each PUD obtain preliminary and final approval. The City's Planned Unit Development ordinance states that PUDs over 4 units/acre and/or 5 acres in size are required to make separate Preliminary and Final PUD submissions.

The PUD review and approval process include a public hearing by the Planning Commission and a recommendation to the City Council. A PUD order will be issued by the City setting project specific development standards. Following completion of the development contract the applicant will be granted final Zoning approval and can begin construction, pending approval of the associated building permits.

Per Section 1105 of the Planned Unit Development section of the Zoning Ordinance, it requires that a PUD must provide public benefits to the surrounding neighborhood and to the city above and beyond what can be reasonably achieved by application of the zoning provisions applicable to the underlying zoning district. The nature and scale of public benefit shall be determined by the City and include, but not be limited to:

- 1.1 Provision of a variety of housing and community types. – The project proposes 3 – two family structures (6 units total) which there is a general shortage of within the City.
- 1.2 Provision of recreational amenities including trails and parks. – The Project utilizes the proposed 5' foot wide sidewalk as part of Phase 4, which connects to the overall Peyton Acres development.

Utilities

The project will connect to City water lines located within the right-of-way of Peyton Drive. New sewer and water lines will be via City mains constructed to City standards. The Applicant will provide engineered plans to the City Engineer for utility connections prior to beginning such work on this phase. Preliminary engineering plans are in the process of being developed by the Applicants engineer.

Stormwater

The applicant is proposing to treat stormwater in a separate retention treatment pond previously constructed as part of Phase 2. Final location, sizing, and design of permanent stormwater control will be subject to approval of final stormwater plans and MS4 Letter of Compliance by the City Engineer.

Roadway

The applicant will construct a +/-1,300', 28' wide curb face to curb face bituminous roadway with curb and gutter with a sidewalk on one side with a cul-de-sac in accordance with the City of Hermantown Urban Section design standards and City design speed standards as approved by the City Engineer. This new road will connect to Peyton Drive.

Wetlands

This portion of the Phase does not have any existing wetlands.

Park Dedication Fees

The Applicant will be required to pay park dedication fees consistent with the requirements of the City Zoning Ordinance. Park dedication fees will be paid according to the Hermantown Fee Schedule. Those fees currently are:

Development Type	Recommended
Single Family, Two Family, Three Family Residential Parcel/CIC Unit	\$1,100/lot
Per bedroom fee	\$150

Summary:

Staff recommends approval of the Preliminary and Final PUD based on the findings of this report and the following conditions

1. The proposed PUD meets the intent of the R-3, Residential Zoning District, Chapter 11 – Planned Unit Developments, and the overall goals and policies of the Zoning Ordinance.
2. The proposed development meets the Comprehensive Plan for residential development and standards of a Planned Unit Development by providing public benefit through enhanced and coordinated development design and a greater variety of housing types in the community.
3. The Planned Unit Development is hereby approved is hereby expressly subject to the following conditions:
 - 3.1 That the Project will be constructed as described in the plans accompanying the Application and the conditions contained herein.
 - 3.2 The Zoning Administrator of the City of Hermantown shall be notified at least five (5) days in advance of the commencement of the work authorized hereunder and shall be notified of its completion within five (5) days thereafter.
 - 3.3 No change shall be made in the Project without written permission being previously obtained from the City of Hermantown.
 - 3.4 Applicant shall grant access to the site at all reasonable times during and after construction to authorized representatives of the City of Hermantown for inspection of the Project to see that the terms of this permit are met.

3.5 Applicant is initially and continually in compliance with all of the ordinances and regulations of the City of Hermantown.

3.6 Trees and brush cannot be burned on the property, but may be chipped and shredded.

3.7 An MPCA Stormwater Permit and erosion control measures must be in place prior to the start of operations.

3.8 All utility line easements shall be observed and any encroachment into the utility right-of-way shall only be permitted with the written approval of the utility.

3.9 The Applicant shall take measures to control erosion that has the potential to damage adjacent land, and control sedimentation that has the potential to leave the site.

4 Dimensional requirements of lots, setbacks, and rights-of-way shall be according to the attached site plan and table 1.

Table 1. R-3 Residential Requirements	R-3 Requirement	Proposed Two-Family Home
Minimum lot area	½ acre (2 units/acre)	½ acre minimum
Minimum lot width (at setback line)	100 feet	100 foot minimum
Minimum front yard	50 feet from public ROW	50' from public ROW
Minimum side yard	10 feet, 25 feet aggregate	10 feet minimum, 25 feet aggregate
Minimum rear yard	40 feet	40' feet minimum
Roadway ROW width	66 feet	66' Public ROW – 28' with curb, gutter and 5' sidewalk

5 Applicant to submit final construction documents (water, storm sewer, sanitary sewer, roadway, etc.) according to City standards and coordinated with the City Engineer. Final PUD Order and Stormwater Certificate will be issued after review and approval of documents by the City Engineer.

- 6 Installation of water and sanitary sewer shall require the Property Owner to enter into an agreement with the City governing the terms of such work. All utility plans shall be approved by the City Engineer. The City/Developer agreement shall specify the amount of a financial guarantee to be held by the City from the time of commencement of work until such a time as the City is prepared to accept as complete the new public infrastructure. All drainage and utility easements shall have associated easements. The Property Owner shall enter into a Development Agreement with the City for all public utilities.
- 7 The Applicant is to enter into a development agreement for the infrastructure improvements associated with the project.
- 8 The Applicant shall sign a consent form assenting to all conditions of this approval.
- 9 The Applicant shall pay an administrative fine of \$750 per violation of any condition of this approval.

SOURCE OF FUNDS (if applicable)

N/A

ATTACHMENTS:

- Resolution
- Location Map
- Preliminary/Plan

Resolution No. 2025-185

Resolution Approving Preliminary And Final Planned Unit Development With JLG Enterprises Of Hermantown LLP For The Peyton Acres Planned Unit Development

WHEREAS, JLG Enterprises of Hermantown LLP (Applicant) has submitted a complete application (Application) for a Preliminary and Final Planned Unit Development (PUD) in association with parcel 395-0162-00090; and

WHEREAS, the Hermantown Planning and Zoning Commission held a public hearing on the preliminary PUD on November 18, 2025 following notice as required by the City's Zoning Code; and

WHEREAS, following the public hearing on the preliminary and final PUD, the Hermantown Planning Commission unanimously recommended that the City Council approve the preliminary and final PUD; and

WHEREAS, the City Council has duly considered this matter and believes that it is in the best interests of the City of Hermantown that the preliminary and final PUD be approved, subject to certain conditions being met.

NOW THEREFORE, BE IT RESOLVED after due consideration of the entire City file, the testimony at the public hearing and all other relevant matters the City Council hereby makes the following findings related to the Preliminary and Final Planned Unit Development.

A. FINDINGS OF FACT

1. The proposed development plan meets the intent of the R-3, Residential Zoning District and the overall goals and policies of the Zoning Ordinance.
2. The proposed development meets the Comprehensive Plan for residential development and standards of a Planned Unit Development by providing public benefit through siting of the buildings in order to protect wetlands.
3. A PUD may be allowed in any zoning district in the City of Hermantown. In addition, all permitted and conditional uses listed in the underlying specific district are allowed in a PUD.
4. The tract of land ("Land") affected by the Plan is legally described on Exhibit A attached hereto.
5. The Plan includes provisions for the preservation of natural amenities.
6. The Plan appears to harmonize with both existing and proposed development in the area surrounding the project site.

7. The Plan includes residential uses.
8. Maps were provided with the Plan and contained the following:
 - 8.1 The existing topographic character of the land.
 - 8.2 A composite of all natural amenities of the site including steep slopes, drainage ways plus wetlands.
 - 8.3 The size of the site and proposed uses of the land to be developed.
 - 8.4 The density of land use to be allocated to the overall development.
9. The Plan includes the following:
 - 9.1 A statement of the ownership of all land involved in the Planned Unit Development.
 - 9.2 An explanation of the general character of the planned development.
 - 9.3 A general indication of the expected time schedule of development.
10. The approval of the Final Development Plan is subject to the following modifications/conditions:
 - 12.1 The Applicant will cause all buildings within the development to be constructed in accordance with all applicable building and fire codes.
 - 12.2 In order to ensure that the spirit and intent of the Hermantown Zoning Code is met modifications must be made to the Plan and conditions imposed on the development proposed by the Plan.
 - 12.3 Erosion control measures shall be utilized and remain in place throughout the construction period, and shall not be removed until vegetation is established on the site.
 - 12.4 Prior to issuance of a building permit, all necessary permits shall be obtained, including, without limitation, any stormwater permits required by the Minnesota Pollution Control Agency.
 - 12.5 The Applicant shall describe best management methods that will be used to demarcate and protect wetlands that are located on site, including physically signing boundaries and providing electronic and GIS information to City documenting the wetland boundaries.
 - 12.6 The applicant shall comply with the following conditions during construction:

- a. Development activity shall comply with all City noise ordinances. There shall be no construction activity between the hours of 10 p.m. and 7 a.m.
- b. Loud equipment shall be kept as far as possible from adjacent residences.
- c. The site shall be kept free of dust and debris that could blow onto neighboring properties.
- d. Public streets shall be maintained free of dirt and shall be cleaned as necessary.
- e. The City shall be contacted a minimum of 72 hours prior to any work in a public street or right-of-way. Work in a public street shall take place only upon the determination by the Public Works Director that appropriate safety measures have been taken to ensure motorist and pedestrian safety.
- f. The Zoning Administrator may impose additional conditions if it becomes necessary in order to mitigate the impact of construction on surrounding properties.

12.7 The Applicant shall sign a consent form assenting to all conditions of this approval.

12.8 The Applicant shall pay an administrative fine of \$750 per violation of any condition of this approval.

13.To accomplish the complex review process for approval of the Plan, the dates and deadlines of Chapter 11, "Planned Unit Developments" were reviewed and requirements met by the Applicant.

14.The approval given by this Resolution is not effective until Applicant executes and delivers an acceptance of the terms and provisions of this Resolution.

15.The Applicant will be required to pay park dedication fees consistent with the requirements of the City Zoning Ordinance. The Applicant/builder will be responsible for the \$150/bedroom park dedication at the time of building permit.

16.Applicant must pay all costs and expenses incurred by the City, including attorney's fees, planner fees and out of pocket costs incurred by the City.

CONCLUSION

On the basis of the foregoing Findings of Fact, the City Council of the City of Hermantown is hereby resolved as follows:

1. The final PUD for 10 townhomes (20 units total) meets the intent of the R-3, Residential Zoning District, Chapter 11 – Planned Unit Developments, and the overall goals and policies of the Zoning Ordinance.

- a. Provision of a variety of housing and community types. – The project proposes 3 – two family structures (6 units total) which there is a general shortage of within the City.
 - b. Provision of recreational amenities including trails and parks. – The Project utilizes the proposed 5' foot wide sidewalk as part of Phase 4, which connects to the overall Peyton Acres development.
2. A PUD may be allowed in any zoning district in the City of Hermantown. In addition, all permitted and conditional uses listed in the underlying specific district are allowed in a PUD.
3. The project will be served by public water and sewer which will be constructed by the Applicant. The Applicant/builder will be responsible for any connection of availability fees.
4. The final PUD hereby approved is hereby expressly subject to the following conditions:
 - a. Applicant is initially and continually in compliance with all of the ordinances and regulations of the City of Hermantown.
 - b. That the Project will be constructed as described in the plans accompanying the Application and the conditions contained herein.
 - c. The Zoning Administrator of the City of Hermantown shall be notified at least five (5) days in advance of the commencement of the work authorized hereunder and shall be notified of its completion within five (5) days thereafter.
 - d. No change shall be made in the Project without written permission being previously obtained from the City of Hermantown.
 - e. Applicant shall grant access to the site at all reasonable times during and after construction to authorized representatives of the City of Hermantown for inspection of the Project to see that the terms of this permit are met.
 - f. Applicant is initially and continually in compliance with all of the ordinances and regulations of the City of Hermantown.
 - g. All utility line easements shall be observed and any encroachment into the utility right-of-way shall only be permitted with the written approval of the utility.
 - h. Trees and brush cannot be burned on the Land, but may be chipped and shredded.
 - i. Erosion control measures must be in place prior to any construction on the Final PUD.

- j. An MPCA Stormwater Permit and erosion control measures must be in place prior to the start of operations.
 - k. The Applicant shall take measures to control erosion that has the potential to damage adjacent land, and control sedimentation that has the potential to leave the site.
5. The Applicant will be required to pay park dedication fees consistent with the requirements of the City Zoning Ordinance. The Applicant/builder will be responsible for the \$150/bedroom park dedication at the time of building permit.
 6. Applicant to submit preliminary and final construction documents (water, storm sewer, sanitary sewer, roadway, etc.) according to City standards and coordinated with the City Engineer prior to construction.
 7. Installation of water and sanitary sewer shall require the Applicant to enter into an agreement with the City governing the terms of such work. All utility plans shall be approved by the City Engineer. The Development agreement shall specify the amount of a financial guarantee to be held by the City from the time of commencement of work until such a time as the City is prepared to accept as complete the new public infrastructure. All drainage and utility easements shall have associated easements. The Applicant shall enter into a Development Agreement with the City for all public utilities.
 8. The Applicant is responsible for all City and WLSSD availability, hook-up and CAF fees associated with the PUD.
 9. The Applicant will have one year from the date of the Final PUD approval to commence work on the Project.
 10. The Applicant is responsible for all City Engineer and Attorney fees related to the review and approval of the PUD.
 11. The Applicant shall sign a consent form assenting to all conditions of this approval.
 12. The Applicant shall pay an administrative fine of \$750 per violation of any condition of this approval.
 13. The approval made by this resolution extends only to the Project as defined in this resolution.

Councilor _____ introduced the foregoing resolution and moved its adoption.

The motion for the adoption of such resolution was seconded by Councilor _____ and, upon a vote being taken thereon, the following voted in favor thereof:

Councilors _____

and the following voted in opposition thereto:

Councilors _____

WHEREUPON, such resolution was declared duly passed and adopted December 1, 2025.

LEGAL DESCRIPTION

That part of Outlot A, Peyton Acres Phase 3 described as follows:

Beginning at the Northeast corner of Lot 1, Block 2, Peyton Acres Phase 2A; thence on a bearing of North 77 degrees 32 minutes 33 seconds East along the Northeasterly extension of the Northerly line of said Lot 1, Block 2 Peyton Acres Phase 2A, a distance of 79.75 feet; thence Easterly and Southeasterly a distance of 386.89 feet along a tangential curve to the right having a central angle of 102 degrees 09 minutes 10 seconds and a radius of 217.00 feet; thence South 00 degrees 18 minutes 16 seconds East a distance of 82.98 feet to the Northeast corner of Lot 4, Block 2, Peyton Acres Phase 2A; thence South 89 degrees 41 minutes 44 seconds West along the North line of said Lot 4, Block 2 of Peyton Acres Phase 2A a distance of 163.12 feet to the Northwest corner of said Lot 4, Block 2; thence North 50 degrees 58 minutes 05 seconds West along the Northerly line of Lots 2 and 3, Block 2, Peyton Acres Phase 2A a distance of 184.62 feet to the Southeast corner of Lot 1, Block 2, Peyton Acres Phase 2A; thence North 12 degrees 27 minutes 27 seconds West along the Easterly line of said Lot 1, Block 2 a distance of 165.00 feet to the point of beginning. Containing 1.74 Acres

Parcel ID: 395-0162-00090

ACCEPTANCE OF RESOLUTION

JLG Enterprises of Hermantown LLP (“Applicant”) hereby acknowledges and accepts the conditions specified on the foregoing Resolution and covenants and agrees to comply with each and every such condition.

Applicant acknowledges that the failure to comply with all of the modifications and conditions shall constitute a violation of the Hermantown Zoning Ordinance and that the City of Hermantown may, in such event, exercise and enforce its rights against the undersigned by instituting any appropriate action or proceeding to prevent, restrain, correct or abate the violation including, without limitation, exercising and enforcing its rights against any security that the undersigned may provide to the City to insure its compliance with the conditions contained in the foregoing Resolution.

Applicant acknowledges that this Resolution shall be recorded with the title to the property described in the text of the Resolution.

IN WITNESS WHEREAS, JLG Enterprises of Hermantown LLP has executed this acceptance this ____ day of _____, 2025.

JLG Enterprises of Hermantown LLP
Jeff Gilbert

JLG Enterprises of Hermantown LLP
Gary Gilbert

STATE OF MINNESOTA)
)ss.
COUNTY OF ST. LOUIS)

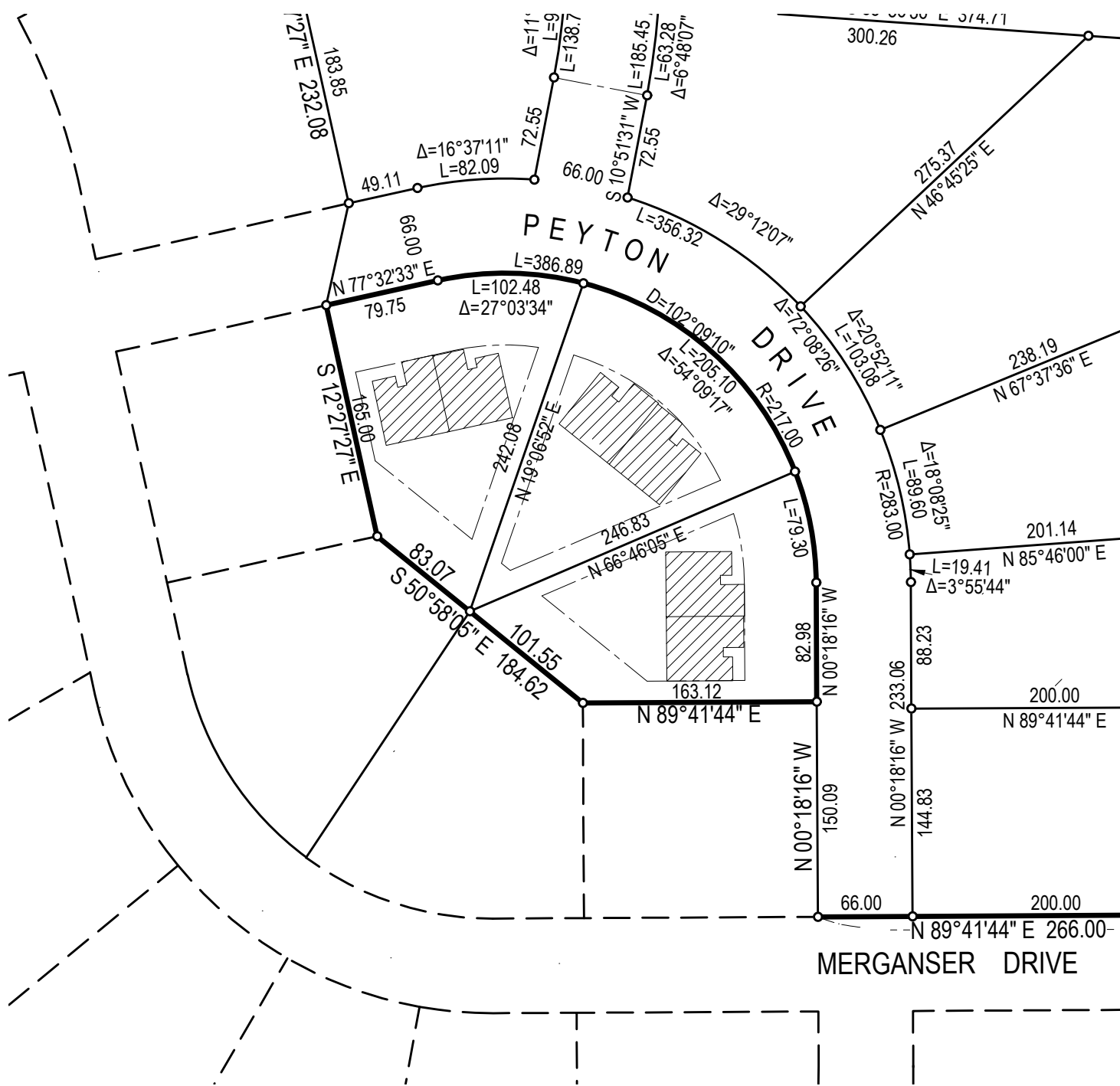
The foregoing instrument was acknowledged before me this ____ day of _____, 2025, by JLG Enterprises of Hermantown LLP.

Notary Public

Location Map



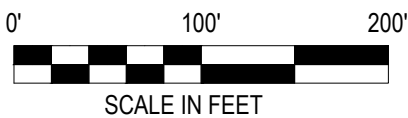
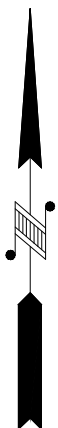
PROPOSED REZONING EXHIBIT
FOR: JLG ENTERPRISES OF HERMANTOWN



PROPOSED LEGAL DESCRIPTION FOR PROPERTY WITHIN PROPOSED PEYTON ACRES
PHASE 4 PLAT TO BE REZONED

That part of Outlot A, Peyton Acres Phase 3 described as follows:

Beginning at the Northeast corner of Lot 1, Block 2, Peyton Acres Phase 2A; thence on a bearing of North 77 degrees 32 minutes 33 seconds East along the Northeasterly extension of the Northerly line of said Lot 1, Block 2 Peyton Acres Phase 2A, a distance of 79.75 feet; thence Easterly and Southeasterly a distance of 386.89 feet along a tangential curve to the right having a central angle of 102 degrees 09 minutes 10 seconds and a radius of 217.00 feet; thence South 00 degrees 18 minutes 16 seconds East a distance of 82.98 feet to the Northeast corner of Lot 4, Block 2, Peyton Acres Phase 2A; thence South 89 degrees 41 minutes 44 seconds West along the North line of said Lot 4, Block 2 of Peyton Acres Phase 2A a distance of 163.12 feet to the Northwest corner of said Lot 4, Block 2; thence North 50 degrees 58 minutes 05 seconds West along the Northerly line of Lots 2 and 3, Block 2, Peyton Acres Phase 2A a distance of 184.62 feet to the Southeast corner of Lot 1, Block 2, Peyton Acres Phase 2A; thence North 12 degrees 27 minutes 27 seconds West along the Easterly line of said Lot 1, Block 2 a distance of 165.00 feet to the point of beginning. Containing 1.74 Acres



DATE: 10/17/25
SCALE: 1"=100'
PROP ADD:
PROJECT NO: 25-0015

RON KRUEGER
Land Surveyor
7066 HIGHWAY 8
SAGINAW, MN 55779
Phone: 218-390-4030

CITY COUNCIL MEETING DATE: December 1, 2025

TO: Mayor & City Council

FROM: Eric Johnson, Community Development Director

SUBJECT: Preliminary and Final Plat – Peyton Acres Phase 4

☒ **RESOLUTION:** 2025-186 ☐ **ORDINANCE:** ☐ **OTHER:**

REQUESTED ACTION

Council approval of a preliminary and final plat with conditions for Peyton Acres Phase 4, an 14 lot, residential subdivision in an R-3 zoning district.

BACKGROUND

Applicant is requesting approval of a Preliminary and Final Plat for construction of a 14 lot, residential development at 3956 Stebner Road. The property has a zoning of R-3, Residential.

SITE INFORMATION:

Parcel Size:	+/-14 acres
Legal Access:	3956 Stebner Road
Wetlands:	Yes, delineation approved in 2019; Impacts approved in 2020 and 2024
Existing Zoning:	R-3, Residential (1/2 acre minimum)
Airport Overlay:	None
Shoreland Overlay:	None
Comprehensive Plan:	Mixed Use

Development Details

JLG Enterprises (Applicant) is proposing to construct the final phase of the Peyton Acres development. Since 2020, JLG has constructed 45 lots, 3 ponds and approximately 4,400 linear feet of road and utilities over the previous phases. The Applicant is now bringing forward the preliminary and final plat for Phase 4 of the project consisting of 14 lots.

This proposed phase is in keeping with the Peyton Acres Master Plan that would originally envisioned in 2020.

A public hearing for this proposed project was held on November 18, 2025. There were no members of the public who spoke at the meeting. The Planning and Zoning Commission unanimously recommended the application to the City Council for their review and approval.

Zoning Analysis

Lot Size

The proposed preliminary and final plat meets the R-3, Residential dimensional standards for single-family homes connected to City water and sanitary sewer of ½ acre in area with 100 feet wide frontage at lot line and at the 50' building setback line of lots on cul-de-sacs.

Setbacks

The proposed site plan shows the building setbacks associated with the R-3, Residential dimensional standards for single-family homes.

Utilities

The project will connect to City water lines located within the right-of-way of Peyton Drive. New sewer and water lines will be via City mains constructed to City standards. The Applicant will provide engineered plans to the City Engineer for utility connections prior to beginning such work on this phase. Preliminary engineering plans are in the process of being developed by the Applicants engineer.

Stormwater

The applicant is proposing to treat stormwater in a separate retention treatment pond previously constructed as part of Phase 2. Final location, sizing, and design of permanent stormwater control will be subject to approval of final stormwater plans and MS4 Letter of Compliance by the City Engineer.

Roadway

The applicant will construct a +/-1,300', 28' wide curb face to curb face bituminous roadway with curb and gutter with a sidewalk on one side with a cul-de-sac in accordance with the City of Hermantown Urban Section design standards and City design speed standards as approved by the City Engineer. This new road will connect to Peyton Drive.

Wetlands

There are proposed wetland impacts associated with the construction of the cul-de-sac serving the seven lots associated with Block 1. The applicant has purchased wetland credits associated with the previous wetland impacts for the previous phases and will be required to purchase additional credits should the existing wetland be impacted.

Park Dedication Fees

The Applicant will be required to pay park dedication fees consistent with the requirements of the City Zoning Ordinance. Park dedication fees will be paid according to the Hermantown Fee Schedule. Those fees currently are:

Development Type	Recommended
Single Family, Two Family, Three Family Residential Parcel/CIC Unit	\$1,100/lot
Per bedroom fee	\$150

Summary:

Staff recommends approval of the Preliminary and Final Plat based on the following findings and conditions:

1. The proposed plat meets the intent of the R-3, Residential Zoning District and the overall goals and policies of the Zoning Ordinance.
2. The proposed plat is in accordance with and conformity to the Hermantown Comprehensive Plan and Hermantown Zoning Ordinance.
3. The following conditions are imposed upon the final plat:
4. The lots will be served by public water and sewer which will be constructed by the applicant. The new water and sewer main will be constructed by the applicant, reviewed and approved by the City Engineer then turned over to the City.
5. The development agreement shall prescribe either a:
 - a. Letter of Credit or other financial surety acceptable to the City Attorney for 125% of the construction value of the road and infrastructure improvements to be made at the time of approval of the Final Plat, or
 - b. Installation of road and infrastructure facilities prior to obtaining the Final Plat for the development.
 - c. Letter of Credit or other financial surety acceptable to the City Attorney for 125% of the construction value of the stormwater facilities to be made at the time of approval of the Final Plat.
6. Prior to starting any site work, the Applicant shall hold a preconstruction meeting with the appropriate development, construction, and City representatives.
7. Prior to issuance of a building permit:
 - a. All necessary permits shall be obtained.
8. Erosion control measures shall be utilized and remain in place throughout the construction period, and shall not be removed until vegetation is established on the site.
9. Prior to issuance of a building permit, all necessary permits shall be obtained, including, without limitation, any stormwater permits required by the Minnesota Pollution Control Agency.

10. The Applicant shall comply with the following conditions during construction:
 - a. Development activity shall comply with all City noise ordinances. There shall be no construction activity between the hours of 10 p.m. and 7 a.m.
 - b. Loud equipment shall be kept as far as possible from adjacent residences.
 - c. The site shall be kept free of dust and debris that could blow onto neighboring properties.
 - d. Public streets shall be maintained free of dirt and shall be cleaned as necessary.
 - e. The City shall be contacted a minimum of 72 hours prior to any work in a public street or right-of-way. Work in a public street shall take place only upon the determination by the Public Works Director that appropriate safety measures have been taken to ensure motorist and pedestrian safety.
 - f. No burning or burying of trees, stumps or brush is allowed on site.
 - g. The Zoning Administrator may impose additional conditions if it becomes necessary in order to mitigate the impact of construction on surrounding properties.
11. Prior to the issuance of any temporary or permanent occupancy permit the following shall be completed:
 - a. All exterior building improvements shall be completed.
 - b. All disturbed areas on the site shall be seeded or sodded.
12. The Applicant shall pay a park dedication fee of \$15,400.00 (\$1,100/lot for 14 lots). This fee will be paid at the time of plat approval. The applicant/builder will be responsible for the \$150/bedroom park dedication at the time of building permit.
13. The Applicant shall sign a consent form assenting to all conditions of this approval.
14. The Applicant shall pay an administrative fine of \$750 per violation of any condition of this approval.

SOURCE OF FUNDS (if applicable)

N/A

ATTACHMENTS:

- Resolution
- Location Map
- Preliminary/Final Plat
- Overall Project Master Plan

Resolution No. 2025-186

Resolution Approving Preliminary And Final Plat Of Peyton Acres Phase 4 And Imposing Conditions On The Final Plat

WHEREAS, JLG Enterprises of Hermantown LLP (Applicant) has requested a preliminary and final plat for Peyton Acres comprised of 14 lots on the overall property described in Exhibit A, in an R-3 zoning district; and

WHEREAS, the Hermantown Planning and Zoning Commission recommended the approval of the preliminary and final following a public hearing on November 18, 2025; and

WHEREAS, upon the satisfaction of the conditions set forth herein, the final plat will satisfy the requirements of the Hermantown Zoning Code; and

WHEREAS, the City Council has duly considered this matter and believes that it is in the best interests of the City of Hermantown that the final plat be approved, subject to certain conditions being met.

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Hermantown, Minnesota, as follows:

1. The final plat is in accordance with and conformity to the Hermantown Comprehensive Plan and Hermantown Zoning Ordinance.
2. The final plat of Peyton Acres Phase 4 is hereby approved.
3. The following conditions are imposed upon the final plat:
 - a. Final plat approval will be void if: (1) a final plat is not recorded with St. Louis County within one calendar year of preliminary plat approval; and (2) the City has not received and approved a written request for a time extension within one calendar year of final plat approval.
 - b. The title of the land underlying the plat shall be approved by the City Attorney.
 - c. Applicant shall enter into a development agreement with the City that outlines development responsibilities and provide financial securities for site improvements and utility installation which includes:
 - i. Letter of Credit or other financial surety acceptable to the City Attorney for 125% of the construction value of the road and infrastructure improvements to be made at the time of approval of the Final Plat, or
 - ii. Installation of road and infrastructure facilities prior to obtaining the Final Plat for the development.
 - iii. Letter of Credit or other financial surety acceptable to the City Attorney for 125% of the construction value of the stormwater facilities to be made at the time of approval of the Final Plat.

- d. Regardless of the impact on the number of approved lots, all lots will meet the minimum standards for lot area (1/2 acre) and width (100'), all other design standards of the Hermantown Zoning Ordinance, including but not limited to:
 - i. Section 1020.02.2. Frontage. The entire required frontage of each lot must abut on a street that has been officially accepted by the City of Hermantown or other governmental body with jurisdiction over such street, except as provided for flag lots and cul-de-sacs; and
 - ii. 1020.04.3. When a lot completely abuts a cul-de-sac, the required frontage may be measured at the building setback line provided that the frontage at the street line is at least 75% of the required frontage.
 - e. The applicant shall submit and receive approval from the City Engineer of a permanent stormwater treatment plan that meets the City standards codified in Sections 1080 and 1060 of the City Code.
 - f. The applicant shall submit and receive approval from the City Engineer a road design meeting the Hermantown Urban Section Road Standards with a 28' wide curb face to curb face bituminous paved road with a sidewalk on at least one side and all other Hermantown road design standards including 30 mph speed design.
 - g. The applicant shall submit and receive approval from the City Engineer a road design meeting the Hermantown Urban Section Road Standards with cul-de-sacs designed to R/W width of 130' with a paved surface of 100' paved surface.
 - h. The applicant shall sign a consent form assenting to all conditions of this approval.
 - i. The applicant shall pay an administrative fine of \$750 per violation of any condition of this approval.
4. The lots will be served by public water and sewer which will be constructed by the applicant. The new water and sewer main will be constructed by the applicant, reviewed and approved by the City Engineer then turned over to the City.
5. A 5 foot wide sidewalk on one side of the roadway providing connection to Stebner Road and continuing along the proposed roadway and cul-de-sac.
6. Prior to starting any site work, the Applicant shall hold a preconstruction meeting with the appropriate development, construction, and City representatives.
7. Prior to issuance of a building permit:
 - a. All necessary permits shall be obtained.
8. Erosion control measures shall be utilized and remain in place throughout the construction period, and shall not be removed until vegetation is established on the site.
9. Not conduct any on-site burning or burial of brush or other site debris on the Property.
10. Prior to issuance of a building permit, all necessary permits shall be obtained, including, without limitation, any stormwater permits required by the Minnesota Pollution Control Agency.

11. The Applicant shall comply with the following conditions during construction:

- a. Development activity shall comply with all City noise ordinances. There shall be no construction activity between the hours of 10 p.m. and 7 a.m.
- b. Loud equipment shall be kept as far as possible from adjacent residences.
- c. The site shall be kept free of dust and debris that could blow onto neighboring properties.
- d. Public streets shall be maintained free of dirt and shall be cleaned as necessary.
- e. The City shall be contacted a minimum of 72 hours prior to any work in a public street or right-of-way. Work in a public street shall take place only upon the determination by the Public Works Director that appropriate safety measures have been taken to ensure motorist and pedestrian safety.
- f. The Zoning Administrator may impose additional conditions if it becomes necessary in order to mitigate the impact of construction on surrounding properties.

12. Prior to the issuance of any temporary or permanent occupancy permit the following shall be completed:

- a. All exterior building improvements shall be completed.
- b. All disturbed areas on the site shall have erosion control measures in place.

13. The Applicant shall pay a park dedication fee of \$15,400 (\$1,100/lot for 14 lots) in lieu of dedicated park land. This fee will be paid at the time of plat approval. The applicant/builder will be responsible for the \$150/bedroom park dedication at the time of building permit.

14. The Applicant shall sign a consent form assenting to all conditions of this approval.

15. The Applicant shall pay an administrative fine of \$750 per violation of any condition of this approval.

Councilor _____ introduced the foregoing resolution and moved its adoption.

The motion for the adoption of such resolutions was seconded by Councilor _____ and, upon a vote being taken thereon, the following voted in favor thereof:

Councilors _____

and the following voted in opposition thereto:

Councilors _____

WHEREUPON, such resolution was declared duly passed and adopted December 1, 2025.

ACCEPTANCE OF RESOLUTION

JLG Enterprises of Hermantown LLP (“Applicant”) hereby acknowledges and accepts the conditions specified on the foregoing Resolution and covenants and agrees to comply with each and every such condition.

Applicant acknowledges that the failure to comply with all of the modifications and conditions shall constitute a violation of the Hermantown Zoning Ordinance and that the City of Hermantown may, in such event, exercise and enforce its rights against the undersigned by instituting any appropriate action or proceeding to prevent, restrain, correct or abate the violation including, without limitation, exercising and enforcing its rights against any security that the undersigned may provide to the City to insure its compliance with the conditions contained in the foregoing Resolution.

Applicant acknowledges that this Resolution shall be recorded with the title to the property described in the text of the Resolution.

IN WITNESS WHEREAS, JLG Enterprises of Hermantown LLP has executed this acceptance this ____ day of _____, 2025.

JLG Enterprises of Hermantown LLP
Jeff Gilbert

JLG Enterprises of Hermantown LLP
Gary Gilbert

STATE OF MINNESOTA)
)ss.
COUNTY OF ST. LOUIS)

The foregoing instrument was acknowledged before me this ____ day of _____, 2025, by JLG Enterprises of Hermantown LLP.

Notary Public

EXHIBIT A

Peyton Acres Phase 3 of Section 24, Township 50, Range 15, St. Louis County, Minnesota.

Parcel ID: 395-0162-00090

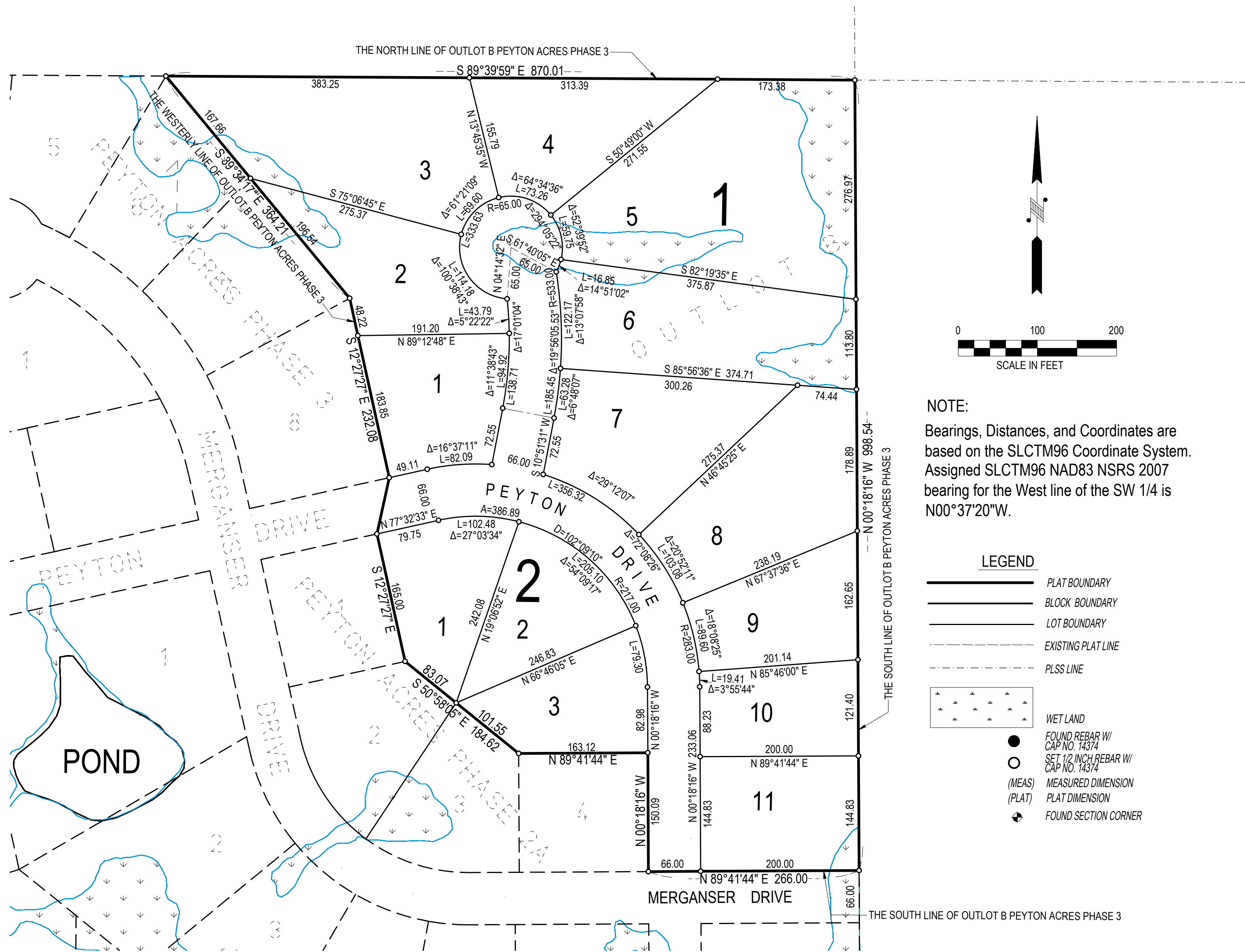
Location Map



OFFICIAL PLAT

PEYTON ACRES PHASE 4

LOCATED IN OUTLOT B, PEYTON ACRES PHASE 2A
SECTION 24, TOWNSHIP 50 NORTH, RANGE 15 WEST,
ST. LOUIS COUNTY, MINNESOTA



PEYTON ACRES PHASING PLAN



CITY COUNCIL MEETING DATE: 12/01/2025

TO: Mayor & City Council

FROM: Eric Johnson, Community Development Director

SUBJECT: Special Use Permit – Grading and Filling in a Natural Environment Shoreland Area

☒ **RESOLUTION:** 2025-187 ☐ **ORDINANCE:** ☐ **OTHER:**

REQUESTED ACTION

Approve a Special Use Permit for filling and grading within a Natural Environment Shoreland Overlay Zone Issue for the construction of a 15,000 square foot office/warehouse/vehicle storage development.

BACKGROUND

The applicant (Windsor Engineers) is working with their client (Lake Superior Consulting) for the construction of a 15,000 square foot office/warehouse/vehicle storage building and associated site improvements on a property at 47xx Maple Grove Road. The property is located in a HM, Hermantown Marketplace zoning district.

As part of the project, the applicant is proposing a stormwater pond which is located south of the proposed building and parking lot. The southern half of the stormwater pond is within a Natural Environment Shoreland Area and will require filling and grading within an approximately 14,020 square feet area of disturbance. The remainder of the proposed project is outside of the shoreland area.

SITE INFORMATION:

Parcel Size: +/- 4.1 acres

Legal Access: 47xx Maple Grove Road

Wetlands: Yes, delineated in 2020

Existing Zoning: HM, Hermantown Marketplace

Airport Overlay: None

Shoreland Overlay: Yes – Natural Environment Shoreland – Keene Creek

Comprehensive Plan: Mixed Use

BACKGROUND

The applicant is the consultant engineer for their client Lake Superior Consulting. The proposed project is for a 15,000 square foot office/warehouse facility with parking for 43 vehicles. The project consists of a 10,493 square foot office component along with an attached 4,877 square foot warehouse/vehicle storage. The project proposes to have access from Westberg Road, approximately 330 feet north of the Westberg/Maple Grove Road intersection. There is a

proposed stormwater pond located south of the paved parking lot, which is partially in the shoreland area.

A public hearing for this proposed project was held on November 18, 2025. The applicant provided clarification to the extent of anticipated wetland impacts associated with the project.. The Planning and Zoning Commission unanimously recommended the application to the City Council for their review and approval.

Process

The property is zoned HM, Hermantown Marketplace, which identifies business and professional offices, not including medical or dental clinics, up to 20,000 square feet of gross floor space as a permitted use. The overall development plan will require full engineering and stormwater plans, which will be reviewed by City staff. Upon approval by staff, a zoning certificate and stormwater certificate will be issued for the project work.

The Special Use Permit (SUP) is for the grading and fill work associated with the stormwater facility located along the southern portion of the property. The Planning and Zoning Commission reviews the SUP application and makes a recommendation to the City Council for their decision. The zoning certificate and stormwater certificate will not be issued until the SUP is approved.

Zoning Analysis:

Business and professional offices are permitted in a HM zoning district as a permitted use.

Setbacks

Typical setback standards in the HM, Hermantown Marketplace zoning district and proposed setbacks are shown in Table 1:

Zoning District: HM, Hermantown Marketplace		
Type	Required	Proposed
Min Lot Area	None	+/- 4.1 acres
Lot Width	None	300 feet
Front Yard	5 feet	67 feet from Westberg Avenue 393 feet from Maple Grove Road
Rear Yard	5 feet	68 feet
Side Yard	5 feet	95 feet
Lot coverage	50%	8.4%
Maximum Building Height	45 feet	15 feet
Parking	1 per 250 square feet of floor space 10,493 SF – office space = 42 spaces	43 spaces

Building Architecture

The proposed building is 15,000 square feet in size and 15 feet in height. The HM zoning district has architectural and landscape requirements which will be reviewed under the zoning certificate application process.

Sign permit will need to be applied for under a separate application with the City Building Official.

Wetlands

The overall property was delineated in 2020. The applicant is proposing approximately 2,780 square feet of wetland impacts associated with the project. Wetland impacts of up to 10,800 square feet are permitted under a nationwide permit and is classified as de minimus exemption.

Shoreland Area

The southern 200 feet of the property is located within a Natural Environment Shoreland Area associated with Keene Creek, which is on the south side of Maple Grove Road. Any work in the shoreland area is subject to the requirements of the City's Shoreland Ordinance as it pertains to grading a filling within a shoreland area.

Special Use Permit

The Special Use Permit is for filling and grading within a Shoreland zone. There are general conditions for all SUPs. Staff finds the following in regard to the criteria for Special Use Permits in the Zoning Ordinance:

No special use permit shall be approved unless positive findings are made with respect to each and every one of the following criteria:

- 1. The proposed development is likely to be compatible with development permitted under the general provisions of this chapter on substantially all land in the vicinity of the proposed development;**

The proposed use is compatible with development within the vicinity which is characterized by commercial and office developments.

- 2. The proposed use will not be injurious to the use and enjoyment of the environment, or detrimental to the rightful use and enjoyment of other property in the immediate vicinity of the proposed development;**

Conditions placed on the SUP to minimize the clearing and grading within the shoreland area meet the intent of the zoning ordinance to protect natural resources. The development of an office/warehouse building is an allowed use within the HM, Hermantown Marketplace zoning district.

3. The proposed use is consistent with the overall Hermantown Comprehensive Plan and with the spirit and intent of the provisions of this chapter;

The property is within an area marked for mixed use on the Hermantown Comprehensive Plan. The purpose of the Shoreland Overlay Zone is to protect public waterways. Impervious surface caps are included to prevent excessive runoff from constructed surfaces and the proposed impervious surface is below maximum limits.

4. The proposed use will not result in a random pattern of development with little contiguity to existing programmed development and will not cause negative fiscal and environmental effects upon the community.

The proposed use is similar to uses of nearby properties in density and style.

5. Other criteria required to be considered under the provisions of this code for any special use permit.

The applicant will follow the rules for grading and filling in a Shoreland Overlay Zone established in Section 725.02 and Section 555.07.1 and 555.07.2.

Findings of Fact and Recommendations

Staff recommends approval of the special use application to conduct grading and filling in a Natural Environment Shoreland Area associated with the construction of a 15,000 square foot office/warehouse facility, subject to the following:

1. The approval is for a Special Use Permit to conduct grading and filling in a Natural Environment Shoreland Area associated with the construction of a 15,000 square foot office/warehouse/vehicle storage facility on a property at 47xx Maple Grove Road. The Community Development Director may approve minor variations to filling and grading as long as the variations do not result in any wetland impacts.
2. The City will follow the rules for grading and filling in a Shoreland Overlay Zone established in Section 725.02 and Section 555.07.1 and 555.07.2 including, but not limited to:
 - a. The smallest amount of bare ground is exposed for as short a time as feasible;
 - b. Temporary groundcover, such as mulch, is used, and permanent groundcover, such as sod, is planted;
 - c. Adequate methods to prevent erosion and trap sediment are employed;
 - d. Fill is stabilized to accepted engineering standards;
 - e. Adequate methods are employed to reduce the runoff and/or flow of water on or over the affected shoreland so that the grading, filling or alteration of the natural topography does not contribute to downstream flooding;

- f. Adequate methods are employed to preserve water quality so that the grading, filling or alteration of the natural topography will not detrimentally affect the quality of the public waters of the City of Hermantown;
 - g. Adequate methods are employed for the preservation or establishment of local vegetation that provides wildlife habitat and screening; and
 - h. Fill used will consist of suitable material free from toxic pollutants in other than trace quantities.
3. The applicant shall sign a consent form assenting to all conditions of this approval.
4. The applicant shall apply for a zoning certificate and stormwater certificate for the proposed project. The application is to include full engineering and stormwater plans, which will be reviewed by City staff.
5. The applicant shall pay an administrative fine of \$750 per violation of any condition of this approval.

SOURCE OF FUNDS (if applicable)

N/A

ATTACHMENTS

- Resolution
- Location Map
- Proposed Grading Plan with Shoreland Overlay Map
- Proposed Exterior Elevations

Resolution No. 2025-187

Resolution Approving A Special Use Permit For Grading And Filling Within A Natural Shoreland Overlay Area

WHEREAS, Lake Superior Consulting, (“Developer”), submitted an application for a Special Use Permit for grading and filling within a Natural Environment Shoreland Overlay Area for the purpose of construction of a new business in a HM, Hermantown Marketplace District (the “Project”), with a legal description as described in Attachment A:

WHEREAS, The Hermantown Planning and Zoning Commission held a public hearing on the Special Use Permit application at its meeting on November 18, 2025 and recommended approval of the Special Use Permit at such meeting; and

WHEREAS, after due consideration of the entire City file, the testimony at the public hearing and all other relevant matters the City Council hereby makes the following findings related to the Special Use Permit.

FINDINGS OF FACT

- 1. The proposed development is likely to be compatible with development permitted under the general provisions of this chapter on substantially all land in the vicinity of the proposed development;**

The proposed use is compatible with development within the vicinity which is characterized by commercial and office developments.

- 2. The proposed use will not be injurious to the use and enjoyment of the environment, or detrimental to the rightful use and enjoyment of other property in the immediate vicinity of the proposed development;**

Conditions placed on the SUP to minimize the clearing and grading within the shoreland area meet the intent of the zoning ordinance to protect natural resources. The development of an office/warehouse building is an allowed use within the HM, Hermantown Marketplace zoning district.

- 3. The proposed use is consistent with the overall Hermantown Comprehensive Plan and with the spirit and intent of the provisions of this chapter;**

The property is within an area marked for mixed use on the Hermantown Comprehensive Plan. The purpose of the Shoreland Overlay Zone is to protect public waterways. Impervious surface caps are included to prevent excessive runoff from constructed surfaces and the proposed impervious surface is below maximum limits.

4. **The proposed use will not result in a random pattern of development with little contiguity to existing programmed development and will not cause negative fiscal and environmental effects upon the community.**

The proposed use is similar to uses of nearby properties in density and style.

5. **Other criteria required to be considered under the provisions of this code for any special use permit.**

The applicant will follow the rules for grading and filling in a Shoreland Overlay Zone established in Section 725.02 and Section 555.07.1 and 555.07.2.

CONCLUSION

On the basis of the foregoing Findings of Fact, the City Council of the City of Hermantown is hereby resolved as follows:

1. The approval is for a Special Use Permit to conduct grading and filling in a Natural Environment Shoreland Area associated with the construction of a 15,000 square foot office/warehouse/vehicle storage facility on a property at 47xx Maple Grove Road. The Community Development Director may approve minor variations to filling and grading as long as the variations do not result in any wetland impacts.
2. The Applicant will follow the rules for grading and filling in a Shoreland Overlay Zone established in Section 725.02 and Section 555.07.1 and 555.07.2 including, but not limited to:
 - a. The smallest amount of bare ground is exposed for as short a time as feasible;
 - b. Temporary groundcover, such as mulch, is used, and permanent groundcover, such as sod, is planted;
 - c. Adequate methods to prevent erosion and trap sediment are employed;
 - d. Fill is stabilized to accepted engineering standards;
 - e. Adequate methods are employed to reduce the runoff and/or flow of water on or over the affected shoreland so that the grading, filling or alteration of the natural topography does not contribute to downstream flooding;
 - f. Adequate methods are employed to preserve water quality so that the grading, filling or alteration of the natural topography will not detrimentally affect the quality of the public waters of the City of Hermantown;
 - g. Adequate methods are employed for the preservation or establishment of local vegetation that provides wildlife habitat and screening; and
 - h. Fill used will consist of suitable material free from toxic pollutants in other than trace quantities.
3. The applicant shall sign a consent form assenting to all conditions of this approval.
4. The applicant shall pay an administrative fine of \$750 per violation of any condition of this approval.

Councilor _____ introduced the foregoing resolution and moved its adoption.

The motion for the adoption of such resolution was seconded by Councilor _____ and, upon a vote being taken thereon, the following voted in favor thereof:

Councilors _____

and the following voted in opposition thereto:

Councilors _____

WHEREUPON, such resolution was declared duly passed and adopted December 1, 2025.

(TOP THREE INCHES RESERVED FOR RECORDING DATA)

SPECIAL USE PERMIT

Permission is hereby granted to Lake Superior Consulting, (“Developer”), for grading and filling within a Natural Environment Shoreland Overlay Area for the purpose of construction of a new business at 395-0010-03850 (“Project”), and legally described in Attachment A.

The permission hereby granted is expressly conditioned as follows:

- a. That the Project will be constructed as described in the plans accompanying the application and the conditions contained herein.
- b. The Zoning Officer of the City of Hermantown shall be notified at least five (5) days in advance of the commencement of the work authorized hereunder and shall be notified of its completion within (5) days thereafter.
- c. No change shall be made in the Project without written permission being previously obtained from the City of Hermantown.
- d. Developer shall grant access to the site at all reasonable times during and after construction to authorized representatives of the City of Hermantown for inspection of the Project to see the terms of this permit are met.
- e. The permit is permissive only. No liability shall be imposed upon or incurred by the City of Hermantown or any of its officers, agents or employees, officially or personally, on account of the granting hereof or on account of any damage to any person or property resulting from any act or omission of Applicant or any of Applicant’s agents, employees or contractors relating to any matter hereunder. This permit shall not be construed as estopping or limiting any legal claims or right of action of any person against Applicant, its agents, employees of contractors, for any damage or injury resulting from any such act or omission, or as estopping or limiting any legal claim or right of action of the City of Hermantown against Applicant, its agents, employees or contractors for violation of or failure to comply with the permit or applicable provisions of law.
- f. This permit may be terminated by the City of Hermantown at any time it deems necessary for the conservation of water resources, or in the interest of public health and welfare, or for violation of any of the provisions of this permit.

- g. Developer is initially and continually in compliance with all of the ordinances and regulations of the City of Hermantown Building Code and the Hermantown Fire Code.
- h. All state licenses and other permits required for the Project have been obtained by the Developer and copies are provided to the City of Hermantown.
- i. That Developer pay all direct costs incurred by the City of Hermantown in connection with the enforcement and administration of this permit within fifteen (15) days of Applicant being invoiced by the City for such costs.
- j. Prior to issuance of a building permit, the Developer will submit an application for a property subdivision.
- k. Erosion control measures shall be utilized and remain in place throughout the construction period, and shall not be removed until vegetation is established on the site.
- l. Prior to issuance of a building permit, all necessary permits shall be obtained.
- m. The approval is for a Special Use Permit to conduct grading and filling in a Natural Environment Shoreland Area associated with the construction of a 15,000 square foot office/warehouse/vehicle storage facility on a property at 47xx Maple Grove Road. The Community Development Director may approve minor variations to filling and grading as long as the variations do not result in any wetland impacts.
- n. The Developer will follow the rules for grading and filling in a Shoreland Overlay Zone established in Section 725.02 and Section 555.07.1 and 555.07.2 including, but not limited to:
 - 1. No impervious surface or clearing, grubbing and grading will be allowed within 50 feet of the Ordinary High Water Level of the unnamed tributary to the Rocky Run.
 - 2. The elevation of the lowest floor level shall be at least three feet above the Ordinary High Water Level of the unnamed tributary to the Rocky Run.
 - 3. The smallest amount of bare ground is exposed for as short a time as feasible;
 - 4. Temporary groundcover, such as mulch, is used, and permanent groundcover, such as sod, is planted;
 - 5. Adequate methods to prevent erosion and trap sediment are employed;
 - 6. Fill is stabilized to accepted engineering standards;
 - 7. Adequate methods are employed to reduce the runoff and/or flow of water on or over the affected shoreland so that the grading, filling or alteration of the natural topography does not contribute to downstream flooding;
 - 8. Adequate methods are employed to preserve water quality so that the grading, filling or alteration of the natural topography will not detrimentally affect the quality of the public waters of the City of Hermantown;
 - 9. Adequate methods are employed for the preservation or establishment of local vegetation that provides wildlife habitat and screening; and

10. Fill used will consist of suitable material free from toxic pollutants in other than trace quantities.

- q. The Developer shall sign a consent form assenting to all conditions of this approval.
- r. The Developer shall pay an administrative fine of \$750 per violation of any condition of this approval.

IN WITNESS WHEREOF, the Mayor and City Clerk have hereunto set their hands on behalf of the City of Hermantown on the ____ day of _____, 2025.

CITY OF HERMANTOWN

By _____
Its Mayor

By _____
Its Clerk

STATE OF MINNESOTA)
)ss.
COUNTY OF ST. LOUIS)

The foregoing instrument was acknowledged before me this ____ day of _____, 2025, by Wayne Boucher, and Alissa McClure, the Mayor and City Clerk respectively of the City of Hermantown on behalf of the City.

Notary Public

ACCEPTANCE OF RESOLUTION

Lake Superior Consulting, (“Developer”), hereby acknowledges and accepts the conditions specified on the foregoing Resolution and covenants and agrees to comply with each and every such condition.

Developer acknowledges that the failure to comply with all of the modifications and conditions shall constitute a violation of the Hermantown Zoning Ordinance and that the City of Hermantown may, in such event, exercise and enforce its rights against the undersigned by instituting any appropriate action or proceeding to prevent, restrain, correct or abate the violation including, without limitation, exercising and enforcing its rights against any security that the undersigned may provide to the City to insure its compliance with the conditions contained in the foregoing Resolution.

Developer acknowledges that this Resolution shall be recorded with the title to the property described in the text of the Resolution.

IN WITNESS WHEREAS, Lake Superior Consulting, (“Developer”), have executed this acceptance this ____ day of _____, 2025.

Lake Superior Consulting

STATE OF MINNESOTA)
)ss.
COUNTY OF ST. LOUIS)

The foregoing instrument was acknowledged before me this ____ day of _____, 2025, by Lake Superior Consulting.

Notary Public

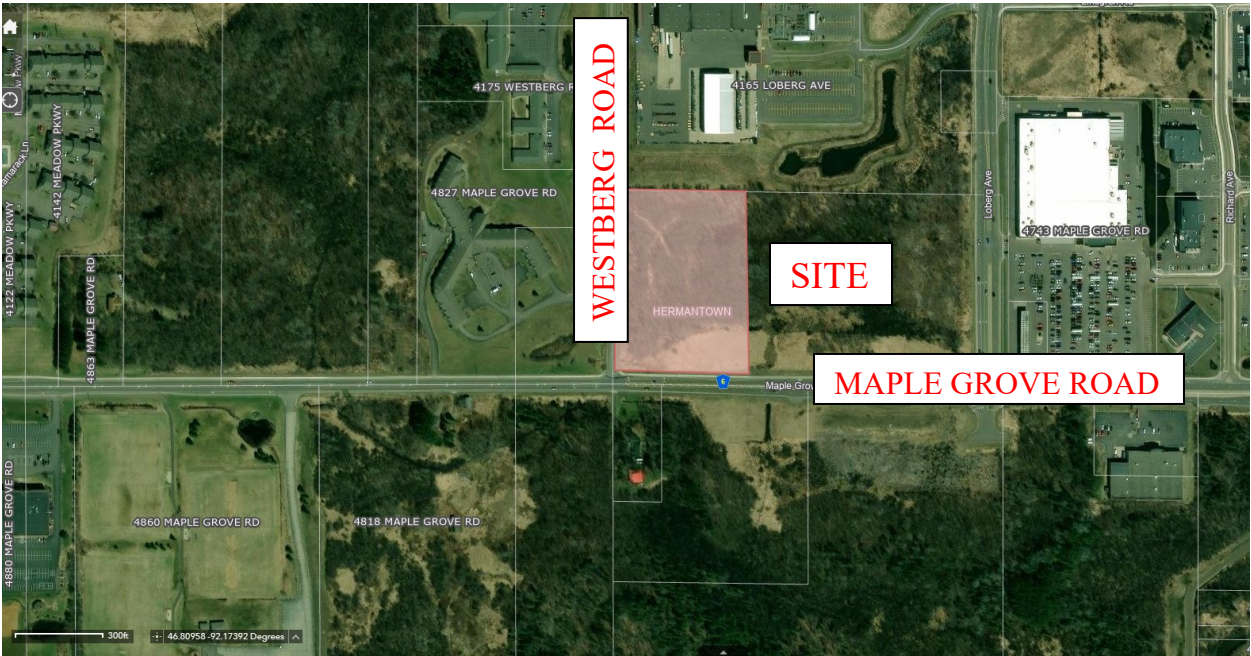
ATTACHMENT A

The west 333.00 feet of the South Half of the Southwest Quarter of the Southeast Quarter of Section 13, Township 50 North, Range 15 West, St. Louis County, Minnesota.

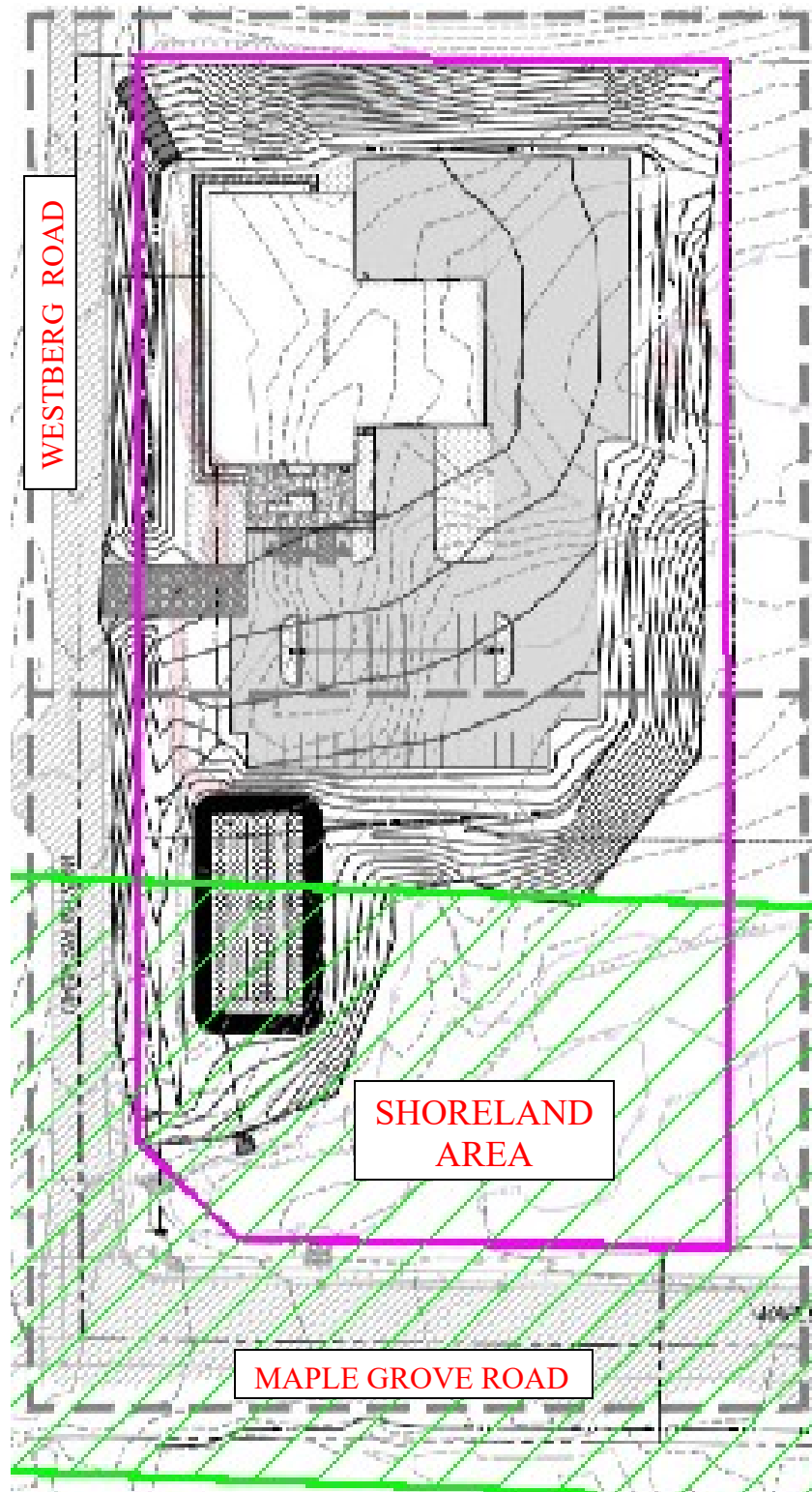
Subject to the right of way of Westberg Road and Maple Grove Road.

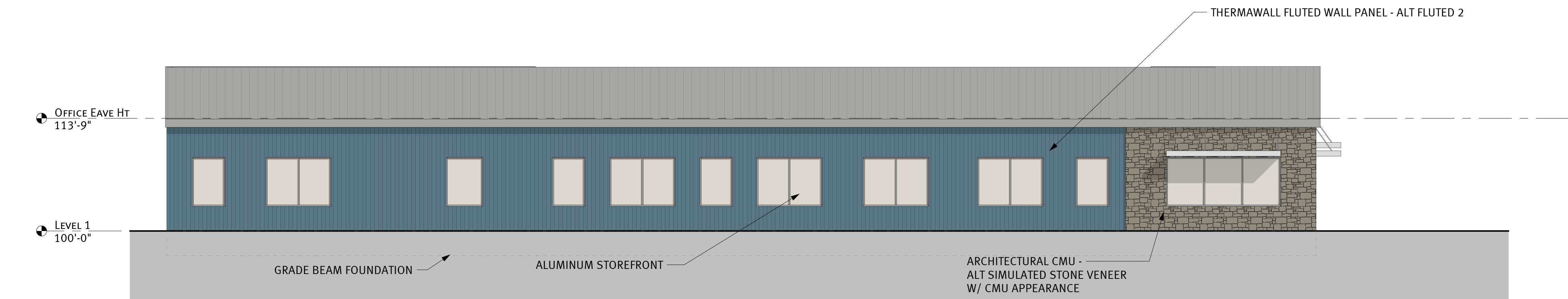
Property ID: 395-0010-03850

Location Map

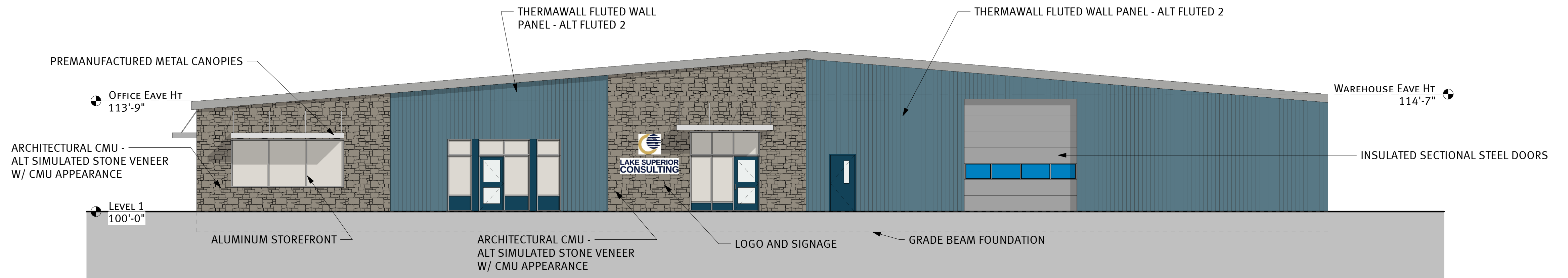


Shoreland Map

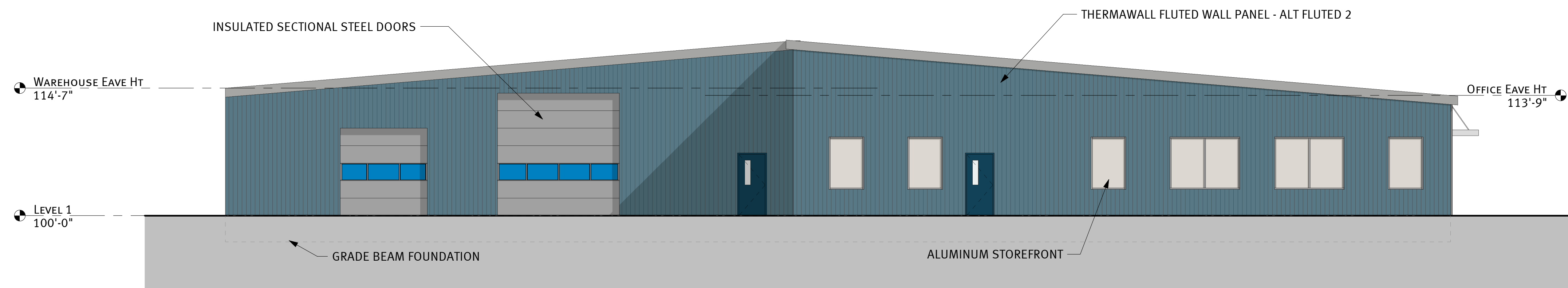




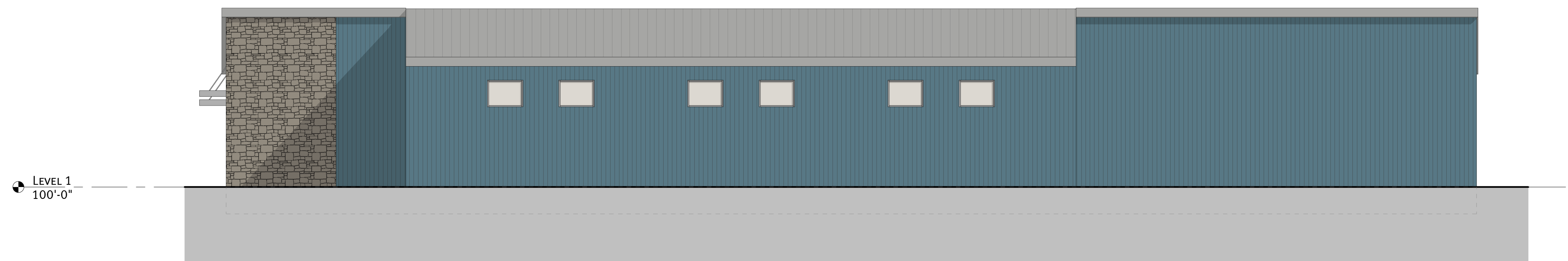
1
A0.6
WEST_ELEVATION
1/8" = 1'-0"



2
A0.6
SOUTH_ELEVATION
1/8" = 1'-0"



3
A0.6
NORTH_ELEVATION
1/8" = 1'-0"



4
A0.6
EAST_ELEVATION
1/8" = 1'-0"

CITY COUNCIL MEETING DATE: December 1, 2025

TO: Mayor & City Council

FROM: Joe Wicklund, Asst. City Administrator/Communications Director

SUBJECT: Naming Rights – Softball Field at Rose Road

☒ **RESOLUTION:** 2025-188 ☐ **ORDINANCE:** ☐ **OTHER:**

REQUESTED ACTION

Staff and Park Board recommend the naming of the varsity softball field at Rose Road after Tom Bang. The field will be known as Tom Bang Field upon approval of this action.

BACKGROUND

Simply put, Tom Bang is one-of-a-kind. There are very few coaches experienced the level of success he had on the field during his time as the head coach. Even fewer people started the programs in which they achieved that coaching success. In looking at the several decades that Tom Bang coached, that group becomes even smaller when you consider that his efforts were in guiding, empowering, and mentoring girls in the sport of softball. Narrowing that scope to our wonderful hometown; and there is only one Tom Bang.

Community-led efforts hope to honor his legacy now, and going forward, in Hermantown through naming rights at Rose Road, where the Hawks play their home games.

The naming of fields is a challenging effort because it requires looking back at a person's impact in the community, while also looking forward to the future of the same community. Park Board worked thoughtfully through this process and was unanimous in their recommendation to grant Tom Bang naming rights based on his efforts in Hermantown. Park Board was divided about the best course of action – a single field or the two utilized by the school's softball program – eventually landing at a one-vote edge in recommending just the varsity field, leaving the other open for future community leaders.

SOURCE OF FUNDS (if applicable)

N/A

ATTACHMENTS

Resolution

Resolution No. 2025-188

Resolution Naming Softball Field At Rose Road “Tom Bang Field”

WHEREAS, Tom Bang served the Hermantown community as softball coach and teacher at Hermantown High School for several decades; and

WHEREAS, his creation of, devotion to, and success with the Hermantown Hawks’ softball program is unparalleled; and

WHEREAS, under Coach Bang’s 41 years of guidance Hermantown Softball has become one of the strongest and most successful high school softball programs in the state of Minnesota, which has continued since his retirement and passing; and

WHEREAS, Coach Bang’s teams won more than 700 games, appeared in 23 state tournaments, and garnered three state championships; and

WHEREAS, his efforts in mentoring and empowering the players in his sport and students in his classroom as a beloved teacher at Hermantown Schools has positively impacted the lives of thousands of people; and

WHEREAS, Tom Bang provided an example how others can tirelessly devote themselves to the betterment of community through youth sports and investing in the lives of students; and

BE IT FURTHER RESOLVED, that all citizens are encouraged to celebrate and recognize the unique and long-lasting legacy of Tom Bang through the naming of Tom Bang Field at the softball complex at Rose Road in Hermantown.

Councilor _____ introduced the foregoing resolution and moved its adoption.

The motion for the adoption of such resolution was seconded by Councilor _____ and, upon a vote being taken thereon, the following voted in favor thereof:

Councilors _____

and the following voted in opposition thereto:

Councilors _____

WHEREUPON, such resolution was declared duly passed and adopted December 1, 2025