

City of Ramsey
Agenda
City Council Work Session
Tuesday June 26, 2012
6:00 p.m. or Immediately Following Personnel Committee
Lake Itasca Room, 7550 Sunwood Drive NW

- 1. Call to Order**
- 2. Topics for Discussion**
 1. Review Lease Terms for Independent Auto at 6745 Hwy 10 NW
 2. Consider EPB's Draft Annual Work Plan
 3. Discussion Regarding Contracted Building Official Services
- 3. Future Topics for Discussion - *See Attached Calendar***
 1. Review Future Work Session Topics/Calendar
- 4. Mayor/Council/Staff Input**
- 5. Adjournment**

CC Work Session

2. 1.

Meeting Date: 06/26/2012**By:** Tim Gladhill, Community Development

Title:

Review Lease Terms for Independent Auto at 6745 Hwy 10 NW

Background:

The City currently owns, and subsequently leases space at 6745 Hwy 10 NW to Independent Auto. Independent Auto is owned by Allen Berg. The Subject Property is located in the Official Map Area, was purchased using Right of Way Allocation and Loan Fund (RALF) dollars, and is part of the future Highway 10 freeway conversion project.

Independent Auto contracts with First Choice Towing for towing services related to the business of Independent Auto. As a contracted service for Independent Auto, First Choice Towing was granted permission by Independent Auto to place its information on the existing ground sign on the Subject Property. Permission was granted by Independent Auto. The City reviewed the existing ground sign in the past for compliance with Building Code and Sign Code requirements. The City has not reviewed a Sign Permit for the replacement sign face including Independent Auto and First Choice Towing. As a contracted service for Independent Auto, Staff would interpret the Sign Code to allow for First Choice Towing to be included as a sign, as it is part of the business model for Independent Auto.

According to Mr. Berg, First Choice Towing is not a sub-lessee of the Subject Property; First Choice Towing is simply a contracted service related to the business of Independent Auto. The vehicles brought to the Subject Property appear to be related to services offered by Independent Auto. It has come to Staff's attention that there is a possibility that First Choice Towing is utilizing the Subject Property in a greater degree than previously stated. At minimum, Staff has been provided evidence of parking multiple commercial vehicles belonging to First Choice Towing on the Subject Property.

Mr. Berg has stated that Independent Auto would desire to sub-lease the Subject Property in the future, but an agreement has not been reached at this time with First Choice Towing. Sub-leasing the Subject Property would provide First Choice Towing with space both in the building and outside storage on the Subject Property. A sub-lease would allow First Choice Towing the opportunity to bring vehicles related to First Choice Towing's operation to the Subject Property, regardless if it were related to Independent Auto. According to the existing lease, Independent Auto would need to obtain written permission from the City to sub-lease the Subject Property. First Choice Towing would need to adhere to current City Code regulations including, but not limited to, off-street parking, operable vehicles, etc.

Mr. Berg will be present at the worksession.

Funding Source:

Review of the current lease terms at 6745 Hwy 10 NW is being handled as part of regular staff duties.

Council Action:

Based on discussion. Provide direction to Staff if the City Council desires to require a sub-lease for the Subject Property for the current activities. Provide direction to Staff if the City Council desires any modifications to the existing sign(s) on the Subject Property.

Attachments[Site Location Map](#)[Photos of Subject Property](#)

Independent Auto Lease Agreement

Form Review

Inbox	Reviewed By	Date
Diana Lund	Diana Lund	06/20/2012 09:18 AM
Bill Goodrich	Jo Thieling	06/21/2012 11:01 AM
Kurt Ulrich	Kurt Ulrich	06/21/2012 01:54 PM
Form Started By: Tim Gladhill		Started On: 06/18/2012 04:28 PM

Final Approval Date: 06/21/2012





LEASE AGREEMENT

THIS LEASE AGREEMENT, dated this 27th day of January, 2012, (this "Lease") by and between the CITY OF RAMSEY, 7550 Sunwood Drive NW, Ramsey, MN 55303, a Minnesota municipal corporation ("Landlord") and INDEPENDENT AUTO SERVICE, INC., a Minnesota corporation, 18140 Zane Street NW, Elk River, Minnesota 55330, a Minnesota Limited Liability Company (hereinafter referred to as "Tenant").

DEFINITIONS:

LEASED PREMISES. The leased premises is 5,930 s.f. of a building located on that real property legally described as Lot 2, Block 2, DEAL INDUSTRIAL PARK, Anoka County, Minnesota, and is commonly known as 6745 Highway 10 NW, Ramsey, Minnesota (the "Site"). The Leased Premises consists generally of 1,000 s.f. of office space, 1,030 s.f. of small service bays and 3,900 s.f. of three large bays and mechanical area (the "Leased Premises") and the common parking as shown on attached Exhibit B and the parking spaces as outside storage within the fenced-in area of the Site, and 8 customer service/employee parking spaces. The Leased Premises DOES NOT include the RV/Cold Storage portion of the building in which it is located.

RECITALS:

1. TERM:

a. **Lease Term.** For and in consideration of the rents, additional rents, terms, provisions and covenants herein contained, Landlord hereby lets, leases and demises to Tenant the Leased Premises for the term of seventy two (72) months commencing on the first day of February, 2012, or thirty days after Landlord tenders possession to Tenant, whichever is later (sometimes called "the Commencement Date") and expiring on the 31st day of January, 2018 (sometimes called "Expiration Date"), unless sooner terminated as hereinafter provided

b. **Option to Renew.** Tenant shall notify Landlord, in writing, at least sixty (60) days before the Expiration Date of Tenant's intent to renew the Lease Term for an additional thirty-six (36) months ("Option Period"). Monthly rent in the Option Period shall be equal to the monthly rent in the last year of the initial lease term.

c. **Landlord's Notice to Quit.** Notwithstanding the Lease Term or the Option to Renew, in the event Landlord determines, in its sole discretion, that the Leased Premises or any part thereof is required for the improvement of U.S. Highway 10, upon giving one year's prior written notification to Tenant, the Landlord may terminate this Lease. Landlord is not obligated to provide this one year notice to quit in the event of any default by Tenant of the terms of this Lease.

2. BASE RENT:

Tenant shall pay Landlord, a total rent payment in advance without offset, deduction or demand, in equal monthly installments commencing on the Commencement Date and continuing on the first day of each and every month thereafter for the next succeeding 72 months, during the balance of the term based on the following schedule:

	<u>Period</u>	<u>Rent per month</u>
Year One	February 1, 2012 – April 30, 2012	\$ 0/mo
	May 1, 2012 – July 31, 2012	\$ 494/mo
	August 1, 2012 – January 31, 2013	\$1,483/mo
Year Two	February 1, 2013 – March 31, 2014	\$1,977.00
Year Three	February 1, 2014 – March 31, 2015	\$2,224.00
Year Four	February 1, 2015 – March 31, 2016	\$2,471.00
Year Five	February 1, 2016 – March 31, 2017	\$2,619.00
Year Six	February 1, 2017 – March 31, 2018	\$2,693.00

If the Commencement Date is later than February 1, 2012, the schedule shall adjust accordingly.

3. **ADDITIONAL RENT:**

a. **Real Estate Taxes.** Tenant shall not be responsible for the payment of any real estate taxes. Real estate taxes shall be the sole responsibility of Landlord EXCEPT that the Tenant shall be responsible to pay the City's quarterly Stormwater Management fee.

b. **Leased Premises Operating Expenses.** Tenant shall pay its Proportionate Share of the annual aggregate Operating Expense incurred by Landlord in the operation, maintenance and repair of the Building and Leased Premises. The term "Operating Expenses" shall include but not be limited to maintenance, repair, operation of utilities and lighting, parking and landscaped areas, signs, snow removal, non-structural repair and maintenance of the exterior of the Building, insurance premiums, wages and fringe benefits of personnel employed for such work, costs of equipment purchased and used for such purposes.

The payment of the sums set forth in this paragraph 3. shall be in addition to the Base Rent payable pursuant to paragraph 2. of this Lease. All sums due hereunder shall be due and payable within thirty (30) days of delivery of written certification by Landlord setting forth the computation of the amount due from tenant. In the event the lease term shall begin or expire at any time during the calendar year, Tenant shall be responsible for its pro-rata share of Additional Rent under subdivisions a. and b. during the Lease and/or occupancy time.

Prior to commencement of this Lease, and prior to the commencement of each calendar year thereafter commencing during the term of this Lease or any renewal or extension thereof, Landlord may estimate for each calendar year (i) the Operating Expenses for such calendar year; and (ii) the computation of the annual and monthly rental payable during such calendar year as a result of increases or decreases of Operating Expenses. Said estimate will be in writing and will be delivered or mailed to Tenant.

The amount of Operating Expenses for each calendar year, so estimated, shall be payable as Additional Rent by Tenant, without offset, deduction or demand, in equal monthly installments, in advance, on the first day of each month during such calendar year at the option of Landlord. In the event that such estimate is delivered to Tenant before the first day of January of such calendar year, said amount, so estimated, shall be payable as additional rent in equal monthly

installments, in advance, on the first day of each month during such calendar year. In the event that such estimate is delivered to Tenant after the first day of January of such calendar year, said amount, so estimated, shall be payable as additional rent in equal monthly installments, in advance, on the first day of each month over the balance of such calendar year, with the number of installments being equal to the number of full calendar months remaining in such calendar year.

Upon completion of each calendar year during the term of this Lease or any renewal or extensions thereof, Landlord shall cause its accountants to determine the actual amount of the Operating Expenses payable in such calendar year and deliver a written certification of the amounts thereof to Tenant. If Tenant has underpaid the Operating Expenses for such calendar year, Tenant shall pay the balance of same within thirty (30) days after receipt of such statement. If Tenant has overpaid the Operating Expenses for such calendar year, Landlord shall either (i) refund such excess, or (ii) credit such excess against the most current monthly installment or installments due Landlord for its estimate of Tenant's share of Operating Expenses for the next following calendar year. A pro-rata adjustment shall be made for a fractional calendar year occurring during the term of the Lease or any renewal or extension thereof based upon the number of days of the term of the Lease during said calendar year as compared to three hundred sixty-five (365) days and all additional sums payable by Tenant or credits due Tenant as a result of the provision of this paragraph 3 shall be adjusted accordingly.

4. COVENANTS TO PAY RENT:

The covenants of Tenant to pay the Base Rent and the Additional Rent are each independent of any other covenant, condition, provision or agreement contained in this Lease. All rents are payable to Landlord at Ramsey Municipal Center, 7550 Sunwood Drive NW, Ramsey, Minnesota, or such other place as Landlord may designate.

5. UTILITIES:

Landlord shall provide mains and conduits to supply water, gas, electricity and sanitary sewage to the Leased Premises. Tenant shall pay, when due, all charges for sewer usage or rental, garbage disposal, refuse removal, water, electricity, heating fuel, gas, telephone and/or other utility services or energy source furnished to the Leased Premises during the term of this Lease, or any renewal or extension thereof. If Landlord elects to furnish any of the foregoing utility services or other services furnished or caused to be furnished to Tenant, then the rate charged by Landlord shall not exceed the rate Tenant would be required to pay to a utility company or service company furnishing any of the foregoing utilities or services. The charges thereof shall be deemed additional rent in accordance with paragraph 3. Landlord shall not be liable for, and Tenant shall not be entitled to any abatement or reduction of Base Rent or Minimum Rent by reason of Landlord's failure to furnish any of the foregoing utilities, when such failure is caused by accident, breakage, repairs (including replacements), strikes, lockouts or other labor disturbances or labor disputes of any character, or for any other causes.

6. CARE AND REPAIR OF LEASED PREMISES:

Tenant shall, at all times throughout the term of this Lease, including renewals and extension, and at its sole expense, keep and maintain the Leased Premises in a clean, safe and sanitary condition and in compliance with all applicable laws, codes, ordinances, rules and regulations. Tenant's obligations hereunder shall include but not be limited to the maintenance, and repair, if necessary, of all lighting and plumbing fixtures and equipment, fixtures, motors and machinery, all interior walls, partitions, doors and windows, including the regular painting thereof, all exterior entrances, windows, doors and docks and the replacement of all broken glass. When used in this provision, the term "repairs" shall include replacements or renewals when necessary and all such repairs made by Tenant shall be equal in quality and class to the original work. The Tenant shall keep and maintain all portions of the Leased Premises and the sidewalk and areas adjoining the same in a clean and orderly condition, free of accumulation of dirt, rubbish, snow and ice. The Tenant shall be responsible for all outside maintenance of the Leased Premises, including grounds and parking areas.

If Tenant fails, refuses or neglects to maintain or repair the Leased Premises as required in this Lease after notice shall have been given Tenant, in accordance with paragraph 33 of this Lease, Landlord may make such repairs without liability to Tenant for any loss or damage that may accrue to Tenant's merchandise, fixtures or other property or to Tenant's business by reason thereof, and upon completion thereof, Tenant shall pay to Landlord all costs plus fifteen percent (15%) of overhead incurred by Landlord in making such repairs upon presentation to Tenant of bill therefore.

Landlord shall, at its expense, repair/replace the overhead heaters in the bays as necessary. Landlord is under no obligation to make any structural or other alterations, decorating, additions or improvement in or to the Leased Premises/Building except as herein provided. Except as herein provided, Tenant is taking the Leased Premises "AS IS" except as set forth in this Agreement, Landlord shall not be obligated to do any work on or in the Leased Premises. Landlord warrants that at the Commencement Date, the Leased Premises is in compliance with all applicable laws, codes, ordinances, rules and regulations. Landlord shall be responsible for all structural repairs or replacement of the roof, exterior walls, floor and parking area, including sidewalks and curbing and all mechanical systems. Landlord in its sole discretion shall make the decision on any repairs or replacement of the roof, exterior walls, floor and parking area including sidewalks and curbing and all mechanical systems. In the event Landlord elects not to make a repair necessary for the continued quiet enjoyment of the Leased Premises by Tenant, Tenant may terminate this Agreement.

7. SIGNS:

Any sign, lettering, picture, notice or advertisement installed on or in any part of the Leased Premises and visible from the exterior of the Building, or visible from the exterior of the Leased Premises, must be approved in advance by Landlord, which approval shall not be unreasonably withheld, and installed at Tenant's expense. In the event of a violation of the foregoing by Tenant, Landlord may remove the same without any liability and may charge the expense incurred by such removal to Tenant.

8. PERSONAL PROPERTY.

Tenant shall have the use of that personal property described on attached Exhibit C (the "Personal Property"). The Personal Property consists primarily of office/showroom counter and oil change equipment. Tenant shall not remove the Personal Property from the Leased Premises, shall be solely responsible for repair and maintenance and shall return the Personal Property to Landlord upon expiration of the Lease in good condition, reasonable wear and tear excepted. Landlord shall not be responsible to replace any of the Personal Property in the event it is beyond repair and or becomes obsolete during the Lease Term. If, in the opinion of Tenant, upon written approval by Landlord, the Personal Property is beyond repair or obsolete, Tenant, in their sole discretion, can remove and/or dispose of that Personal Property.

9. ALTERATIONS, INSTALLATION, FIXTURES:

a. Except as hereinafter provided, Tenant shall not make any alternation, additions, or improvements in or to the Leased Premises or add, disturb or in any way change any plumbing or wiring therein without the prior written consent of Landlord, which consent will not be unreasonably withheld. In the event alterations are required by any governmental agency by reason of the use and occupancy of the Leased Premises by Tenant, Tenant shall make such alterations at its own cost and expense after first obtaining Landlord's approval of plans and specifications therefore and furnishing such indemnification as Landlord may reasonably require against liens, costs, damages and expenses arising out of such alterations. Alterations or additions by Tenant must be built in compliance with all laws, ordinances and governmental regulations affecting the Leased Premises and Tenant shall warrant to Landlord that all such alterations, additions, or improvements shall be in strict compliance with all relevant laws, ordinances, governmental regulations, and insurance requirements. Construction of such alterations or additions shall commence only upon Tenant obtaining and exhibiting to Landlord the requisite approvals, licenses and permits and indemnification against liens. All alterations, installations, physical additions or improvements to the Leased Premises made by Tenant shall at the option of Landlord become the property of Landlord and shall be either removed by Tenant at Tenant's sole cost or surrendered to Landlord upon the termination of this Lease; provided, however, this clause shall not apply to movable equipment or furniture owned by Tenant which may be removed by Tenant at the end of the term if this Lease of Tenant is not then in default (See Appendix C).

b. Landlord agrees that Tenant may make the following leasehold improvements to the Leased Premises:

- Replace carpet as necessary.
- Interior painting as necessary.
- Steel covers for the two pits.
- Electrical wiring, conduit and other utility improvements in shop/bay areas.
- Replacement of six overhead doors.
- Installation of electric fire place in reception area.

As leasehold improvements, the above items may not be removed by Tenant upon terminating this lease. The estimated cost for installing these improvements is \$15,000.00.

c. Landlord agrees to replace the following on the Leased Premises on or before the Commencement Date:

The radiant tube heaters in the three larger bays at an estimated cost of \$7,800.00.

Repair the roof near the main vent by the smaller service bays in the event there is future roof leaking in this area.

10. POSSESSION:

Except as hereinafter provided Landlord shall deliver possession of the Leased Premises to Tenant in the condition required by this Lease on or before the Commencement Date, but delivery of possession prior to or later than such Commencement Date shall not affect the expiration date of this Lease. The rentals herein reserved shall commence on the date that is thirty days after possession of the Leased Premises is delivered by Landlord to Tenant. Any occupancy by Tenant prior to the beginning of the term shall in all respects be the same as that of Tenant under this Lease. Landlord shall have no responsibility or liability for loss or damage to fixtures, facilities or equipment installed or left on the Leased Premises. If for any reason, Landlord cannot deliver possession of the Leased Premises to Tenant by the Commencement Date, in no event shall landlord be subject to any liability for a delay in delivery and such failure shall not affect the validity of this Lease or the obligations of Tenant under, and Tenant's remedies for such delay shall be limited to termination of this Lease in the event that Landlord fails to deliver the Leased Premises to Tenant within 30 days of the Commencement Date.

11. SECURITY AND DAMAGE DEPOSIT:

Tenant contemporaneously with the execution of this Lease, has deposited with Landlord the sum of One Thousand and 00/100 Dollars (\$1,000.00), receipt of which is acknowledged by Landlord, which deposit is to be held by Landlord, as a security and damage deposit for the faithful performance by Tenant during the term hereof or any extension hereof. Prior to the time when Tenant shall be entitled to the return of this security deposit, Landlord may commingle such deposit with Landlord's own funds and to use such security deposit for such purpose as Landlord may determine. In the event of the failure of Tenant to keep and perform any of the terms, covenants and conditions of this Lease to be kept and performed by Tenant during the term hereof or any extension hereof, then Landlord, either with or without terminating this Lease may (but shall not be required to) apply such portion of said deposit as may be necessary to compensate or repay Landlord for all losses or damages sustained or to be sustained by Landlord due to such breach on the part of Tenant, including, but not limited to overdue and unpaid rent, any other sum payable by Tenant to Landlord pursuant to the provisions of this Lease, damages or deficiencies in the reletting of the Leased Premises, and reasonable attorney's fees incurred by Landlord. Should the entire deposit or any portion thereof, be appropriated and applied by Landlord, in accordance with the provisions of this paragraph, Tenant, upon written demand by landlord, shall remit forthwith to Landlord a sufficient amount of cash to restore said security deposit to the original sum deposited, and Tenant's failure to do so within thirty (30) days after receipt of such demand shall constitute a breach of this Lease. Said security deposit together with any interest thereon as required by law, shall be returned to Tenant, less any depletion thereof as the result of the provisions of this paragraph, at the term of this Lease or any renewal

thereof, or upon the earlier termination of this Lease. Tenant shall have no right to anticipate return of said deposit by withholding any amount required to be paid pursuant to the provision of this Lease or otherwise.

In the event Landlord shall sell the Leased Premises, or shall otherwise convey or dispose of its interest in this Lease, Landlord may assign the security deposit or any balance thereof to Landlord's assignee, whereupon Landlord shall be released from all liability for the return or repayment of such security deposit and Tenant shall look solely to the said assignee for the return and repayment of said security deposit. Said security deposit shall not be assigned or encumbered by Tenant without such consent of Landlord, and any assignment or encumbrance without such consent shall not bind Landlord. In the event of any rightful and permitted assignment of this Lease by Tenant, said security deposit shall be deemed to be held by Landlord as a deposit made by the assignee, and Landlord shall have no further liability with respect to the return of said security deposit to Tenant.

12. USE:

The Leased Premises shall be used and occupied by Tenant solely for the purposes of vehicle repair and maintenance, auto detailing and cleaning/washing. Vehicle sales on the Leased Premises shall NOT be permitted. The permitted uses by Tenant shall at all times be in full compliance with all applicable laws, ordinances and governmental regulations affecting the Building and Leased Premises. The Leased Premises shall not be used in such manner that, in accordance with any requirement of law or of any public authority, Landlord shall be obligated on account of the purpose or manner of said use to make any addition or alteration to or in the Leased Premises. The Leased Premises shall not be used in any manner which will increase the rates required to be paid for public liability or for fire and extended coverage insurance covering the Leased Premises. Tenant shall occupy the Leased Premises, conduct its business and control its agents, employees, invitees and visitors in such a way as is lawful, and reputable and will not permit or create any nuisance, noise, odor, or otherwise interfere with, annoy or disturb any other Tenant in the Building in its normal business operations or Landlord in its management of the Building. Tenant's use of the Leased Premises shall conform to all landlord's rules and regulations relating to the use of the Leased Premises as listed on Exhibit A attached hereto.

13. ACCESS TO LEASED PREMISES:

The Tenant agrees to permit Landlord and the authorized representatives of Landlord to enter the Leased Premises at all times during usual business hours for the purpose of inspecting the same and making any necessary repairs to the Leased Premises and performing any work therein that may be necessary to comply with any laws, ordinances, rules, regulations or requirements of any public authority or of the Board of Fire Underwriters or any similar body or that Landlord may deem necessary to prevent waste or deterioration in connection with the Leased Premises. Nothing herein shall imply any duty upon the part of Landlord to do any such work which, under any provision of this Lease, Tenant may be required to perform and the performance thereof by Landlord shall not constitute a waiver of Tenant's default in failing to perform the same. The Landlord may, during the progress of any work in the Leased Premises, keep and store upon the Leased Premises all necessary materials, tools and equipment. The Landlord shall not in any event be liable for inconvenience, annoyance, disturbance, loss of business, or other damage of

Tenant by reason of making repairs or the performance on any work in the Leased Premises, or on account of bringing materials, supplies and equipment into or through the Leased Premises during the course thereof and the obligations of Tenant under this Lease shall not thereby be affected in any manner whatsoever.

Landlord reserves the right to enter upon the Leased Premises at any time in the event of an emergency and at reasonable hours to exhibit the Leased Premises to prospective purchasers or others; and to exhibit the Leased Premises to prospective Tenants and to display "For Lease" or similar signs on windows or doors in the Leased Premises during the last one hundred eighty (180) days of the term of this Lease, all without hindrance or molestation by Tenant.

14. EMINENT DOMAIN:

In the event of any eminent domain or condemnation proceeding or private sale in lieu thereof in respect to the Leased Premises during the term thereof, the following provisions shall apply:

a. **Leased Premises Acquired** If the whole of the Leased Premises shall be acquired or condemned by eminent domain for any public or quasi-public use or purpose, then the term of this Lease shall cease and terminate as of the later of the end of the notice period pursuant to paragraph 1B or the date possession shall be taken in such proceeding and all rentals shall be paid up to that date.

b. **Part of Leased Premises Acquired.** If any part constituting less than the whole of the Leased Premises shall be acquired or condemned as aforesaid, and in the event that such partial taking or condemnation shall materially affect the Leased Premises so as to render the Leased Premises unsuitable for the business of Tenant, in the reasonable opinion of Landlord or Tenant, then the term of this Lease shall cease and terminate as of the date possession shall be taken by the condemning authority and rent shall be paid to the date of such termination.

In the event of a partial taking or condemnation of the Leased Premises which shall not materially affect the Leased Premises so as to render the Leased Premises unsuitable for the business of Tenant, in the reasonable opinion of Landlord or Tenant, this Lease shall continue in full force and effect but with a proportionate abatement of the Base Rent and Additional Rent based on the portion if any, of the Leased Premises taken. Landlord reserves the right, at its option, to restore the Leased Premises to substantially the same condition as they were prior to such condemnation. In such event, Landlord shall give written notice to Tenant, within 30 days following the date possession shall be taken by the condemning authority, of Landlord's intention to restore. Upon Landlord's notice of election to restore, Landlord shall commence restoration and shall restore the Leased Premises with reasonable promptness, subject to delays beyond Landlord's control and delays in the making of condemnation or sale proceeds adjustment by Landlord; and Tenant shall have no right to terminate this Lease except as herein provided. Upon completion of such restoration, the rent shall be adjusted based upon the portion, if any, of the Leased Premises restored.

c. **Tenant Waiver.** In the event of any condemnation or taking as aforesaid, whether whole or partial, Tenant shall not be entitled to any part of the award paid for such

condemnation and Landlord is to receive the full amount of such award, Tenant hereby expressly waives any right to claim to any part thereof.

d. **Tenant Damages.** Although all damages in the event of any condemnation shall belong to Landlord whether such damages are awarded as compensation for diminution in value of the leasehold or to the fee of the Leased Premises, Tenant shall have the right to claim and recover from the condemning authority, but not from Landlord, such compensation as may be separately awarded or recoverable by Tenant in Tenant's own right on account of any and all damage to Tenant's business by reason of the condemnation and of or on account of any cost or loss to which Tenant might be put in removing Tenant's merchandise, furniture, fixtures, leasehold improvements and equipment. However, Tenant shall have no claim against Landlord or make any claim with the condemning authority of the loss of its leasehold estate, any unexpired term of loss of any possible renewal or extension of said lease or loss of any possible value of said lease, any unexpired term, renewal or extension of said Lease.

15. DAMAGE OR DESTRUCTION:

In the event of any damage or destruction to the Leased Premises by fire or other cause during the term hereof, the following provisions shall apply:

a. **Significant Damages.** If the Leased Premises is damaged by fire or any other cause to such extent that the cost of restoration, as reasonably estimated by Landlord, will equal or exceed ten percent (10%) of the replacement value of the Leased Premises (exclusive of foundations) just prior to the occurrence of the damage, then Landlord or Tenant may, no later than the sixtieth (60th) day following the damage, give the other party written notice of their election to terminate this Lease.

b. **Date of Termination.** If the event Landlord or Tenant elects to terminate this Lease, it shall be deemed to terminate on the date of the receipt of the notice of election and all rentals shall be paid up to that date. Tenant shall have no claim against landlord for the value of any unexpired term of this Lease.

Notwithstanding anything contained in this paragraph 15 to the contrary, Landlord shall only be obligated to restore the Leased Premises to the extent of the insurance proceeds actually received, but if the insurance proceeds actually received do not permit Landlord to restore the Leased Premises, Landlord shall so notify Tenant and either Landlord or Tenant may terminate this Lease by written notice given within 60 days after Landlord's notice. If Landlord restores the Leased Premises in accordance with the provisions of this Section, then Tenant shall not have any right to terminate this Lease because of such damage pursuant to (i) any common law rights, (ii) Minnesota Statutes §504.131 as now in effect or as it may be hereafter amended or supplemented, or (iii) any comparable right established by a similar statute.

16. CASUALTY INSURANCE:

a. **Landlord to Maintain.** Landlord shall at all times during the term of this Lease, at its expense, maintain a policy or policies of insurance with premiums paid in advance issued by an insurance company licensed to do business in the State of Minnesota insuring the Leased Premises against loss or damage by fire, explosion or other insurable hazards and contingencies

for the full insurance value, provided that Landlord shall not be obligated to insure any furniture, equipment, machinery, goods or supplies not covered by this Lease which Tenant may bring upon the Leased Premises or any additional improvements which Tenant may construct or install on the Leased Premises.

b. **Tenant to Maintain.** Tenant shall at all times during the term of this Lease, at its expense, maintain a policy or policies of insurance with premiums paid in advance issued by an insurance company licensed to do business in the State of Minnesota insuring the Leased Premises against loss or damage by fire, expulsion or other insurable hazards and contingencies for the full insurable value of Tenant's improvements to the Leased Premises and Tenant's personal property.

c. **Tenant Restriction.** Tenant shall not carry any stock of goods or do anything in or about the Leased Premises which will in any way impair or invalidate the obligation of the insurer under any policy of insurance required by this Lease.

d. **Waiver of Liability.** Landlord hereby waives and releases all claims, liabilities and causes of action against Tenant and its agents, servants and employees for loss or damage to, or destruction of, the Leased Premises or any portion thereof, including the buildings and other improvements situated thereon, resulting from fire, explosion and other perils included in standard extended coverage insurance, whether caused by the negligence of any of said persons or otherwise. Likewise, Tenant hereby waives and releases all claims, liabilities and causes of action against Landlord and its agents, servants and employees for loss or damage to, or destruction of, any of the improvements, fixtures, equipment, supplies, merchandise and other property, whether that of Tenant or of others, upon or about the Leased Premises resulting from fire, explosion or the other perils included in standard extended coverage insurance, whether caused by the negligence of any of said persons or otherwise. The waiver shall remain in force whether or not Tenant's insurer shall consent thereto.

e. **Tenant Payment.** In the event that the use of the Leased Premises by Tenant increases the premium rate for insurance carried by Landlord, Tenant shall pay Landlord, upon demand, the amount of such premium increase. If tenant installs any electrical equipment that overloads the power lines to the building or its wiring, Tenant shall, at its own expense, make whatever changes are necessary to comply with the requirements of the insurance underwriter, insurance rating bureau and governmental authorities having jurisdiction.

17. PUBLIC LIABILITY INSURANCE:

Tenant shall during the term hereof keep in full force and effect at its expense a policy or policies of public liability insurance with respect to the Leased Premises and the business of Tenant, on terms with companies approved in writing by Landlord, in Landlord. Landlord shall be named as additional insured under all policies. Limits of liability shall not be less than a combined policy limit of at least \$2,000,000.00 applying to Bodily Injury, Leased Premises Damage and Personal Injury. Such policy(ies) shall: (i) provide that such policies are primary and landlord's policy(ies) are noncontributing; (ii) include a cross-liability endorsement, and (iii) require that at least 30 days prior written notice must be given to Landlord prior to cancellation, expiration or

material adverse changes to such policy(ies). Tenant shall furnish evidence satisfactory to Landlord at the time this Lease is executed that such coverage is in full force and effect.

18. DEFAULT OF TENANT:

a. **Failure to Pay Rent.** In the event of any failure of Tenant to pay any rental due hereunder within ten (10) days after the same shall be due, or any failure to perform any other of the terms, conditions or covenants of this Lease to be observed or performed by Tenant for more than 20 days after written notice of such failure shall have been given to Tenant, or if Tenant or an agent of Tenant shall falsify any report required to be furnished to Landlord pursuant to the terms of this Lease, or if Tenant or any guarantor of this Lease shall become bankrupt or insolvent, or file any debtor proceedings or any person shall take or have against Tenant or any guarantor of this Lease in any court pursuant to any statute either of the United States or of any state a petition of bankruptcy or insolvency or for reorganization or for the appointment of a receiver or trustee of all or a portion of Tenant's or any such guarantor's property, or if Tenant or any such guarantor makes an assignment for the benefit of creditors, or petitions for or enters into an arrangement, or if Tenant shall abandon the Leased Premises or suffer this Lease to be taken under any writ of execution, then in any such event Tenant shall be in default hereunder, and Landlord, in addition to other rights of remedies it may have, shall have the immediate right of re-entry and may remove all personal property from the Leased Premises and such property may be removed and stored in a public warehouse or elsewhere at the cost of, and for the account of Tenant, all without service of notice or resort to legal process and without being guilty of trespass, or becoming liable for any loss or damage which may be occasioned thereby.

b. **Landlord's Rights.** Should Landlord elect to re-enter the Leased Premises, as herein provided, or should it take possession of the Leased Premises pursuant to legal proceedings or pursuant to any notice provided for by law, it may either terminate this Lease or it may from time to time, without terminating this Lease, make such alterations and repairs as may be necessary in order to relet the Leased Premises, and relet the Leased Premises or any part thereof upon such term or terms (which may be for a term extending beyond the term of this Lease) and at such rental or rentals and upon such other terms and conditions as Landlord in its sole discretion may deem advisable. Upon each such subletting all rentals received by Landlord from such reletting shall be applied first to the payment of any indebtedness other than rent due hereunder from Tenant to Landlord; second, to the payment of any costs and expenses of such reletting, including brokerage fees and attorney's fees and costs of such alterations and repairs; third, to the payment of the rent due and unpaid payment of future rent as the same may become due and payable hereunder. If such rentals received from such reletting during any month be less than that to be paid during that month by Tenant hereunder, possession of the Leased Premises by Landlord shall be construed as an election on its part to terminate this Lease unless a written notice of such intention be given to Tenant or unless the termination thereof be decreed by a court of competent jurisdiction. Notwithstanding any such reletting without termination, Landlord may at any time after such re-entry and reletting elect to terminate this Lease for any such breach, in addition to any other remedies it may have, it may recover from Tenant all damages it may incur by reason of such breach, including the cost of recovering the Leased Premises, reasonable attorney's fees, and including the worth at the time of such termination of the excess, if any, of the amount of rent and charges equivalent to rent reserved in this Lease for the remainder of the stated term, minus the amount of rental loss which Tenant proves could

have been reasonably avoided, all of which amounts shall be immediately due and payable from Tenant to Landlord. Landlord shall also be entitled to any other amounts necessary to compensate Landlord for all detriment proximately caused by Tenant's failure to comply with the requirements of this Lease.

c. **Landlord May Cure Default.** Landlord may, at its option, instead of exercising any other rights or remedies available to it in this Lease or otherwise by law, statute or equity spend such money as is reasonably necessary to cure any default of Tenant herein and the amount so spent, and costs incurred, including attorney's fees incurring such default, shall be paid by Tenant, and additional rent, upon demand.

d. **Tenant Payment.** In the event suit shall be brought for recovery of possession of the Leased Premises, for the recovery of rent of any other amount due under the provisions of this Lease, or because of the breach of any other covenant herein contained on the part of Tenant to be kept or performed, and a breach shall be established, Tenant shall pay to Landlord all expenses incurred therefore, including a reasonable attorney's fee, together with interest on all such expenses at the rate of ten percent (10%) per annum from the date of such breach of the covenants of this Lease.

e. **Waiver of Rights of Redemption.** Tenant also waives any demand for possession of the Leased Premises, and any demand for payment of rent and any notice of intent to re-enter the Leased Premises, or of intent to terminate this Lease, other than the notices above provided in this paragraph, and waives any and every other notice or demand prescribed by any applicable statutes or laws.

f. **No Exclusive Remedy.** No remedy herein or elsewhere in this Lease or otherwise by law, statute or equity, conferred upon or reserved to Landlord or Tenant shall be exclusive of any other remedy, but shall be cumulative, and may be exercised from time to time and as often as the occasion may arise.

19. INDEMNITY & HOLD HARMLESS:

Except to the extent that liability for damages or loss is caused by the intentional acts or gross negligence of Landlord, its agents or employees, Tenant shall indemnify, protect, defend (at Landlord's request and with counsel approved by Landlord) and hold Landlord and each of its respective officers and employees harmless from and against every demand, claim, cause of action, judgment and expense, including, but not limited to, reasonable attorney's fees and disbursements of counsel, whether suit is initiated or not, and all loss and damage arising from: (a) any injury, loss or damage to the person or property of Tenant, or to any other person rightfully in the Leased Premises, (i) occurring in or about the Leased Premises, or (ii) caused by the negligence or misconduct of Tenant, or Tenant's affiliates or any of their respective employees, representatives, agents or contractors, or (iii) resulting from the violation of any legal requirements or the provisions of this Lease by Tenant, or Tenant's affiliates or any of their respective employees, representatives, agents or contractors; (b) any loss or damage, however caused, to books, records, computer or other electronic equipment or data or media, files, artwork, money, securities, negotiable instruments or papers in the Leased Premises; (or (c) any loss or damage resulting from interference with or obstruction of deliveries to or from the Leased

Premises caused by Tenant or Tenant's affiliates or any of their respective employees, representatives, agents or contractors. All property kept, maintained or stored on the Leased Premises shall be so kept, maintained or stored at the sole risk of Tenant. If any mechanic's lien is filed against any part of the Leased Premises for work claimed to have been done for, or materials claimed to have been furnished to Tenant, such mechanic's lien shall be discharged by Tenant within ten (10) days thereafter, at Tenant's sole cost and expense, by the payment thereof or by making any deposit required by law or by posting a bond with such surety, in such amount and in such form as landlord deems proper. Tenant shall immediately notify Landlord of any mechanic's lien or other lien filed against the Leased Premises or any part thereof by a contractor or subcontractor of Tenant or otherwise by reason of work claimed to have been done for or materials claimed to have been furnished to Tenant. If Tenant fails to remove such lien or post such bond within the ten (10) day period following the filing thereof, Landlord may, at its sole discretion and without waiving its right and remedies based on such breach by Tenant and without releasing Tenant from any of its obligations, cause such lien to be released by any means it shall deem proper, including payment in satisfaction of the claim giving rise to such lien. Tenant shall, in such event, pay to Landlord at once, upon notice by Landlord, any sum paid by Landlord to remove such lien, together with interest at the rate of twelve percent (12%) from the date of such payment by Landlord. Landlord shall have the right at all times to post and keep posted on the Leased Premises any notices permitted or required by applicable law, or that Landlord shall deem proper for the protection of Landlord, the Leased Premises, the Leased Premises and any other party having an interest therein, from liens. All material suppliers, contractors, artisans, mechanics, laborers and other parties contracting with Tenant for the furnishing of any labor, services, materials, supplies or equipment with respect to any portion of the Leased Premises are hereby charged with notice that they must look solely to Tenant for payment of the same and Tenant's purchase orders, contracts and subcontracts in connection therewith must clearly state this requirement.

20. NON-LIABILITY:

Subject to the terms and conditions of paragraphs 6 and 15 hereof, Landlord shall not be liable for damage to any property of Tenant or of others located on the Leased Premises, or for the loss of or damage to any property of Tenant or of others by theft or otherwise. Landlord shall not be liable for any injury or damage to persons or property resulting from fire, explosion, falling plaster, steam, gas, electricity, water, rain or snow or leaks from any part of the Leased Premises or from the pipes, appliances, or plumbing works or from the roof, street or subsurface or from any other place or by dampness or by any other cause of whatsoever nature. Landlord shall not be liable for any such damage caused by Tenants or persons in the Leased Premises, occupants of adjacent property, of the buildings, or the public or caused by operations in connection of any private, public or quasi-public work. Landlord shall not be liable for any latent defect in the Leased Premises. All property of Tenant kept or stored on the Leased Premises shall be so kept or stored at the risk of Tenant only and Tenant shall hold Landlord harmless from any claims arising out of damage to the same, including subrogation claims by Tenant's insurance carrier.

21. ASSIGNMENT OR SUBLETTING:

Tenant agrees to use and occupy the Leased Premises throughout the entire term hereof for the purpose or purposes herein specified and for no other purposes, in the manner and to

substantially the extent now intended, and not to assign, sublet, license, concession or otherwise transfer this Lease or Tenant's rights in the Leased Premises, or any part thereof, whether by voluntary act, operation of law, or otherwise, without obtaining the prior written consent of Landlord in each instance. Tenant shall seek such consent of Landlord by a written request therefore, setting forth such information as Landlord may deem necessary. Landlord agrees not to withhold consent unreasonably. Consent by Landlord to any assignment of this Lease or to any subletting of the Leased Premises shall not be a waiver of Landlord's rights under this paragraph as to any subsequent assignment or subletting. Landlord's rights to assign this Lease are and shall remain unqualified. No such assignment or subleasing shall relieve Tenant from any of Tenant's obligations in this Lease contained, nor shall any assignment or sublease or other transfer of this Lease be effective unless the assignees, subtenant or transferee shall at the time of such assignment, sublease or transfer, assume in writing for the benefit of Landlord, its successors or assigns, all of the terms, covenants and conditions of this Lease thereafter to be performed by Tenant and shall agree in writing to be bound thereby. Should Tenant sublease in accordance with the terms of this Lease, fifty percent (50%) of any increase in rental received by Tenant over the per square foot rental rate which is being paid by Tenant shall be forwarded to and retained by Landlord, which increase shall be in addition to the Base Rent and Additional Rent due landlord under this Lease.

22. ATTORNMENT:

In the event of any sale, transfer or assignment of Landlord's interest in the Leased Premises, or this Lease, or if the Leased Premises comes into custody or possession of a mortgagee or any other party whether because of a mortgage foreclosure, or otherwise, Tenant shall attorn to such assignee or other party and recognize such party as Landlord hereunder; provided, however, Tenant's peaceable possession will not be disturbed so long as Tenant faithfully performs its obligations under this Lease. Tenant shall execute, on demand, any attornment agreement required by any such party to be executed, containing such provisions and such other provisions as such party may require.

23. NOVATION IN THE EVENT OF SALE:

In the event of the sale of the Leased Premises, Landlord shall be and hereby is relieved of all of the covenants and obligations created hereby accruing from and after the date of sale, and such sale shall result automatically in the purchaser assuming and agreeing to carry out all the covenants and obligations of Landlord herein. Notwithstanding the foregoing provisions of this paragraph, Landlord, in the event of a sale of the Leased Premises, shall cause to be included in the agreement of sale and purchase a covenant whereby the purchaser of the Leased Premises assumes and agrees to carry out all of the covenants and obligations of Landlord herein.

The Tenant agrees at any time and from time to time upon not less than ten (10) days prior written request by Landlord to execute, acknowledge and deliver to Landlord a statement in writing certifying that this Lease is unmodified and in full force and effect as modified and stating the modifications, and the dates to which the basic rent and other charges have been paid in advance, if any, it being intended that any such statement delivered pursuant to this paragraph may be relied upon by any prospective purchaser of the fee or mortgagee or assignee of any mortgage upon the fee of the Leased Premises. In the event that Tenant fails to execute and

return the estoppel certificate within such ten (10) day period, the holder of such encumbrance shall be entitled to rely, as against the Tenant, that: (i) this Lease is in full force and effect, without amendment except as specified by the Landlord, (ii) Tenant has no offsets against rent nor any defenses to Tenant's performance under this Lease, (iii) Tenant has no right to any offset or defenses to the payment of rent, and (iv) Tenant has not paid any rental under this Lease more than one month in advance.

24. SUCCESSORS AND ASSIGNS:

The terms, covenants and conditions hereof shall be binding upon and inure to the successors and assigns of the parties hereto.

25. REMOVAL OF FIXTURES AND LEASEHOLD IMPROVMENTS:

Notwithstanding anything contained in paragraph 8, paragraph 29 or elsewhere in this Lease, if Landlord requests then Tenant will promptly remove at the sole cost and expense of Tenant all fixtures, equipment and alterations made by Tenant simultaneously with vacating the Leased Premises and Tenant will promptly restore the Leased Premises to the condition that existed immediately prior to said fixtures, equipment and alterations having been made all at the sole cost and expense of Tenant.

26. QUIET ENJOYMENT:

Landlord warrants that it has full right to execute and to perform this Lease and to grant the estate demised, and that Tenant, upon payment of the rents and other amounts due and the performance of all the terms, conditions, covenants and agreements on Tenant's part to be observed and performed under this Lease, may peaceably and quietly enjoy the Leased Premises for the business uses permitted hereunder, subject, nevertheless, to the terms and conditions of this Lease.

27. RECORDING:

Tenant shall not record this Lease without the written consent of Landlord. However, upon the request of either party hereto, the other party shall join in the execution of the Memorandum lease for the purposes of recordation. Said Memorandum lease shall describe the parties, the Leased Premises and the term of the Lease and shall incorporate this Lease by reference.

28. OVERDUE PAYMENTS:

All monies due under this Lease from Tenant to Landlord shall be due on demand, unless otherwise specified and if not paid when due, shall result in the imposition of a service charge for such late payment in the amount of five percent (5%) of the amount due.

29. SURRENDER:

On the Expiration Date or upon the termination hereof upon a day other than the Expiration Date, Tenant shall peaceably surrender the Leased Premises broom-clean in good order, condition and repair, reasonable wear and tear only excepted unless the Lease has been

terminated pursuant to paragraphs 1.b, 14 or 15. On or before the Expiration Date or upon termination of this Lease on a day other than the Expiration Date, Tenant shall, at its expense, remove all trade fixtures, personal property and equipment and signs from the Leased Premises and any property not removed shall be deemed to have been abandoned. Any damage caused in removal of such items shall be repaired by Tenant and at its expense. All alterations, additions, improvements and fixtures (other than trade fixtures) which shall have been made or installed by Landlord or Tenant upon the Leased Premises and all floor covering so installed shall at the option of Landlord remain upon and be surrendered with the Leased Premises as a part thereof, without disturbance, molestation or injury, and without charge, at the expiration or termination of this Lease. If the Leased Premises is not surrendered on the Expiration Date or the date of termination, Tenant shall indemnify Landlord against loss or liability, claims, without limitation, made by any succeeding Tenant founded on such delay. Tenant shall promptly surrender all keys for the Leased Premises to Landlord at the place then fixed for payment of rent and shall inform Landlord of combinations of any locks and safes on the Leased Premises.

30. HOLDING OVER:

In the event of a holding over by Tenant after expiration or termination of this Lease without the consent in writing of Landlord, Tenant shall be deemed a Tenant at sufferance and shall pay rent for such occupancy at the rate of twice the lease-current aggregate Base and Additional Rent, prorated for the entire holdover period, plus all attorney's fees and expenses incurred by Landlord in enforcing its rights hereunder, plus any other damages occasioned by such holding over. Except as otherwise agreed, any holding over with the written consent of Landlord shall constitute Tenant as a month-to-month Tenant.

31. ABANDONMENT:

In the event Tenant shall remove its fixtures, equipment or machinery or shall vacate the Leased Premises or any part thereof prior to the Expiration Date of this Lease, or shall discontinue or suspend the operation of its business conducted on the Leased Premises for a period of more than thirty (30) consecutive days (except during any time when the Leased Premises may be rendered untenable by reason of fire or other casualty), then in any such event Tenant shall be deemed to have abandoned the Leased Premises and Tenant shall be in default under the terms of this Lease.

32. CONSENTS BY LANDLORD:

Whenever provision is made under this Lease for Tenant securing the consent or approval by Landlord, such consent or approval shall only be in writing.

33. NOTICES:

Any notice required or permitted under this Lease shall be deemed sufficiently given or secured if sent by registered or certified return receipt mail to Tenant at 6745 Highway 10 NW, Ramsey, Minnesota 55303, and to Landlord at the address then fixed for the payment of rent as provided in paragraph 4 of this Lease, and either party may by like written notice at any time designate a different address to which notices shall subsequently be sent or rent to be paid.

34. RULES AND REGULATIONS:

Tenant shall observe and comply with the rules and regulations as Landlord may prescribe and as listed on Exhibit A attached hereto, on written notice to Tenant for the safety, care and cleanliness of the Leased Premises.

35. INTENT OF PARTIES:

Except as otherwise provided herein, Tenant covenants and agrees that if it shall any time fail to pay any such cost or expenses, or fail to take out, pay for, maintain or deliver any of the insurance policies above required, or fail to make any other payment or perform any other act on its part to be made or performed as in this Lease provided, then Landlord may, but shall not be obligated so to do, and without notice to or demand upon Tenant and without waiving or releasing Tenant from any obligations of Tenant in this Lease contained, pay any such cost or expense, effect any such insurance coverage and pay premiums therefore, and may make any other payment or perform any other act on the part of Tenant to be made and performed as in this Lease provided, in such manner and to such extent as Landlord may deem desirable, and in exercising any such right, to also pay all necessary and incidental costs and expenses, employ counsel and incur and pay reasonable attorney's fees. All sums so paid by Landlord and all necessary and incidental costs and expenses in connection with the performance of any such act by Landlord, together with interest thereon at the rate of twelve percent (12%) per annum from the date of making of such expenditure, by Landlord, shall be deemed Additional Rent hereunder, and shall be payable to Landlord on demand. Tenant covenants to pay any such sum or sums with interest as aforesaid and Landlord shall have the same rights and remedies in the event of the non-payment thereof by Tenant as in the case of default by Tenant in the payment of the Base Rent payable under this Lease.

36. GENERAL:

a. **Landlord Tenant Relationship.** This Lease does not create the relationship of principal and agent or of corporation or of joint venture or of any association between Landlord and Tenant, the sole relationship between the parties hereto being that of Landlord and Tenant.

b. **Effect of Waivers.** No waiver of any default of Tenant hereunder shall be implied from any omission by Landlord to take any action on account of such default if such default persists or is repeated, and no express waiver shall affect any default other than the default specified in the express waiver and that only for the time and to the extent therein stated. One or more waivers by Landlord shall not then be construed as a waiver of a subsequent breach of the same covenant, term or condition. The consent to or approval by Landlord of any act by Tenant requiring Landlord's consent or approval shall not waive or render necessary Landlord's consent to or approval of any subsequent similar act by Tenant. No action required or permitted to be taken by or on behalf of Landlord under the terms or provisions of this Lease shall be deemed to constitute an eviction or disturbance of Tenant's possession of the Leased Premises. All preliminary negotiations are merged into and incorporated in this Lease. The laws of the State of Minnesota shall govern the validity, performance and enforcement of this Lease.

c. **Entire Agreement.** This Lease and the exhibits, if any, attached hereto and forming a part hereof, constitute the entire agreement between Landlord and Tenant affecting the Leased Premises and there are no other agreements, either oral or written, between them other than are herein set forth. No subsequent alteration, amendment, change or addition to this Lease shall be binding upon Landlord or Tenant unless reduced to writing and executed in the same form and manner in which this Lease is executed.

d. **Enforceability of Provisions.** If any agreement, covenant or condition of this Lease or the application thereof to any person or circumstances shall, to any extent, be invalid or unenforceable, the remainder of this Lease, or the application of such agreement, covenant or condition to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby and each agreement, covenant or condition of this Lease shall be valid and be enforced to the fullest extent permitted by law.

e. **No Personal Obligations.** The obligations of Landlord under this Lease do not constitute the personal obligations of the individual officers or employees of Landlord. If Landlord shall fail to perform any covenant, term or condition of this Lease required of landlord, Tenant shall be required to deliver to Landlord written notice of the same. If, as a consequence of such default, Tenant shall recover a money judgment against Landlord, such judgment shall be satisfied only out of the proceeds of sale received upon execution of such judgment and levied thereon against the right, title and interest of Landlord in the Leased Premises and out of rent or other income from the Leased Premises receivable by Landlord, or out of consideration received by Landlord from the sale or other disposition of all or any part of Landlord's right, title or interest in the Leased Premises, and no action for any deficiency may be sought or obtained by Tenant.

f. **No Relocation Benefits.** The Tenant waives its right to relocation benefits under any state or federal law in the event Tenant elects to terminate this Lease prior to the expiration of the Lease Term or any subsequent term thereafter pursuant to paragraph 1.c. herein.

37. **NO WASTE OR NUISANCE AND COMPLIANCE WITH LAWS:**

a. **Leased Premises Use.** The Leased Premises shall be used by and/or at the sufferance of Tenant only for the purpose set forth in paragraph 11 above and for no other purposes. Tenant shall not use or permit the use of the Leased Premises in any manner that will tend to create waste or a nuisance. Tenant, its employees and all persons visiting or doing business with Tenant in the Leased Premises shall be bound by and shall observe the reasonable rules and regulations as listed on Exhibit A attached hereto, made by Landlord relating to the Leased Premises, of which notice in writing shall be given to Tenant, and all such rules and regulations shall be deemed to be incorporated into and form a part of this Lease.

b. **Obey Laws.** Tenant covenants throughout the Lease Term, at Tenant's sole cost and expense subject to Landlord's warranty in paragraph 6, promptly to comply with all laws and ordinances and the orders, rules and regulations and requirements of all federal, state and municipal governments and appropriate departments, commissions, boards, and officers thereof, and the orders, rules and regulations of the Board of Fire Underwriters where the Leased Premises are situated, or any other body now or hereafter created with jurisdiction over the

Leased Premises, and whether or not the same require structural repairs or alterations, which may be applicable to the Leased Premises, or the use or manner of use of the Leased Premises. Tenant will likewise observe and comply with the requirements of all policies of public liability, fire and all other policies of insurance at any time in force with respect to the buildings and improvements on the Leased Premises and the equipment thereof.

38. HAZARDOUS MATERIAL:

In the event any Hazardous material (hereinafter defined) is brought or caused to be brought into or onto the Leased Premises by Tenant, Tenant shall handle any such material in compliance with all applicable federal, state and/or local regulations. For purposes of this paragraph, "Hazardous Material" means and includes any hazardous, toxic or dangerous waste, substance or material defined as such in (or for purposes of) the Comprehensive Environmental Response, Compensation, and Liability Act, and so-called "Superfund" or "Super lien" law, or any federal, state or local statute, law, ordinance, code, rule, regulation, order decree regulation, relating to, or imposing liability or standards of conduct concerning, any hazardous, toxic or dangerous waste, substance or material, as now or at any time hereafter in effect. Tenant shall submit to Landlord on an annual basis copies of its approved hazardous materials communication plan, OSHA monitoring plan, and permits required by the Resource Recovery and Conservation Act of 1976, if Tenant is required to prepare, file or obtain any such plans or permits. Tenant will indemnify and hold harmless Landlord from any losses, liabilities, damages, costs or expenses (including reasonable attorney's fees) which Landlord may suffer or incur as a result of Tenant's introduction into or onto the Leased Premises, of any Hazardous Material. This paragraph shall survive the expiration or sooner termination of this Lease.

39. CAPTIONS:

The captions are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of this Lease nor the intent or any provision thereof.

40. ATTACHMENTS:

See also Exhibit A, which Exhibit is attached hereto and made a part hereof.

<u>Exhibit</u>	<u>Description</u>
Exhibit A	Leased Premises Rules and Regulations
Exhibit B	Graphic Depiction of Leased Premises
Exhibit C	Personal Property List

41. SUBMISSION:

Submission of this instrument to Tenant or proposed Tenant or its agents or attorneys for examination, review, consideration or signature does not constitute or imply an offer to lease, reservation of space, or option to lease, and this instrument shall have no binding legal effect until execution hereof by both Landlord/Owner and Tenant or its agents.

**EXHIBIT A
TO LEASE AGREEMENT
DATED February 1, 2012**

BUILDING RULES AND REGULATIONS

1. Any sign, lettering, picture, notice or advertisement installed on or in any part of the Leased Premises and visible from the exterior of the Leased Premises, shall be installed at Tenant's sole cost and expense, and in such manner, character and style as Landlord may approve in writing. Anything herein to the contrary notwithstanding, approval as to signs shall be subject to Landlord's approval which may not be unreasonably withheld. In the event of a violation of the foregoing by Tenant, landlord may remove the same without any liability and may charge the expense incurred by such removal to Tenant.
2. Tenant assumes full responsibility for protecting its space from theft, robbery and pilferage, which includes keeping doors locked and other means of entry to the Leased Premises closed and secured after normal business hours.
3. Tenant shall comply with all applicable federal, state and municipal laws, ordinances and regulations, and building rules and shall not directly or indirectly make any use of the Leased Premises which may be prohibited by any of the foregoing or which may be dangerous to persons or property or may increase the cost of insurance or require additional insurance coverage.
4. The Leased Premises shall not be used for cooking (as opposed to heating of food), lodging, sleeping or for any immoral or illegal purpose.
5. Unless expressly permitted by Landlord, no additional locks or similar devices shall be attached to any door or window and no keys other than those provided by Landlord shall be made for any door. If more than two keys for one lock are desired by Tenant, Landlord may provide the same upon payment by Tenant. Upon termination of this Lease or of Tenant's possession, Tenant shall surrender all keys of the Leased Premises and shall explain to Landlord all combination locks on safes, cabinets and vaults.
6. The restrooms, drinking fountains and other plumbing fixtures shall not be used for any purpose other than for which they are constructed, and no sweepings, rubbish, rags, coffee grounds or other substances shall be thrown therein. All damages resulting from any misuse of the fixtures shall be borne by Tenant who, or whose employees, agents, visitors or licensees have caused same. No person shall waste water by interfering or tampering with the faucets or otherwise.
7. Tenant shall be responsible for any damage to the building or the property of its employees or others and injuries sustained by any person whomsoever resulting from the use or moving of such articles in or out of the Leased Premises, and shall make all repairs and improvements required by Landlord or governmental authorities in connection with the use or moving of such articles.

8. Wherever in these Building Rules and Regulations the word "Tenant" occurs, it is understood and agreed that it shall mean Tenant's associates, employees, agents, clerks, invitees, and visitors. Wherever the word "Landlord" occurs, it is understood and agreed that it shall mean Landlord's assigns, agents, clerks, and visitors.

9. Landlord shall have the right to enter upon the Leased Premises at all reasonable hours for the purpose of inspecting the same.

10. Landlord shall have the right to enter the Leased Premises at hours convenient to Tenant for the purpose of exhibiting the same to prospective tenants.

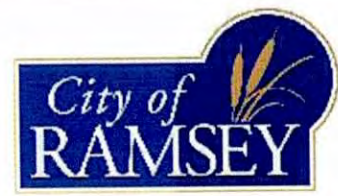
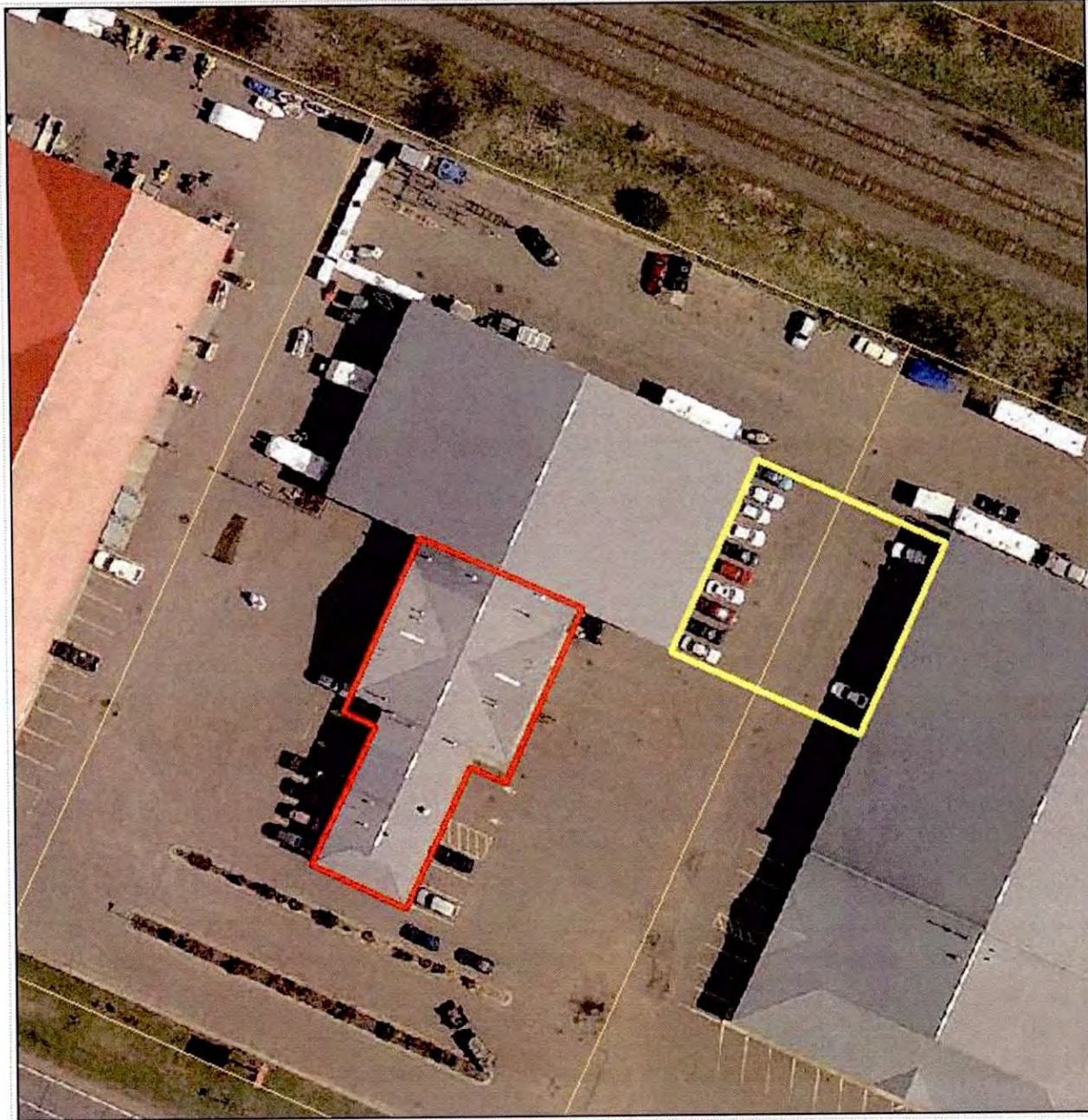
11. Landlord shall be responsible for all repair and maintenance of mechanical systems and devices associated with Tenant's Leased Premises, including heating and air conditioning equipment, water heaters, exhaust fans, plumbing and electrical. Landlord must be advised of any such repair, etc. and must approve of any such repair. Landlord warrants that the equipment is in proper working order on the Commencement Date.

12. Alterations of any nature to the Leased Premises by Tenant shall require written approval of Landlord. Such approval shall not be unreasonably withheld. In the event of a violation of the foregoing by Tenant, Landlord may remove the same without any liability and may charge the expense incurred by such removal to Tenant.

13. Tenant and Tenant's employees, agents, visitors and licensees shall observe faithfully and comply strictly with the foregoing rules and regulations and such other and further appropriate rules and regulations as Landlord or Landlord's agent may from time to time adopt. Reasonable notice of any additional rules and regulations shall be given in such manner as Landlord may reasonably elect in its reasonable discretion.

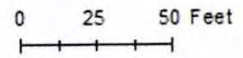
14. Landlord reserves the right at any time to rescind, alter or waive, in whole or in part, any of these Rules and Regulations when deemed necessary, desirable, or proper, in Landlord's judgment, for its best interest or for the best interest of the tenants of the Complex. Tenant reserves the right to refuse compliance with any subsequent additional rules and regulations added to those agreed to at the time of signing the Lease.

15. To the extent these rules are in conflict with the terms of the Lease, the terms of the Lease shall rule and govern.



Independent Auto Service
Proposed Location
 6745 Highway 10 NW

- Parcels
- Lease Space
- Leased Premises
- Outdoor Storage Location



This map has been compiled using information gathered from various governmental offices and other sources and is to be used for reference purposes only. It is neither a legally recorded map nor a survey and is not intended for use as one. The Geographic Information System (GIS) data used in developing this map is not warranted by the City in being accurate.

The City does not represent that the GIS data can be used for exact measurement of distance or direction or precision in the depiction of geographic features. If errors or discrepancies are found, please contact (763) 637-1638.

The City of Ramsey disclaims any responsibility for or liability for the accuracy of the information in any form of visual communication a GIS in which the public has general access. The preceding disclaimer is provided pursuant to Minnesota Statute 426.03 Subd. 11 (2005) and the user of this map acknowledges that the City of Ramsey is immune from any and all claims brought by them or employees or agents or their agents subsequent to the user's access of the data.

Exhibit B

Exhibit C
Personal Property List

Air Compressor in Pit Area

Four Commercial Hoists

Computers

Copier & Fax Machines

Other Office Equipment

Furniture

Tool Cabinets

Inventory

CC Work Session

2. 2.

Meeting Date: 06/26/2012

By: Chris Anderson, Community Development

Title:

Consider EPB's Draft Annual Work Plan

Background:

As outlined in Section 2-159 of City Code, the primary objective of the Environmental Policy Board (EPB) is to review, consider, initiate and recommend to the City Council such policies, plans or projects which will enhance and preserve the natural environment of the City. Furthermore, the Board's scope shall include, but not necessarily be limited to, matters of the preservation of the community forest, water quality, wetland preservation, ground water protection, ecological preservation, control of soil erosion and air, noise and light pollution. The EPB is responsible for developing an annual work plan that is subject to the approval of City Council. At their April meeting, the Board finalized its proposed work plan and directed Staff to forward it to City Council for consideration.

Over the past year, the EPB has been active and following are some of their accomplishments:

- Promoting improved recycling within the Municipal Center by recommending that each of the smaller conference rooms have a recycling receptacle next to each garbage receptacle.
- Recommending that the City participate in the Recycle Your Holidays program, which is a holiday lights recycling program initiated by the Recycling Association of Minnesota (RAM). Ramsey became a designated collection center for holiday lights and it was very well received and utilized by the public.
- Assisted with coordination of and participated in the annual Environmental Expo & Tree Sale event.
- While not completed yet, the creation of a 'mini' arboretum in North Commons park should be finalized this fall (identified as a demonstration project on work plan).

Observations:

Beginning last year, the Board shifted its work plan to July 1- June 30, which not only gives new members an opportunity to participate in its development, but also provides an opportunity to review the strategic goals of the City Council and incorporate any actions that may have some overlap. Although for this year, there did not appear to be any strategic goals that fell within the objective and mission of the EPB.

Recommendation:

The Board and Staff are seeking input on the draft work plan. The draft work plan is on the regular City Council agenda for later this evening. If there are any additions or revisions, those should be identified and can be specified as part of the motion during the regular City Council meeting

Funding Source:

N/A

Council Action:

For information/discussion purposes. A case and resolution are on tonight's regular City Council agenda for approval.

Attachments

Draft 2012-2013 Work Plan

Form Review

Inbox
Tim Gladhill
Kurt Ulrich

Reviewed By
Tim Gladhill
Kurt Ulrich

Date
06/20/2012 10:38 AM
06/20/2012 09:06 PM
Started On: 06/15/2012 03:29 PM

Form Started By: Chris Anderson

Final Approval Date: 06/20/2012

Environmental Policy Board 2012-2013 Proposed Work Plan

As outlined in City Code, the primary objective of the Environmental Policy Board is to review, consider, initiate and recommend to the City Council such policies, plans or projects which will enhance and preserve the natural environment of the City. The Board's scope shall include, but not necessarily be limited to, matters of the preservation of the community forest, water quality, wetland preservation, ground water protection, control of soil erosion and air, noise and light pollution.

The Environmental Policy Board will focus its efforts on the following tasks for the 2012-2013 Work Plan:

- Community Awareness
 - Encourage citizen awareness and education on environmental stewardship through the Environmental Expo & Tree Sale.
 - Incorporate natural resources information related to trees, wildlife, soils etc into the website for easy public access.
 - Develop shade tree disease and pest information (oak wilt, emerald ash borer, pine bark beetles, etc) for both website and newsletter.
- Demonstration Project(s)
 - Rain garden within a parking lot to demonstrate storm water infiltration techniques.
 - Restore/create native prairie within utility easement corridor.
- Improve Communication with the Public
 - Implement an ongoing 'Did You Know' column in the Ramsey Resident newsletter.
- Develop Public Space Improvement Standards
- Develop Ecological Standards (or BMPs) and an Education/Awareness Campaign for Developers/Development
- Consider/Develop an Eco Challenge Program
- Consider/Develop Tree Replacement Standards for Inclusion in Tree Preservation Ordinance

CC Work Session

2. 3.

Meeting Date: 06/26/2012

By: Colleen Lasher, Administrative Services

Title:

Discussion Regarding Contracted Building Official Services

Background:

Strategic Goals

As part of the 2012 City Council Strategic Goals, Staff has been analyzing expenses related to the administration of building permits, as well as the most cost effective way to deliver these services while providing continuity and stability in an efficient manner. The 2012 Strategic Goals note a comprehensive review of all required permits and inspections. Staff has not completed this full analysis of all expenses related to the administration of the Building Code, but is nearing completion of this analysis. Staff is currently exploring ways to reduce costs now and into the future in order to effectively and efficiently deliver these services. Staff is currently exploring such things as ePermits, electronic/wireless field data entry, and streamlined/automated reporting. In addition, Staff has recently submitted a similar analysis to ICMA as part of the performance measurement program they provide. Staff is awaiting the results of that analysis to better focus further analysis. Staff is forwarding the Building Official discussion due to time considerations and to finalize details of the 2013 Preliminary Budget related to the Building Division. As the Building Division completes plan review on major projects currently under review and completes many of the administrative projects that need completion in the near future, Staff will complete the analysis as requested by the City Council.

Background

In December, 2011, the City began contracting for Building Official services due to a vacancy in the position. The City had already been contracting for building inspection and plan review services. As part of this restructuring, it was determined that the Building Official role would be evaluated in six (6) months to determine a long term solution to this role. This six (6) month review period would also coincide with the 2013 budget discussion. The case was discussed by the Personnel Committee and City Council on December 13, 2011.

The current rate for contracted services with Inspectron is \$50 per hour. Current service levels have required 40 hours per week of Building Official services and 40 hours per week of building inspection and plan review services. It is anticipated that the building inspection and plan review services will drop to 20-30 hours per week upon completion of plan review of two (2) major projects and Staff catching up with two (2) larger projects that have been on hold pending plan review completion. During other times of the year, the hours per week could reduce even further.

Note: Due to the fact that the original contract was to provide building inspection and plan review services, and did not include providing Building Official services, it is anticipated that the contract will need to be revised to reflect the services provided. It is anticipated that this would be reflected in the 2013 budget.

Current Structure

The Building Division is currently comprised of a Building Official (contract services-40 hours per week), a Building Inspector (contracted services-10 to 40 hours per week), a Permit Technician, and is supervised by the Senior Planner. As part of the expense analysis of the Building Division, Staff recommends that the Building Official is needed 40 hours per week in order to provide timely response to plan review, inspections, customer service inquiries, administrative projects, and code enforcement throughout the year.

The current contracted services provided by Inspectron, Inc. have been positive and have provided good customer service in a timely manner.

Recommendation:

Staff would recommend that the City remain with contract services for building inspection and plan review services on an as needed basis. Contracted services allow the City to respond better to seasonal variations in service level needs. In addition, the contracted services provide access to additional areas of expertise and review.

However, contracted services for the Building Official role presents the possibility of disruption in the continuity of delivery of services and is more costly, assuming a Building Official at a full-time equivalent. The City does not have full control over assignments directed by the contracted services. The contracted service could decide to re-assign its staff over time to other locations resulting in the loss of expertise and know how specific to Ramsey. As each community has slightly different processes, rates, and permit software, it is necessary to provide the individual contractor with professional development related to the City's unique features and culture. Naturally, there are direct and indirect costs involved in contractor development and staff is concerned with potential turnover.

Staff would recommend an external recruitment to hire a full-time regular Building Official. Given the current fees paid for contracted Building Official services and the City's current Building Official pay scale, the net savings to the City would be approximately \$16,000 the first year with continued savings in years 2, 3, 4, 5. Year 6 (step 6---top of the scale) would be the only year when costs would be slightly more than the contracted rate (approximately \$1,972.00 more). These calculations include salary and benefits, are based on the 2012 pay scale, and are estimates only. The current contract for services is for \$50 per hour. Since the City does not pay vacation time to the contracted employee, the maximum number of hours paid for a full-time equivalent is 2,000 hours (\$50 x 2,000 hours = \$100,000). Savings would still be realized in monitoring contracted inspection hours and using only as needed. Finally, it is anticipated that the rate may increase slightly if the City chooses to continue to contract for Building Official services, which is in addition to the original scope of the contract. The current supervision structure is proposed to remain in place, with the Senior Planner leading the Planning Division and the Building Division.

Note: The two (2) individuals currently serving Ramsey in contracted services would not be eligible for an internal recruitment. It is important to note that the contract with Inspectron includes a 'buy-out' clause if the City chooses to hire a current employee of Inspectron within one (1) of said employee providing service to the City. Said buy-out would be 10% of the employee's first year annual salary with the City.

Funding Source:

The Building Official position, whether a regular, full-time employee or contracted services, is a component of the General Fund. Expenses of the Building Division are paid by Building Permit revenue collected when Building Permits are issued.

Council Action:

Based on discussion.

Attachments

Building Inspection Services Contract

Minnesota Rules Chapter 1300 (Administration of Building Code)

Form Review

Inbox	Reviewed By	Date
Tim Gladhill	Tim Gladhill	06/20/2012 02:48 PM
Kurt Ulrich	Kurt Ulrich	06/20/2012 09:11 PM
Form Started By: Colleen Lasher		Started On: 06/15/2012 04:31 PM

Final Approval Date: 06/20/2012

BUILDING INSPECTION SERVICES AGREEMENT

This agreement (this "Agreement") is entered into this 22 day of January 2010 by and between Inspectron, Inc., a Minnesota corporation with its principle place of business located at 15120 Chippendale Ave., Rosemount, MN, 55068 ("Inspectron") and the City of Ramsey an incorporated Minnesota city with its principle offices located at 7550 Sunwood Dr. N.W. Ramsey MN 56043 ("City").

WHEREAS, the City has adopted the Minnesota Building code (the "Code");

WHEREAS, the City requires building inspection services to ensure compliance with the Code;

WHEREAS, the City desires to enter into an agreement for the purchase of building inspection services with Inspectron; and

WHEREAS, Inspectron desires to provide such services to the City,

NOW THEREFORE, upon adequate consideration, the receipt and sufficiency of which is acknowledged, the parties hereto agree as follows:

1. **Inspection services.** During the term of this agreement, Inspectron agrees to perform inspection services as outlined in the proposal dated November 13, 2009 (attached hereto as Exhibit A).
2. **Condition of Inspection Services.**
 - a) City agrees to provide Inspectron with access to pertinent information, records, systems and data, as determined necessary in the discretion of Inspectron. The city shall provide all required forms. Inspectron shall assist in the responsibilities of administration and enforcement of the City's zoning ordinance by reviewing, as directed by the city, certain building permits for final zoning approval and land use. City shall hold Inspectron harmless and indemnify Inspectron from any and all claims that arise or may arise from zoning, land use, ordinances or incomplete or incorrect information on the permit application, except in the case of gross negligence by Inspectron. Such indemnification and hold harmless shall specifically include damages, claims costs and reasonable attorney fees.
 - b) Inspectron shall perform the services under this Agreement at such location and at such times as Inspectron deems appropriate while providing the coverage requested by the City.
 - c) Inspectron shall provide all tools, and communication devices it deems necessary to carry out the field services of this Agreement. The City shall provide an inspection vehicle and appropriate desk space for use by Inspectron employees for plan review, in the event plan review services are requested by the City.

- d) All employees of Inspectron performing services hereunder shall be certified State of Minnesota building inspectors.
- e) Inspectron agrees to proceed diligently and in accordance with its usual course and manner of business in providing the services requested by the city herein. Inspectron may at its discretion retain subcontractors in the performance of this agreement. Inspectron shall notify the City in the event a sub-contractor will be used. Inspectron is contractually responsible for all service provided including any subcontracted labor. Inspectron agrees to perform additional services, to which the parties agree during the term of this contract under the terms and conditions of this agreement.

3. **Term of Agreement.** This Agreement is effective commencing January 25, 2010 and shall consist of a period of six months of service. This Agreement may be automatically extended upon such terms and conditions as contained herein.

4. **Non-exclusive Agreement.** Inspectron acknowledges that the City is not granting it by this Agreement, the exclusive right to perform all of the City's commercial and residential building inspections and or plan reviews. The services performed by Inspectron shall be only those specifically directed by the City's Building Official.

5. **Payment.** In consideration of such consulting work, the City agrees to pay to Inspectron under the following schedule:

- a). Commercial and Residential inspections performed by qualified employees: \$50 hour
- b) Commercial and Residential Plan Review performed by qualified employees: \$50 hour

Hourly charges are inclusive of equipment charges, communication charges and overhead.

Work will be billed on a monthly basis and shall be due and payable upon receipt of such billing. The City upon receipt of such billing shall pay within 30 days.

Payments more than 30 days delinquent shall accrue a 1.5 percent monthly finance charge.

6. Notwithstanding the Agreement terms outlined in the November 13, 2009 "Proposal to the City of Ramsey", the City does not by this Agreement, contract with Inspectron for a minimum number of hours per week. The number of hours required of Inspectron shall be at the sole discretion of the City.

7. **Confidentiality.** Subject to compliance by the City with the State of Minnesota data practices laws, the City agrees that it will not reveal divulge or make known to any person, firm, or corporation any secret or confidential information during or after the term of this agreement. Confidential information shall be defined as knowledge, systems,

practices or other information submitted in writing or other tangible form designated as confidential by Inspectron. The City shall use such confidential information for the limited purposes of this agreement.

8. **No Employment Relationship.** Nothing in this Agreement shall be construed to create an employment, partnership, joint venture, license or agency relationship between the parties hereto and neither party shall have the right or authority to bind the other. For purposes of this Agreement, Inspectron shall be deemed an independent contractor. Inspectron's employees shall not be entitled to any employment benefits customarily given to City employees.

9. **Inspectron Employees.** The City agrees that it will not hire any of Inspectron's employees, who have provided services under this agreement, during the term of this contract or for a period of one year after the expiration or termination of this agreement, without the express written consent of Inspectron. In the event the City hires such Inspectron employee(s) (with or without express written consent of Inspectron); the City shall notify Inspectron and pay a fee of ten (10%) percent of the employee's 1st year annual salary with the City. Such payment shall be due upon the commencement of employment with the City.

10. **Termination.** This Agreement may be terminated by either party without cause upon forty-five (45) days written notice. Such termination shall not affect the rights and obligations of the parties accrued prior to the termination date or rights under paragraphs 3 and 4 above.

11. **Assignability.** This Agreement is not assignable by either party without the prior written consent of the non-assigning party.

12. **Law.** This Agreement shall be governed by the law of the State of Minnesota. The parties agree that the venue of any legal action arising under this Agreement shall be Anoka County, Minnesota. The parties further agree that in the event either party brings an action against the other to enforce any condition or covenant of this Agreement the prevailing party shall be entitled to recover its court costs and reasonable attorney fees in the judgment rendered in such action.

13. **Severability.** If any provision of this Agreement shall be held by any court of competent jurisdiction to be illegal, invalid or unenforceable, such provision shall be construed and enforced as if it had been more narrowly drawn so as to be legal, valid or enforceable. Such illegality, invalidity or unenforceability shall not have effect upon or impair the enforceability of any other provision of this Agreement.

14. **Indemnification.** Any and all claims that arise or may arise against Inspectron, its agents, servants or employees as a consequence of any act or omission on the part of Inspectron or its agents, servants, or employees while engaged in the performance of this Agreement shall in no way be the obligation or responsibility of the City. Inspectron shall indemnify, hold harmless and defend the City, its officers and employees against any and all liability, loss, costs, damages, expenses, claims or actions, including

attorney's fees which the City, its officers or employees may hereafter sustain, incur or be required to pay, arising out of or by reason of any act or omission of Inspectron, its agents, servants or employees, in the execution, performance, or failure to adequately perform Inspectron's obligations pursuant to this Agreement.

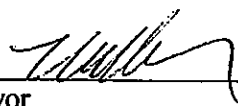
Inspectron shall further indemnify the City against all liability and loss in connection with, and shall assume full responsibility for, payment of all federal, state and local taxes or contributions imposed or required under employment insurance, social security and income tax laws, with respect to Inspectron employees engaged in performance of this Agreement.

15. Entire Agreement. This Agreement constitutes the entire agreement between the parties. This Agreement may be amended only by written agreement of both the City and Inspectron.

IN WITNESS WHEREOF, the parties hereto have executed this agreement on the day and year first written above.

City

Inspectron, Inc.

By: 
Its: Mayor

By: 
Its: President.

ATTEST:

By: 
Its: City Administrator

"Exhibit A"

INSPECTRON INC.

**Proposal for Building Inspection and Related Services for
City of Ramsey**

**Attention:
Mick Kaehler, Building Official
7550 Sunwood Drive NW
Ramsey, MN 55303**

November 13, 2009

Proposal to City of Ramsey MN

Scope of Services

Inspectron, Inc. proposes to provide part time building inspection and related services to the City of Ramsey. This service is intended to include inspecting properties and enforcing the Minnesota State Building Code under the direction of the City Building Official. This service will be provided for both residential and commercial projects.

Building Inspection

Inspectron Inc. will inspect properties and enforce the Minnesota State Building Code under the direction of the City Building Official.

Plumbing Code

Inspectron Inc. will provide enforcement and administration of the Minnesota State Plumbing Code and plumbing plan review services.

Rental Housing Inspection

Inspectron Inc. will be responsible for inspecting and enforcing the City's Rental Housing Ordinance, including but not limited to inspecting rental housing for license renewal, responding to complaint inspections and performing administrative tasks associated with the enforcement of the Rental Housing Ordinance.

Additional Duties:

Work regarding the above referenced codes and ordinances involves responsibility for plan review, scheduling, and inspection of residential and commercial buildings and other structures in regard to conformity with code requirements and technical standards, any administrative work in support of those duties assigned herein and enforcement. Work also involves determining building permit valuations for inspected construction projects and providing the City with Code revisions that are either desirable or required. These duties also include complaint investigations, hazardous building inspections and assistance with the prosecution of building code and hazardous building violations.

Other Services

Inspectron Inc. is also willing and able to provide the following services at the request of the City:

On-site Sewage Disposal Systems

Inspectron Inc. will provide On-site Sewage Disposal System review and inspections with its staff of MPCA certified inspectors. This would include review of new system designs, inspection of new and replacement installations and compliance inspections as necessary. All system installations will be documented with a record as built form.

Zoning Enforcement Scope of Services

At the request of the City, Inspectron Inc. will also enforce junk and other public nuisance complaints through thorough investigation, notification and assistance to the City Attorney with prosecution as necessary. Inspectron will provide fair and consistent nuisance enforcement that will include written inspection reports and necessary correspondence to the violator. Violation citations will be issued for all non-responsive, uncooperative violators.

Terms

Inspectron will have personnel available as needed 15-20 hours per week to cover the inspection services outlined in the Scope of Services. This schedule can be increased as necessary to meet the needs of the City.

Inspectron, Inc. will provide effective, efficient and expedient service by utilizing its team of inspectors and plan review staff for inspections and plan reviews. A designated inspector will be assigned but the full staff of Inspectron Inc. will be available. Ron Wasmund will serve as the Project Manager.

Inspectron, Inc. will provide the services listed in the Scope of Services at the hourly rate of \$50.00/per hour. Services will be billed to the City on a monthly basis.

Inspectron, Inc. will provide the services listed in the Onsite Sewage Disposal Systems Scope of Work at the hourly rate of \$50.00/per hour. Services will be billed to the City on a monthly basis.

Inspectron, Inc. will provide the services listed in the Zoning Enforcement Scope of Services at the hourly rate of \$65.00/per hour and will be added to the monthly invoice.

All communication, tools and insurance costs will be the direct responsibility of Inspectron, Inc. A Certificate of Insurance indicating all required insurance will be provided upon execution of a service agreement.

Inspections requested outside of normal business hours, M-F 8:00 a.m. to 4:30 p.m. will be billed \$75.00 per hour. A 1-hour minimum will apply.

Statement of Understanding

We/I have read the City's Request for Proposal (RFP) for part-time consulting services and fully understand its intent. We/I certify that we have adequate personnel, equipment and facilities to provide the City's requested services. We/I have thoroughly examined the RFP requirements, and our proposed fees cover all the services that we have indicated we can provide.

Respectfully Submitted,

Ron Wasmund
President
Inspectron Inc.

MINNESOTA RULES, CHAPTER 1300

ADMINISTRATION OF THE STATE BUILDING CODE

1300.0010 ADMINISTRATION.

This chapter provides administrative provisions for all Minnesota State Building Code rule chapters identified in part 1300.0050. If specific administrative provisions are provided in a statute or rule chapter, the specific administrative provisions apply.

Chapter 1315 shall be administered according to chapter 3800, and the Minnesota Electrical Act, Minnesota Statutes, sections 326.01, and 326.241 to 326.248. Provisions of this chapter that do not conflict with the Minnesota Electrical Act also apply.

1300.0020 TITLE.

The chapters listed in part 1300.0050, including the standards they adopt by reference, are the Minnesota State Building Code and may be cited as or referred to as the "code."

1300.0030 PURPOSE AND APPLICATION.

Subpart 1. **Purpose.** The purpose of this code is to establish minimum requirements to safeguard the public health, safety, and general welfare through structural strength, means of egress facilities, stability, sanitation, adequate light and ventilation, energy conservation, and safety to life and property from fire and other hazards attributed to the built environment and to provide safety to fire fighters and emergency responders during emergency operations.

The purpose of the code is not to create, establish, or designate a particular class or group of persons who will or should be especially protected or benefited by the terms of the code.

Subp. 2. **Application.**

A. The code applies statewide except as provided in Minnesota Statutes, sections 16B.72 and 16B.73, and supersedes the building code of any municipality. The code does not apply to agricultural buildings except with respect to state inspections required or rulemaking authorized by Minnesota Statutes, sections 103F.141, subdivision 8, and 326.2441.

B. The codes and standards referenced in a rule chapter are considered part of the requirements of the code to the prescribed extent of each reference. If differences occur between provisions of the code and referenced codes and standards, the provisions of the code apply.

C. In the event that a new edition of the code is adopted after a permit has been issued, the edition of the code current at the time of permit application shall remain in effect throughout the work authorized by the permit.

1300.0040 SCOPE.

The code applies to the construction, alteration, moving, demolition, repair, and use of any building, structure, or building service equipment in a municipality, except work located primarily in a public way, public utility towers and poles, mechanical equipment not specifically regulated in the code, and hydraulic flood control structures. Structures classified under part 1300.0070, subpart 12a, as IRC 1, IRC 2, IRC 3, and IRC 4 occupancies not more than three stories above grade plane in height with separate means of egress shall comply with chapter 1309 and other applicable rules. Other buildings and structures and appurtenances connected or attached to them shall comply with chapter 1305 and other applicable rules.

Exception: The following structures that meet the scope of chapter 1305 shall be

designed to comply with Minnesota Rules, chapter 1311:

- (1) existing buildings undergoing repair, alteration, or change of occupancy; and
- (2) historic buildings.

If different provisions of the code specify different materials, methods of construction, or other requirements, the most restrictive provision governs. If there is a conflict between a general requirement and a specific requirement, the specific requirement applies.

If reference is made in the code to an appendix, the provisions in the appendix do not apply unless specifically adopted by the code. Optional appendix chapters of the code identified in part 1300.0060 do not apply unless a municipality has specifically adopted them.

1300.0050 CHAPTERS OF MINNESOTA STATE BUILDING CODE.

The Minnesota State Building Code adopted under Minnesota Statutes, section 16B.61, subdivision 1, includes the following chapters:

- A. 1300, Minnesota Building Code Administration;
- B. 1301, Building Official Certification;
- C. 1302, State Building Code Construction Approvals;
- D. 1303, Special Provisions;
- E. 1305, Adoption of the International Building Code;
- F. 1306, Special Fire Protection Systems;
- G. 1307, Elevators and Related Devices;
- H. 1309, Adoption of the International Residential Code;
- I. 1311, Minnesota Conservation Code for Existing Buildings;
- J. 1315, Adoption of the National Electrical Code;
- K. 1325, Solar Energy Systems;

- L. 1335, Floodproofing Regulations;
- M. 1341, Minnesota Accessibility Code;
- N. 1346, Minnesota Mechanical Code;
- O. 1350, Manufactured Homes;
- P. 1360, Prefabricated Structures;
- Q. 1361, Industrialized/Modular Buildings;
- R. 1370, Storm Shelters (Manufactured Home Parks);
- S. 4715, Minnesota Plumbing Code; and
- T. 7670, 7672, 7674, 7676, and 7678, Minnesota Energy Code.

1300.0060 OPTIONAL ADMINISTRATION.

The following chapters of the code are not mandatory but may be adopted without change by a municipality which has adopted the code:

- A. chapter 1306, Special Fire Protection Systems;
- B. grading, IBC appendix chapter J; and
- C. chapter 1335, Floodproofing Regulations, parts 1335.0600 to 1335.1200.

1300.0070 DEFINITIONS.

Subpart 1. **Scope; incorporation by reference.** The definitions in this part apply to parts 1300.0010 to 1300.0250. For terms that are not defined through the methods authorized by this chapter, the Merriam-Webster Collegiate Dictionary, available at www.m-w.com, shall be considered as providing ordinarily accepted meanings. The dictionary is incorporated by reference, is subject to frequent change, and is available through the Minitex interlibrary loan system.

Subp. 2. **Administrative authority.** "Administrative authority" means a municipality's governing body or its assigned administrative authority.

Subp. 3. **Adult day care center.** "Adult day care center" means a facility that provides adult day care to functionally impaired adults on a regular basis for periods of less than 24 hours a day in a setting other than a participant's home or the residence of the facility operator.

A. "Class E" means any building or portion of a building used for adult day care purposes, by more than five occupants, for those participants who are capable of taking appropriate action for self-preservation under emergency conditions as determined according to part 9555.9730, and must meet Group E occupancy requirements.

B. "Class I" means any building or portion of a building used for adult day care purposes, by more than five occupants, for those participants who are not capable of taking appropriate action for self-preservation under emergency conditions as determined according to part 9555.9730, and must meet Group I, Division 4 occupancy requirements.

Subp. 4. **Agricultural building.** "Agricultural building" means a building that meets the requirements of Minnesota Statutes, section 16B.60, subdivision 5.

Subp. 5. **Building official.** "Building official" means the municipal building code official certified under Minnesota Statutes, section 16B.65, subdivisions 2 and 3.

Subp. 6. **Building service equipment.** "Building service equipment" refers to the plumbing, mechanical, electrical, and elevator equipment, including piping, wiring, fixtures, and other accessories, that provides sanitation, lighting, heating, ventilation, cooling, refrigeration, firefighting, and transportation facilities essential to the occupancy of the building or structure for its designated use and occupancy.

Subp. 7. **City.** "City" means a home rule charter or statutory city.

Subp. 8. **Code.** "Code" means the Minnesota State Building Code adopted under Minnesota Statutes, section 16B.61, subdivision 1, and includes the chapters identified in part 1300.0020.

Subp. 9. **Commissioner.** "Commissioner" means the commissioner of administration.

Subp. 10. **Designate.** "Designate" means the formal designation by a municipality's administrative authority of a certified building official accepting responsibility for code administration.

Subp. 10a. **Family adult day services.** "Family adult day services" means a program providing services for up to eight functionally impaired adults for less than 24 hours per day in the license holder's primary residence according to Minnesota Statutes, section 245A.143. This includes programs located in residences licensed by the Department of Human Services for adult foster care, provided that not more than eight adults, excluding staff, are present in the residence at any time.

Subp. 11. **Family day care home.** "Family day care home" means a residence or portion of a residence licensed by the Department of Human Services under chapter 9502 for no more than ten children at one time of which no more than six are under school age, and must meet Group R, Division 3 occupancy requirements.

Subp. 12. **Group day care home.** "Group day care home" means any residence or portion of a residence licensed by the Department of Human Services under chapter 9502 for no more than 14 children at any one time, and must meet Group R, Division 3 occupancy requirements.

Subp. 12a. **International residential code (IRC) occupancy classifications.** International residential code (IRC) occupancy classifications are as follows:

IRC 1 single family dwellings;

- IRC 2 two family dwellings;
- IRC 3 townhouses; and
- IRC 4 accessory structures:
 - A. garages;
 - B. storage sheds; and
 - C. similar structures.

Subp. 13. **Mandatory terms.** "Mandatory terms" include "must" and "shall," which have the same meaning.

Subp. 14. **Manufactured home.** "Manufactured home" has the meaning given in Minnesota Statutes, section 327.31, subdivision 3, and for the purpose of determining occupancy separations, is considered a Group IRC 1 occupancy.

Subp. 15. **Master plan.** "Master plan" is a plan that has been reviewed for code compliance by the building official and stamped "Reviewed for Code Compliance."

Subp. 16. **Mayor and city council.** "Mayor" and "city council" mean governing body whenever they appear in the code.

Subp. 17. **Municipality.** "Municipality" means a city, county, or town; the University of Minnesota; or the state of Minnesota for public buildings and state licensed facilities.

Subp. 18. **Outpatient clinic.** "Outpatient clinic" means a building or part of a building used to provide, on an outpatient basis, surgical treatment requiring general anesthesia, kidney dialysis, or other treatment that would render patients incapable of unassisted self-preservation under emergency conditions. "Outpatient clinic" includes outpatient surgical centers, but does not include doctors' and dentists' offices or clinics for the practice of medicine or the delivery of primary care. Outpatient clinics must meet Group B occupancy requirements.

Subp. 19. **Performance-based design.** An engineering approach to design elements of a building based on agreed upon performance goals and objectives, engineering analysis, and quantitative

assessment of alternatives against the design goals and objectives, using accepted engineering tools, methodologies, and performance criteria.

Subp. 20. **Recyclable materials.** "Recyclable materials" means materials that are separated from mixed municipal solid waste for the purpose of recycling, including paper, glass, plastic, metals, automobile oil, and batteries. Refuse-derived fuel or other material that is destroyed by incineration is not a recyclable material.

Subp. 21. **Recycling.** "Recycling" means the process of collecting and preparing recyclable materials and reusing the materials in their original form or using them in manufacturing processes that do not cause the destruction of recyclable materials in a manner that precludes further use.

Subp. 22. **Residential hospice facility.** "Residential hospice facility" means a facility located in a residential area that directly provides 24 hour residential and support services in a home like setting for one to 12 persons who have been diagnosed as terminally ill with a probable life expectancy of under one year. A residential hospice facility must meet IBC Group R 4 occupancy requirements.

Subp. 23. **Supervised living facility.** "Supervised living facility" means a facility in which there is provided supervision, lodging, meals, and according to the rules of the Minnesota Department of Human Services and the Minnesota Department of Health, counseling and developmental habilitative or rehabilitative services to persons who are mentally retarded, chemically dependent, adult mentally ill, or physically disabled.

A. "Class A-1 supervised living facility" means a supervised living facility for ambulatory and mobile persons who are capable of taking appropriate action for self-preservation under emergency conditions as determined by program licensure provisions

for six or fewer persons, and must meet Group R, Division 3 occupancy requirements.

B. "Class A-2 supervised living facility" means a supervised living facility for ambulatory and mobile persons who are capable of taking appropriate action for self-preservation under emergency conditions as determined by program licensure provisions for seven to 16 persons, and must meet Group R, Division 4 occupancy requirements. Facilities with more than 16 persons must meet Group I-1 occupancy requirements.

C. "Class B-1 supervised living facility" means a supervised living facility for ambulatory, nonambulatory, mobile, or nonmobile persons who are not mentally or physically capable of taking appropriate action for self-preservation under emergency conditions as determined by program licensure provisions for six or fewer persons, and must meet Group R, Division 3 occupancy requirements.

D. "Class B-2 supervised living facility" means a supervised living facility for ambulatory, nonambulatory, mobile, or nonmobile persons who are not mentally or physically capable of taking appropriate action for self-preservation under emergency conditions as determined by program licensure provisions for seven to 16 persons, and must meet Group R, Division 4 occupancy requirements.

E. "Class B-3 supervised living facility" means a supervised living facility for ambulatory, nonambulatory, mobile, or nonmobile persons who are not mentally or physically capable of taking appropriate action for self-preservation under emergency conditions as determined by program licensure provisions for over 16 persons, and must meet Group I, Division 2 occupancy requirements.

Subp. 24. **State building official.** "State building official" means the person who,

under the direction and supervision of the commissioner, administers the code.

Subp. 25. **State licensed facilities.** "State licensed facilities" means a building and its grounds that are licensed by the state as a hospital, nursing home, supervised living facility, free-standing outpatient surgical center, or correctional facility.

Subp. 26. **State-owned buildings.** "State-owned buildings" means buildings and structures financed in whole or in part by state funds that are under the exclusive jurisdiction and custodial control of one or more state department or agency.

1300.0080 CODE ADOPTION AND AMENDMENTS.

Under Minnesota Statutes, section 16B.61, the code is adopted and periodically updated to include current editions of national model codes in general use and existing statewide specialty codes and their amendments.

Under Minnesota Statutes, section 16B.64, subdivisions 5 and 6, amendments to the code may be proposed and initiated by any interested person. Proposed amendments must be submitted in writing on a form provided by the commissioner.

1300.0090 DEPARTMENT OF BUILDING SAFETY.

Subpart 1. **Creation of enforcement agency.** There is hereby established in the municipality a code enforcement agency and the official in charge is the designated building official. The agency is referred to in the code as the "Department of Building Safety."

Subp. 2. **Appointment.** The building official shall be designated by the municipality according to Minnesota Statutes, section 16B.65.

1300.0100 [Repealed, 19 SR 1340]

1300.0110 DUTIES AND POWERS OF BUILDING OFFICIAL.

Subpart 1. **General.** The building official shall enforce the code. The building official may render interpretations of the code and adopt policies and procedures in order to clarify its application. The interpretations, policies, and procedures shall be in conformance with the intent and purpose of the code. The policies and procedures shall not have the effect of waiving requirements specifically provided for in the code.

Subp. 2. **Deputies.** According to the prescribed procedures of the municipality and with the concurrence of the appointing authority, the building official may designate a deputy building official and related technical officers, inspectors, plan examiners, and other employees. The employees have the powers delegated by the building official.

Subp. 3. **Applications and permits.** The building official shall receive applications, review construction documents, and issue permits for the erection, alteration, demolition, moving, and repair of buildings and structures, including all other equipment and systems regulated by the code. The building official shall inspect the premises for which the permits have been issued and enforce compliance with the code.

Subp. 4. **Notices and orders.** The building official shall issue all necessary notices and orders to ensure compliance with the code. Notices and orders shall be in writing unless waived by the permit applicant, contractor, owner, or owner's agent. Notices and orders shall be based on the edition of the code under which the permit has been issued.

Subp. 5. **Inspections.** The building official shall make all of the required inspections or accept reports of inspection by approved agencies or individuals. Results of inspections shall be documented on the job site inspection card and in the official records of the municipality, including type of

inspection, date of inspection, identification of the responsible individual making the inspection, and comments regarding approval or disapproval of the inspection. The building official may engage expert opinion necessary to report upon unusual technical issues that arise.

Subp. 6. **Identification.** The building official and deputies shall carry proper identification when inspecting structures or premises in the performance of duties under the code.

Subp. 7. **Right of entry.** If it is necessary to make an inspection to enforce the code or if the building official has reasonable cause to believe that there exists in a structure or upon a premises a condition contrary to or in violation of the code that makes the structure or premises unsafe, dangerous, or hazardous, the building official or designee may enter the structure or premises at reasonable times to inspect or to perform the duties imposed by the code, provided that if the structure or premises is occupied, credentials must be presented to the occupant and entry requested. If the structure or premises is unoccupied, the building official shall first make a reasonable effort to locate the owner or other person having charge or control of the structure or premises and request entry. If entry is refused, the building official shall have recourse to the remedies provided by law to secure entry.

Subp. 8. **Department records.** The building official shall be responsible for official records of applications received, plans, specifications, surveys, plot plans, plan reviews, permits and certificates issued, reports of inspections, and notices and orders issued. The records shall be retained for the period required for the retention of public records under Minnesota Statutes, section 138.17. Department records shall be maintained by the municipality and readily available for review according to Minnesota Statutes, section 13.37.

Subp. 9. **Liability.** The building official, member of the Board of Appeals, or employee charged with the enforcement of the code, while acting for the jurisdiction in good faith and without malice in the discharge of the duties required by the code or other pertinent laws or ordinances, is not rendered personally liable and is relieved from personal liability for any damage accruing to persons or property as a result of any act or by reason of an act or omission in the discharge of official duties. Any suit instituted against an officer or employee because of an act performed by that officer or employee in the lawful discharge of duties and under the code shall be defended by the legal representative of the jurisdiction until the final termination of the proceedings. The building official or any subordinate is not liable for cost in any action, suit, or proceeding that is instituted in pursuance of the code.

Subp. 10. **Approved materials and equipment.** Materials, equipment, and devices approved by the building official shall be constructed and installed in the approved manner.

Subp. 11. **Used material and equipment.** The use of used materials that meet the requirements of the code for new materials is permitted. Used equipment and devices shall not be reused unless approved by the building official.

Subp. 12. **Modifications.** If there are practical difficulties involved in carrying out the provisions of the code, the building official may grant modifications for individual cases, upon application by the owner or owner's representative, provided the building official finds that special individual reason makes the strict letter of the code impractical, the modification is in compliance with the intent and purpose of the code, and the modification does not lessen health, life, and fire safety or structural requirements. The details of action granting modifications

shall be recorded and entered in the files of the Department of Building Safety.

Subp. 13. **Alternative materials, design, and methods of construction and equipment.** The code is not intended to prevent the installation of any material or to prohibit any design or method of construction not specifically prescribed by the code, provided that any alternative has been approved. An alternative material, design, or method of construction shall be approved where the building official finds that the proposed design is satisfactory and complies with the intent of the code, and that the material, method, or work offered is, for the purpose intended, at least the equivalent of that prescribed in the code in quality, strength, effectiveness, fire resistance, durability, and safety. The details of any action granting approval of an alternate shall be recorded and entered in the files of the Department of Building Safety.

Subp. 14. **Performance-based fire and life safety design.** The code official may approve performance-based fire and life safety designs if the code official finds that the proposed design has been conducted by an approved method. Approved performance-based designs are evidence of compliance with the intent of the code. Approvals under this subpart are subject to the approval of the building code official whenever the design involves matters regulated by the building code.

A. Design goals, objectives, and performance criteria shall be approved by the code official before submission of a performance-based design report, calculations, or analysis results. As a minimum, an approved performance-based design shall address the following objectives:

- (1) life safety of occupants;
- (2) firefighter safety;
- (3) property protection;

- (4) continuity of operations; and
- (5) safeguarding of the environment.

B. To determine the acceptability of a performance-based design, the code official may require the owner or agent to provide, without charge to the jurisdiction, a technical opinion and report. The code official may require the technical opinion and report to be prepared by, and bear the stamp of, a licensed design professional.

C. Performance-based designs shall be prepared by, and bear the stamp of, a licensed design professional competent in the area of work. The design professional shall provide written confirmation to the code official before a certificate of occupancy is issued that the performance-based design has been properly implemented, the operation or use of the building is within the limitations of the design, and adequate controls are in place to maintain compliance with the conditions of the design throughout the life of the building.

Subp. 15. **Tests.** If there is insufficient evidence of compliance with the code, or evidence that a material or method does not conform to the requirements of the code, or in order to substantiate claims for alternative materials or methods, the building official shall have the authority to require tests as evidence of compliance to be made at no expense to the municipality. Test methods shall be as specified in the code or by other recognized test standards. In the absence of recognized and accepted test methods, the building official shall approve the testing procedures. Tests shall be performed by an approved agency. Reports of the tests shall be retained by the building official.

1300.0120 PERMITS.

Subpart 1. **Required.** An owner or authorized agent who intends to construct, enlarge, alter, repair, move, demolish, or change the occupancy of a building or structure, or to erect, install, enlarge, alter, repair, remove, convert, or replace any gas,

mechanical, electrical, plumbing system, or other equipment, the installation of which is regulated by the code; or cause any such work to be done, shall first make application to the building official and obtain the required permit.

Subp. 2. **Annual permit.** In lieu of an individual permit for each alteration to an already approved electrical, gas, mechanical, or plumbing installation, the building official may issue an annual permit upon application for the permit to any person, firm, or corporation regularly employing one or more qualified trade persons in the building, structure, or on the premises owned or operated by the applicant for the permit.

Subp. 3. **Annual permit records.** The person to whom an annual permit is issued shall keep a detailed record of alterations made under the annual permit. The building official shall have access to the records at all times or the records shall be filed with the building official as designated.

Subp. 4. **Work exempt from permit.** Exemptions from permit requirements of the code do not authorize work to be done in any manner in violation of the code or any other laws or ordinances of this jurisdiction. Permits shall not be required for the following:

A. Building:

(1) one-story detached accessory structures, used as tool and storage sheds, playhouses, and similar uses, provided the floor area does not exceed 120 square feet (11.15 mm²);

(2) fences not over six feet (1,829 mm) high;

(3) oil derricks;

(4) retaining walls that are not over four feet (1,219 mm) in height measured from the bottom of the footing to the top of the wall, unless supporting a surcharge or impounding Class I, II, or III-A liquids;

(5) water tanks supported directly upon grade if the capacity does not exceed 5,000 gallons (18,927 L) and the ratio of height to diameter or width does not exceed 2 to 1;

(6) sidewalks and driveways that are not part of an accessible route;

(7) decks and platforms not more than 30 inches (762 mm) above adjacent grade and not attached to a structure with frost footings and which is not part of an accessible route;

(8) painting, papering, tiling, carpeting, cabinets, countertops, and similar finish work;

(9) temporary motion picture, television, and theater stage sets and scenery;

(10) prefabricated swimming pools installed entirely above ground accessory to dwelling units constructed to the provisions of the International Residential Code or R 3 occupancies constructed to the provisions of the International Building Code, which do not exceed both 5,000 gallons in capacity (18,925 L) and a 24 inch (610 mm) depth;

(11) window awnings supported by an exterior wall that do not project more than 54 inches (1,372 mm) from the exterior wall and do not require additional support, when constructed under the International Residential Code or Group R 3 and Group U occupancies constructed to the provisions of the International Building Code;

(12) movable cases, counters, and partitions not over five feet, nine inches (1,753 mm) in height;

(13) agricultural buildings as defined in Minnesota Statutes, section 16B.60, subdivision 5; and

(14) swings and other playground equipment.

Unless otherwise exempted, plumbing, electrical, and mechanical permits are required for subitems (1) to (14).

B. Gas:

(1) portable heating, cooking, or clothes drying appliances;

(2) replacement of any minor part that does not alter approval of equipment or make the equipment unsafe; and

(3) portable fuel cell appliances that are not connected to a fixed piping system and are interconnected to a power grid.

C. Mechanical:

(1) portable heating appliances;

(2) portable ventilation appliances and equipment;

(3) portable cooling units;

(4) steam, hot, or chilled water piping within any heating or cooling equipment regulated by this code;

(5) replacement of any part that does not alter approval of equipment or make the equipment unsafe;

(6) portable evaporative coolers;

(7) self contained refrigeration systems containing ten pounds (4.5 kg) or less of refrigerant or that are actuated by motors of one horsepower (0.75 kW) or less; and

(8) portable fuel cell appliances that are not connected to a fixed piping system and are not interconnected to a power grid.

D. Plumbing: See chapter 4715 for plumbing work that is exempt from a permit.

E. Electrical: an electrical permit is not required if work is inspected by the State Board of Electricity or is exempt from inspection under Minnesota Statutes, section 326.244. Obtaining a permit from the Board of Electricity does not exempt the work from other Minnesota State Building Code requirements relating to electrical equipment, its location, or its performance.

Subp. 5. **Emergency repairs.** If equipment replacements and repairs must be

performed in an emergency situation, the permit application shall be submitted to the building official within the next working business day.

Subp. 6. **Repairs.** Application or notice to the building official is not required for ordinary repairs to structures. The repairs shall not include the cutting away of any wall, partition, or portion of a wall or partition, the removal or cutting of any structural beam or load bearing support, or the removal or change of any required means of egress, or rearrangement of parts of a structure affecting the egress requirements; nor shall ordinary repairs include addition to, alteration of, replacement, or relocation of any standpipe, water supply, sewer, drainage, drain leader, gas, soil, waste, vent or similar piping, electric wiring, or mechanical or other work affecting public health or general safety.

Subp. 7. **Application for permit.** To obtain a permit, the applicant shall file an application in writing on a form furnished by the Department of Building Safety for that purpose. The application shall:

A. identify and describe the work to be covered by the permit for which application is made;

B. describe the land on which the proposed work is to be done by legal description, street address, or similar description that will readily identify and definitely locate the proposed building or work;

C. indicate the use and occupancy for which the proposed work is intended;

D. indicate the type of construction;

E. be accompanied by construction documents and other information as required by the code;

F. state the valuation of the proposed work;

G. be signed by the applicant, or the applicant's authorized agent; and

H. give other data and information required by the building official.

Subp. 8. **Action on application.** The building official shall examine or cause to be examined applications for permits and amendments within a reasonable time after filing. If the application or the construction documents do not conform to the requirements of pertinent laws, the building official shall reject the application and notify the applicant of the reasons. The building official shall document the reasons for rejecting the application. The applicant may request written documentation of the rejection and the reasons for the rejection. When the building official is satisfied that the proposed work conforms to the requirements of the code and applicable laws and ordinances, the building official shall issue a permit.

Subp. 9. **Time limitation of application.** An application for a permit for any proposed work shall be considered abandoned 180 days after the date of filing, unless the application has been pursued in good faith or a permit has been issued; except that the building official is authorized to grant one or more extensions of time for additional periods not exceeding 180 days each. The extension shall be requested in writing and justifiable cause demonstrated.

Subp. 10. **Validity of permit.** The issuance or granting of a permit or approval of plans, specifications, and computations, shall not be construed to be a permit for any violation of the code or of any other ordinance of the jurisdiction. Permits presuming to give authority to violate or cancel the provisions of the code or other ordinances of the jurisdiction are not valid. The issuance of a permit based on construction documents and other data shall not prevent the building official from requiring the correction of errors in the construction documents and other data. The building official may also prevent occupancy

or use of a structure that violates the code or any other ordinance of this jurisdiction.

Subp. 11. **Expiration.** Every permit issued shall become invalid unless the work authorized by the permit is commenced within 180 days after its issuance, or if the work authorized by the permit is suspended or abandoned for a period of 180 days after the time the work is commenced. The building official may grant, in writing, one or more extensions of time, for periods not more than 180 days each. The extension shall be requested in writing and justifiable cause demonstrated.

Subp. 12. **Suspension or revocation.** The building official may suspend or revoke a permit issued under the code if the permit is issued in error; on the basis of incorrect, inaccurate, or incomplete information; or in violation of any ordinance or regulation or the code.

Subp. 13. **Placement of permit.** The building permit or a copy shall be kept on the site of the work until the completion of the project.

Subp. 14. **Responsibility.** Every person who performs work for the installation or repair of building, structure, electrical, gas, mechanical, or plumbing systems, for which the code is applicable, shall comply with the code.

1300.0130 CONSTRUCTION DOCUMENTS.

Subpart 1. **Submittal documents.** Construction documents, special inspection and structural observation programs, and other data shall be submitted in one or more sets with each application for a permit.

Exception: The building official may waive the submission of construction documents and other data if the nature of the work applied for is such that reviewing of construction documents is

not necessary to obtain compliance with the code.

The building official may require plans or other data be prepared according to the rules of the Board of Architecture, Engineering, Land Surveying, Landscape Architecture, Geoscience and Interior Design, chapter 1800, and Minnesota Statutes, sections 326.02 to 326.15, and other state laws relating to plan and specification preparation by occupational licenses. If special conditions exist, the building official may require additional construction documents to be prepared by a licensed design professional.

Subp. 2. **Information on construction documents.** Construction documents shall be dimensioned and drawn upon suitable material. Electronic media documents are permitted to be submitted when approved by the building official. Construction documents shall be of sufficient clarity to indicate the location, nature, and extent of the work proposed and show in detail that it will conform to the code and relevant laws, ordinances, rules, and regulations, as determined by the building official.

Subp. 3. **Manufacturer's installation instructions.** When required by the building official, manufacturer's installation instructions for construction equipment and components regulated by the code, shall be available on the job site at the time of inspection.

Subp. 4. **Site plan.** The construction documents submitted with the application for permit shall be accompanied by a site plan drawn to scale, showing the size and location of new construction and existing structures on the site, distances from lot lines, the established street grades, and the proposed finished grades, and it shall be drawn according to an accurate boundary line survey. In the case of demolition, the site plan shall show construction to be demolished and the location and size of existing structures and construction that are to remain on the site

or plot. The building official may waive or modify the requirement for a site plan if the application for permit is for alteration or repair or when otherwise warranted.

Subp. 5. Examination of documents. The building official shall examine or cause to be examined the accompanying construction documents to ascertain whether the construction indicated and described complies with the requirements of the code and other pertinent laws and ordinances.

Subp. 6. Approval of construction documents. If the building official issues a permit, the construction documents shall be approved in writing or by a stamp, stating "Reviewed for Code Compliance," dated, and signed by the building official or an authorized representative. One set of the construction documents that were reviewed shall be retained by the building official. The other set shall be returned to the applicant, kept at the site of the work, and open to inspection by the building official or an authorized representative.

Subp. 7. Previous approvals. The code in effect at the time of application shall be applicable.

Subp. 8. Phased approval. The building official may issue a permit for the construction of foundations or any other part of a building or structure before the construction documents for the whole building or structure have been submitted, provided that adequate information and detailed statements have been filed complying with pertinent requirements of the code. The holder of the permit for the foundation or other parts of a building or structure shall proceed at the holder's own risk with the building operation and without assurance that a permit for the entire structure will be granted.

Subp. 9. Design professional in responsible charge.

A. The building official may require the owner to engage and designate on the building permit application a licensed design professional who shall act as the licensed design professional in responsible charge. If the circumstances require, the owner shall designate a substitute licensed design professional in responsible charge who shall perform the duties required of the original licensed design professional in responsible charge. The building official shall be notified in writing by the owner if the licensed design professional in responsible charge is changed or is unable to continue to perform the duties.

The licensed design professional in responsible charge shall be responsible for reviewing and coordinating submittal documents prepared by others, including phased and deferred submittal items, for compatibility with the design of the building.

When structural observation is required by the code, the inspection program shall name the individual or firms who are to perform structural observation and describe the stages of construction at which structural observation is to occur.

B. For the purposes of this part, deferred submittals are defined as those portions of the design that are not submitted at the time of the application and that are to be submitted to the building official within a specified period.

Deferral of any submittal items shall have the prior approval of the building official. The licensed design professional in responsible charge shall list the deferred submittals on the construction documents for review by the building official.

Submittal documents for deferred submittal items shall be submitted to the licensed design professional in responsible charge who shall review them and forward them to the building official with a notation indicating that the deferred submittal documents have been reviewed and that they have been found to be in general conformance

with the design of the building. The deferred submittal items shall not be installed until their design and submittal documents have been approved by the building official.

C. Work regulated by the code shall be installed according to the reviewed construction documents, and any changes made during construction that are not in compliance with the approved construction documents shall be resubmitted for approval as an amended set of construction documents.

1300.0140 VIOLATIONS.

It is unlawful for any person, firm, or corporation to erect, construct, alter, extend, repair, move, remove, demolish, or occupy any building, structure, or equipment regulated by the code, or cause any of those actions, in conflict with or in violation of the code. The building official may serve a notice of violation or order on the person responsible for the erection, construction, alteration, extension, repair, moving, removal, demolition, or occupancy of a building or structure in violation of the code, or in violation of a permit or certificate issued under the code. The order shall direct the discontinuance of the illegal action or condition and the abatement of the violation.

1300.0150 VIOLATIONS, PENALTY.

A violation of the code is a misdemeanor under Minnesota Statutes, section 16B.69.

1300.0160 FEES.

Subpart 1. **Schedule of permit fees.** The applicant for a permit for a building; structure; or electrical, gas, mechanical, or plumbing system or alterations requiring a permit shall pay the fee set forth by a fee schedule adopted by the municipality.

When submittal documents are required to be submitted by this chapter, a plan review fee shall be required. The plan review fee shall be established by the fee schedule adopted by the municipality.

Exception: The fee schedule adopted by the municipality may exempt minor work from plan review fees.

Subp. 2. **Fees commensurate with service.** Fees established by the municipality must be by legal means and must be fair, reasonable, and proportionate to the actual cost of the service for which the fee is imposed.

Subp. 3. **Building permit valuations.** The applicant for a permit shall provide an estimated permit value at time of application. Permit valuations shall include total value of all construction work, including materials and labor, for which the permit is being issued, such as electrical, gas, mechanical, plumbing equipment, and permanent systems. Building permit valuation shall be set by the building official.

Exceptions: Building permit valuations for the following structures shall be based on the valuation of on-site work only:

A. manufactured homes containing a Housing and Urban Development (HUD) certification label;

B. prefabricated buildings with a Minnesota Building Codes and Standards Division prefabrication label; and

C. industrialized/modular buildings with an Industrialized Building Commission (IBC) label.

Subp. 4. **Building permit fees.** Building permit fees shall be based on valuation.

Exceptions:

A. one- and two-family dwelling maintenance permits for roofing, siding, windows, doors, or other minor projects may be charged a fixed fee;

B. permits for plumbing, mechanical, electrical, or other building service equipment systems may be based on valuation or charged a fixed fee; and

C. replacement of a residential fixture or appliance cannot exceed the permit fee limitation established by Minnesota Statutes, section 16B.665.

Subp. 5. Plan review fees for similar plans. When submittal documents for similar plans are approved under subpart 6, plan review fees shall not exceed 25 percent of the normal building permit fee established and charged by the jurisdiction for the same structure.

Subp. 6. Plan review of similar plans.

A. Any number of similar buildings may be built from a master plan if:

(1) plan review fees have been paid for the master plan;

(2) a code change has not occurred that impacts the design of a master plan;

(3) the similar building has the same physical dimensions and structural design as the master plan;

Exception: The following modifications to the master plan are not considered to be significant modifications, according to Minnesota Statutes, section 16B.61, subdivision 1, and are permitted for dwelling units and their accessory structures built to the International Residential Code, and residential occupancies built to the International Building Code that are three stories or less in height and their accessory structures:

(a) foundation types to include walkout, lookout, and full basement;

(b) foundation materials to include poured concrete, masonry units, and wood;

(c) garage dimensions;

(d) roof design changed by a revised truss plan approved by the building official;

(e) bays or cantilevered floor areas;

(f) decks and porches; and

(g) other modifications approved by the building official;

(4) occupancy groups other than those identified in the exceptions listed in part 1300.0160, subpart 6, item A, subitem (3), must be the same type of construction and occupancy classification and must have the same exit system;

Exception: Minor changes to the exit access; and

(5) the similar plan is based on a master plan for which the municipality has issued a permit within the last 12 months.

B. Plan review fees for similar building plans must be based on the costs commensurate with the direct and indirect cost of the service, but must not exceed 25 percent of the normal building permit fee established and charged by the municipality for the same structure.

C. The plan review fee charged for similar building plans applies to all buildings regulated by the code regardless of occupancy classification including industrialized/modular buildings constructed under a program specified in Minnesota Statutes, section 16B.75.

D. The applicant must submit a new plan set and other information as required by the building official for each building reviewed as a similar building.

Subp. 7. Payment of fees. A permit shall not be issued until the fees prescribed by the municipality have been paid.

Subp. 8. Work commencing before permit issuance. If work for which a permit is required by the code has been commenced without first obtaining a permit, a special investigation shall be made before a permit may be issued for the work. An investigation fee established by the municipality shall be collected and is in addition to the required permit fees, but it may not exceed the permit fee.

Subp. 9. **Fee refunds.** The municipality shall establish a permit and plan review fee refund policy.

Subp. 10. **State surcharge fees.** All municipal permits issued for work under the code are subject to a surcharge fee. The fees are established by Minnesota Statutes, section 16B.70. Reports and remittances by municipalities must be filed with the commissioner, directed to the attention of the state building official.

Surcharge fees imposed by the state are in addition to municipal permit fees. Surcharge report forms and information may be obtained by writing the commissioner, to the attention of the state building official.

1300.0170 STOP WORK ORDER.

If the building official finds any work regulated by the code being performed in a manner contrary to the provisions of the code or in a dangerous or unsafe manner, the building official may issue a stop work order.

The stop work order shall be in writing and issued to the owner of the property involved, to the owner's agent, or to the person doing the work. Upon issuance of a stop work order, the cited work shall immediately cease. The stop work order shall state the reason for the order and the conditions under which the cited work will be permitted to resume.

1300.0180 UNSAFE BUILDINGS OR STRUCTURES.

A building or structure regulated by the code is unsafe, for purposes of this part, if it is structurally unsafe, not provided with adequate egress, a fire hazard, or otherwise dangerous to human life.

Building service equipment that is regulated by the code is unsafe, for purposes of this part, if it is a fire, electrical, or health hazard; an unsanitary condition; or otherwise dangerous to human life. Use of a building, structure, or building service equipment

constituting a hazard to safety, health, or public welfare by reason of inadequate maintenance, dilapidation, obsolescence, fire hazard, disaster, damage, or abandonment is, for the purposes of this part, an unsafe use. Parapet walls, cornices, spires, towers, tanks, statuary, and other appendages or structural members that are supported by, attached to, or a part of a building and that are in deteriorated condition or otherwise unable to sustain the design loads that are specified in the code are unsafe building appendages.

The building official may order any building or portion of a building to be vacated if continued use is dangerous to life, health, or safety of the occupants. The order shall be in writing and state the reasons for the action.

All unsafe buildings, structures, or appendages are public nuisances and must be abated by repair, rehabilitation, demolition, or removal according to Minnesota Statutes, sections 463.15 to 463.26.

1300.0190 TEMPORARY STRUCTURES AND USES.

Subpart 1. **General.** The building official may issue a permit for temporary structures and temporary uses. The permit shall be limited as to time of service, but shall not be permitted for more than 180 days. The building official may grant extensions for demonstrated cause.

Subp. 2. **Conformance.** Temporary structures and uses shall conform to the structural strength, fire safety, means of egress, accessibility, light, ventilation, and sanitary requirements of the code as necessary to ensure the public health, safety, and general welfare.

Subp. 3. **Termination of approval.** The building official may terminate the permit for a temporary structure or use and order the temporary structure or use to be discontinued if the conditions required in this part have not been complied with.

1300.0200 [Repealed, 19 SR 1340]

1300.0210 INSPECTIONS.

Subpart 1. **General.** Construction or work for which a permit is required is subject to inspection by the building official and the construction or work shall remain accessible and exposed for inspection purposes until approved. Approval as a result of an inspection is not approval of a violation of the code or of other ordinances of the jurisdiction. Inspections presuming to give authority to violate or cancel the provisions of the code or of other ordinances of the jurisdiction are not valid. It shall be the duty of the permit applicant to cause the work to remain accessible and exposed for inspection purposes. Neither the building official nor the jurisdiction is liable for expense entailed in the removal or replacement of any material required to allow inspection.

Subp. 2. **Preliminary inspection.** Before issuing a permit, the building official may examine, or cause to be examined, buildings, structures, and sites for which an application has been filed.

Subp. 3. **Inspection record card.** The building official shall identify which inspections are required for the work requiring a permit. Work requiring a permit shall not be commenced until the permit holder or an agent of the permit holder has posted or otherwise made available an inspection record card that allows the building official to conveniently make all required entries regarding inspection of the work. This card shall be maintained and made available by the permit holder until final approval has been granted by the building official.

Subp. 4. **Inspection requests.** The building official shall provide the applicant with policies, procedures, and a timeline for requesting inspections. The person doing the work authorized by a permit shall notify the building official that the work is ready for inspection. The person requesting an

inspection required by the code shall provide access to and means for inspection of the work.

Subp. 5. **Approval required.** Work shall not be done beyond the point indicated in each successive inspection without first obtaining the approval of the building official. The building official, upon notification, shall make the requested inspections and shall either indicate the portion of the construction that is satisfactory as completed or notify the permit holder or an agent of the permit holder of any failures to comply with the code. Any portion that does not comply shall be corrected and the portion shall not be covered or concealed until authorized by the building official.

Subp. 6. **Required inspections.** The building official, upon notification, shall make the inspections in this part. In addition to the inspections identified in this subpart, see applicable rule chapters in part 1300.0050 for specific inspection and testing requirements.

A. Footing inspections shall be made after excavations for footings are complete and any required reinforcing steel is in place. Materials for the foundation shall be on the job, except that concrete need not be on the job if the concrete is ready mixed according to approved nationally recognized standards.

B. Foundations:

(1) Foundation inspections for poured walls shall be made after all forms are in place with any required reinforcing steel and bracing is in place, and prior to pouring concrete.

(2) All foundation walls shall be inspected prior to backfill for specific code requirements.

(3) The foundation inspection shall include excavations for thickened slabs intended for the support of bearing walls, partitions, structural supports, or equipment.

C. Concrete slab and under floor inspections shall be made after in slab or under floor reinforcing steel and building service equipment, conduit, piping accessories, and other ancillary equipment items are in place, but before any concrete is placed or floor sheathing installed, including the subfloor.

D. Rough in inspection of plumbing, mechanical, gas, and electrical systems shall be made before covering or concealment, before fixtures or appliances are set or installed, and before framing inspection.

E. Inspection of framing and masonry construction shall be made after the roof, masonry, framing, firestopping, draftstopping, and bracing are in place and after the plumbing, mechanical, and electrical rough inspections are approved.

F. Energy efficiency inspections shall be made to determine compliance with Minnesota Energy Code requirements.

G. Lath and gypsum board inspections shall be made after lathing and gypsum board, interior and exterior, are in place, but before any plastering is applied or before gypsum board joints and fasteners are taped and finished.

Exception: Gypsum board that is not part of a fire resistive assembly or a shear assembly.

H. Protection of joints and penetrations in fire resistance rated assemblies shall not be concealed from view until inspected and approved.

I. Installation of manufactured homes (mobile homes) shall be made after the installation of the support systems and all utility service connections are in place, but before any covering material or skirting is in place. Evaluation of an approved anchoring system is part of the installation inspection.

J. Fireplaces must be inspected for compliance with applicable requirements of

the code and the manufacturer's installation instructions.

K. A final inspection shall be made for all work for which a permit is issued.

L. Special inspections shall be as required by the code.

M. In addition to the inspections in items A to K, the building official is authorized to make or require other inspections of any construction work to ascertain compliance with the code and other laws that are enforced by the Department of Building Safety.

Subp. 7. **Inspection agencies.** The building official is authorized to accept inspection reports by approved agencies.

1300.0220 CERTIFICATE OF OCCUPANCY.

Subpart 1. **Use and occupancy.** No building or structure shall be used or occupied, and no change in the existing occupancy classification of a building, structure, or portion of a building or structure shall be made until the building official has issued a certificate of occupancy for the building or structure under this part. Issuance of a certificate of occupancy is not approval of a violation of the code or other ordinances of the municipality. Certificates presuming to give authority to violate or cancel the code or other ordinances of the municipality are not valid.

Exception: A municipality has the option of requiring certificates of occupancy for:

- A. "U" occupancies constructed under the International Building Code;
- B. accessory structures constructed under the International Residential Code; or
- C. used manufactured homes moved into or within a jurisdiction.

Subp. 2. **Existing structures.** The legal occupancy of any structure existing on the date of adoption of the code shall be

permitted to continue without change except as specifically required in chapter 1311.

Subp. 3. **Change in use.** Changes in the character or use of an existing structure shall not be made except as specified in chapter 1311.

Subp. 4. **Moved buildings.** Buildings or structures moved into or within a jurisdiction shall comply with the provisions of the code for new buildings or structures.

Exception: A residential building relocated within or into a municipality need not comply with the Minnesota Energy Code or Minnesota Statutes, section 326.371.

Subp. 5. **Certificate issued.** After the building official inspects a building or structure and finds no violations of the code or other laws that are enforced by the Department of Building Safety, the building official shall issue a certificate of occupancy containing the following:

- A. the building permit number;
- B. the address of the structure;
- C. the name and address of the owner;
- D. a statement that the described portion of the structure has been inspected for compliance with the requirements of the code for the occupancy and division of occupancy and the use for which the proposed occupancy is classified;
- E. the name of the building official;
- F. the edition of the code under which the permit was issued;
- G. the use and occupancy classification;
- H. the type of construction;
- I. if an automatic sprinkler system is provided; and
- J. any special stipulations and conditions of the building permit.

Subp. 6. **Temporary occupancy.** The building official is authorized to issue a temporary certificate of occupancy before the completion of the entire work covered by the permit, provided that the portion or portions shall be occupied safely. The building official shall set a time period during which the temporary certificate of occupancy is valid.

Subp. 7. **Revocation.** The building official may issue a written suspension or revocation of a certificate of occupancy issued under the code if the certificate is issued in error or on the basis of incorrect information supplied, or if the building or use of the building, structure, or portion of the building or structure is in violation of any ordinance or regulation or a provision of the code.

1300.0230 BOARD OF APPEALS.

Subpart 1. **Local board of appeals.** In order to hear and decide appeals of orders, decisions, or determinations made by the building official relative to the application and interpretation of this code, there shall be and is hereby created a board of appeals. The building official shall be an ex officio member of said board but shall have no vote on any matter before the board. The board of appeals shall be designated by the governing body. Appeals hearings must occur within ten working days from the date the municipality receives a properly completed application for appeal. If an appeals hearing is not held within this time, the applicant may appeal directly to the State Building Code Appeals Board.

The board shall adopt rules of procedures for conducting its business and shall render all decisions and findings in writing to the appellant with a duplicate copy to the building official and to the state building official within five working days of the decision. For jurisdictions without a board of appeals, the appellant may appeal to an appeals board assembled by the state of Minnesota,

Department of Labor and Industry's Construction Codes and Licensing Division.

Subp. 2. **Qualifications.** The board of appeals shall consist of members who are qualified by experience and training to pass on matters pertaining to building construction and are not employees of the affected jurisdiction.

Subp. 3. **Limitations on authority.** An application for appeal shall be based on a claim that the true intent of this code or the rules legally adopted thereunder have been incorrectly interpreted, the provisions of this code do not fully apply, or an equally good or better form of construction is proposed. The board shall have no authority to waive requirements of this code.

Subp. 4. **Final interpretive authority.** The state building official has final interpretive authority for all codes adopted as part of the code except for the plumbing code when enforced by the Commissioner of Health and the electrical code when enforced by the State Board of Electricity. A request for final interpretation must come from a local or state level building code board of appeals. The procedures for final interpretations by the state building official are as established in Minnesota Statutes, section 16B.63.

1300.0240 DISCLAIMER CLAUSE.

The inclusion of specific requirements relative to the manner of installation of any building or portion of any building or building equipment in one or more parts of the code does not limit this procedure to any particular type of installer or provide a basis upon which determination of the right to perform a procedure shall be made. The authority for this determination is in the various licensing statutes or ordinances for each type of installer who performs the work.

1300.0250 SEVERABILITY.

The invalidity of any provision of the Minnesota State Building Code does not

affect any other provisions of the code that can be given effect without the invalid provision and, to this end, the provisions of the code are declared to be severable.

Minn. Rules repealed, etc. in chapter 1300

- 1300.0100 [Repealed, 19 SR 1340]
- 1300.0200 [Repealed, 19 SR 1340]
- 1300.0300 [Repealed, 19 SR 1340]
- 1300.0400 [Repealed, 19 SR 1340]
- 1300.0500 [Repealed, 19 SR 1340]
- 1300.0600 [Repealed, 19 SR 1340]
- 1300.0700 [Repealed, 19 SR 1340]
- 1300.0800 [Repealed, 19 SR 1340]
- 1300.0900 [Repealed, 19 SR 1340]
- 1300.0940 [Repealed, 19 SR 1340]
- 1300.0942 [Repealed, 19 SR 1340]
- 1300.0944 [Repealed, 19 SR 1340]
- 1300.0946 [Repealed, 19 SR 1340]
- 1300.0948 [Repealed, 19 SR 1340]
- 1300.1000 [Repealed, 19 SR 1340]
- 1300.1100 [Repealed, 19 SR 1340]
- 1300.1150 [Repealed, 11 SR 1405]
- 1300.1200 [Repealed, 19 SR 1340]
- 1300.1300 [Repealed, 19 SR 1340]
- 1300.1400 [Repealed, 19 SR 1340]
- 1300.1500 [Repealed, 19 SR 1340]
- 1300.1600 [Repealed, 19 SR 1340]
- 1300.1700 [Repealed, 19 SR 1340]
- 1300.1800 [Repealed, 19 SR 1340]
- 1300.1900 [Repealed, 19 SR 1340]
- 1300.2000 [Repealed, 19 SR 1340]
- 1300.2050 [Repealed, 27 SR 1471]
- 1300.2100 [Repealed, 27 SR 1471]
- 1300.2300 [Repealed, 27 SR 1471]
- 1300.2400 [Repealed, 27 SR 1471]
- 1300.2500 [Repealed, 27 SR 1471]
- 1300.2600 [Repealed, 27 SR 1471]
- 1300.2700 [Repealed, 27 SR 1471]
- 1300.2800 [Repealed, 27 SR 1471]
- 1300.2900 [Repealed, 27 SR 1471]
- 1300.3000 [Repealed, 27 SR 1471]
- 1300.3100 [Repealed, 27 SR 1471]
- 1300.3900 [Repealed, 27 SR 1471]
- 1300.4100 [Repealed, 27 SR 1471]
- 1300.4300 [Repealed, 27 SR 1471]
- 1300.4500 [Repealed, 27 SR 1471]
- 1300.4700 [Repealed, 27 SR 1471]

1300.4900 [Repealed, 27 SR 1471]
1300.5100 [Repealed, 27 SR 1471]
1300.5300 [Repealed, 27 SR 1471]
1300.5500 [Repealed, 27 SR 1471]
1300.5700 [Repealed, 27 SR 1471]
1300.5900 [Repealed, 27 SR 1471]
1300.6100 [Repealed, 27 SR 1471]
1300.6300 [Repealed, 27 SR 1471]

CC Work Session

3. 1.

Meeting Date: 06/26/2012

By: Jo Thieling, Administrative Services

Title:

Review Future Work Session Topics/Calendar

Background:

Attached for Council review is the list of future work session topics.

Funding Source:

N/A

Council Action:

No formal action necessary - for review.

Attachments

Future Topics/Calendar

Form Review

Inbox

Kurt Ulrich

Form Started By: Jo Thieling

Reviewed By

Kurt Ulrich

Final Approval Date: 06/21/2012

Date

06/21/2012 02:00 PM

Started On: 06/21/2012 01:27 PM

**Work Session Calendars
2012**

Month	Date	Topics for Discussion
July	10	<ul style="list-style-type: none"> • Discuss Meeting Schedule for August – rescheduling due to Night to Unite, Primary Election, and Ramsey Business Appreciation (JT)
Others on List – including Strategic Planning Items		<ul style="list-style-type: none"> • Discussion on Facility Use Policy (PB) • Review Draft Resolution Requesting Review of Minnesota Statutes Related to Permitted Residential Uses (TG) • Review Draft Zoning Code (TG) • Discuss Chain of Command Policy (KU) • Discuss Format of Weekly Update (KU/JT) • Lot Combination Policy (TG) • Discuss Noise Ordinance (JW) • Update Landfill Land Use Plan (Tim G) • Consider Amendments to Facility Use Program (Jo) • 167th & 47 Water Services Extension/Master Planning • Review Pilot Programs (e.g. volunteer programs – low maintenance options) • Build on outdoors/sportsmen’s market (e.g. stock pond/lake) • Develop community center/indoor sports complex • Strategic Action Plan Update • Seek grant funding for transportation projects and service delivery • Complete US 10/ County Road 83 interchange design – pursue funding • Establish position on TH #47 South of Bunker to Highway #10 • Review Animal Control (e.g. Cat License) <p><u>Public Works</u></p> <ul style="list-style-type: none"> • Review plan for US Highway #10 pedestrian overpass and connection with Municipal Center Ramp • Review Project Management Issues (e.g. 151st & 167th Projects)
		HRA
Month	Date	Topics for Discussion
Future		<ul style="list-style-type: none"> • Discuss Housing Assistance Policy (TG) • Review Center Street Project Schedule • Dashboard – 1st meeting of ever month