



**Cook County & Grand Marais Economic Development Authority**

**Tuesday, October 17, 2023 – 4:00 PM**

Cook County Courthouse - Commissioner's Room

411 W 2<sup>nd</sup> Street

Grand Marais, MN 55604

**AGENDA**

1. Call to Order
2. Public to Address the Commission
3. Approval of Agenda
4. Public Hearings
5. Approval of Meeting Minutes
  - a. September 19, 2023 Regular Meeting ([pages 1-4](#))
6. Approval of Financials
  - a. Cook County & Grand Marais EDA September ([pages 5-11](#))
  - b. Cook County & Grand Marais EDA Payments September ([page 12](#))
  - c. Superior National at Lutsen Golf Course September ([pages 13-17](#))
7. New Business
  - a. Resolutions for Approval

**2023-13:** RESOLUTION AUTHORIZING COOK COUNTY AND GRAND MARAIS JOINT ECONOMIC DEVELOPMENT AUTHORITY TO ISSUE \$50,000 TO THE HOUSING AND REDEVELOPMENT AUTHORITY OF COOK COUNTY TO PROVIDE ASSISTANCE FOR HOUSING DEVELOPMENT PROJECTS ([page 18](#))

**2023-14:** RESOLUTION ADOPTING COOK COUNTY AND GRAND MARAIS JOINT ECONOMIC DEVELOPMENT AUTHORITY PROCUREMENT POLICY ([pages 19-21](#))

**2023-15:** RESOLUTION AUTHORIZING APPLICATION FOR AND, UPON APPROVAL, ACCEPTANCE OF A GRANT FROM THE DEPARTMENT OF IRON RANGE RESOURCES AND REHABILITATION FOR AN AMOUNT NOT TO EXCEED \$750,000 TO SUPPORT CONSTRUCTION OF THE HEIGHTS RESIDENTIAL PROJECT ([pages 22-23](#))

**2023-16:** RESOLUTION AUTHORIZING AN AGREEMENT WITH FRYBERGER, BUCHANAN, SMITH & FREDERICK P.A. TO PROVIDE PROFESSIONAL SERVICES TO THE COOK COUNTY AND GRAND MARAIS JOINT ECONOMIC DEVELOPMENT AUTHORITY IN AN AMOUNT NOT TO EXCEED \$7,500 ([pages 24-43](#))

**2023-17:** RESOLUTION AUTHORIZING AN AGREEMENT WITH EHLERS, INC. TO PROVIDE PROFESSIONAL SERVICES TO THE COOK COUNTY AND GRAND MARAIS JOINT ECONOMIC DEVELOPMENT AUTHORITY IN AN AMOUNT NOT TO EXCEED \$7,500 ([pages 44--56](#))

8. Other/Old Business
  - a. Executive Director Report
  - b. SBDC Report
  - c. Downtown Mixed-use Redevelopment Project
9. Committee Reports
10. Commissioner Items
11. Adjourn

*Next Meeting: November 21, 2023 at 4:00 p.m. Cook County Courthouse – Commissioner’s Room.*

**MEETING OF THE  
COOK COUNTY AND GRAND MARAIS JOINT  
ECONOMIC DEVELOPMENT AUTHORITY  
TUESDAY, SEPTEMBER 19, 2023 – 4:00 PM  
Cook County Courthouse, Commissioners Room  
411 W Second St., Grand Marais, MN  
MINUTES**

**Present:** Tracy Benson, Myron Bursheim, Howard Hedstrom, Mark Shackleton, Dave Mills, Steve Surbaugh

**Absent:** None

**Others Present:** Theresa Bajda, Pat Campanaro, Linda Jurek, Kallie Hawkins, Clair Nalezny, Maggie Barnard

**1. Call to Order**

The September 19, 2023 meeting of the EDA was called to order by President Surbaugh at 4:02 p.m.

**2. Public to Address the Commission**

No comments.

**3. Approval of Agenda**

Surbaugh called for agenda additions and requested resolution 2023-08 be discussed after approval of minutes and that resolutions 2023-11 and 2023-12 solidifying previously approved Cedar Grove lot sales be added under new business. Mills requested to add discussion of cannabis dispensary under new business.

**Vote to approve September 19, 2023 Agenda:** (Hedstrom/Shackleton) Vote: Passed (6/0)

**4. Public Hearings**

No public hearings.

**5. Approval of Meeting Minutes**

**a. August 15, 2023 Regular Meeting Minutes**

No discussion.

**Vote to approve August 15, 2023 Regular Meeting Minutes:** (Hedstrom/Bursheim) Vote: Passed (6/0)

**b. August 22, 2023 Special Meeting Minutes**

No discussion.

**Vote to approve August 23, 2023 Special Meeting Minutes:** (Hedstrom/Mills) Vote: Passed (6/0)

**6. Resolution for Approval**

**2023-08:** RESOLUTION OF INTENT TO SELL CERTAIN REAL PROPERTY LOCATED IN THE CEDAR GROVE BUSINESS PARK TO CASCADE VACATION RENTALS FOR \$60,000.

Theresa Bajda stated Cascade Vacation Rentals has submitted a request to purchase two lots for the

purpose of constructing storage units at price of \$60,000 which is in line with current market value.

Clair Nalezny explained the plan is to combine the two lots and start with construction of one or two non-heated storage units to determine demand.

**Vote to approve resolution 2023-08:** (Hedstrom/Bursheim) Vote: Passed (5/0), Surbaugh recused himself from this item.

## **7. Approval of Financials**

### **a. Cook County & Grand Marais EDA August**

Shackleton stated no significant events in August besides the return of \$216,000 in grant funding to Minnesota Housing Finance Agency (MHFA) the first week in September.

**Vote to approve August EDA Financials:** (Bursheim/Mills) Vote: Passed (6/0)

### **b. Cook County & Grand Marais EDA August Payments**

No discussion.

**Vote to approve August EDA Payments:** (Mills/Hedstrom) Vote: Passed (6/0)

### **c. Superior National at Lutsen Golf August Financials**

Shackleton shared there was a letter from the IRS regarding past due payment of second quarter 2022 taxes but it was not addressed to Superior National rather Lutsen, Tofte, Schroader Recreation Management Corporation (RMC). Shackleton indicated he has verified Superior National and the EDA are current on payments. Shackleton shared that golf course revenues are doing well this year with the season expected to end with 14,000 plus rounds. Shackleton indicated capital expenses for new equipment are coming.

**Vote to approve August Superior National Financials:** (Mills/Hedstrom) Vote: Passed (6/0)

## **8. New Business**

### **a. Resolutions for Approval**

**2023-09:** RESOLUTION AUTHORIZING THE ISSUE OF CORPORATE CREDIT CARD IN THE NAME OF THE EXECUTIVE DIRECTOR.

Surbaugh stated this would authorize the Treasurer to obtain a credit card for the Executive Director strictly for EDA business expenses with a daily limit of \$1,000 and monthly of \$5,000 with increases to these thresholds upon written request from the Executive Director and approval by President in special circumstances where an expense exceeds these limits. Surbaugh indicated this will avoid Executive Director from using personal credit card for business expenses and submitting for a reimbursement.

**Vote to approve resolution 2023-09:** (Mills/Bursheim) Vote: Passed (6/0)

**2023-11:** RESOLUTION AUTHORIZING THE CONVEYANCE OF REAL PROPERTY OWNED BY THE COOK COUNTY/GRAND MARAIS JOINT ECONOMIC DEVELOPMENT AUTHORITY TO ADAM HARJU AND MICHELE HARJU

**Vote to approve resolution 2023-11:** (Mills/Bursheim) Vote: Passed (6/0)

**2023-12:** RESOLUTION AUTHORIZING THE CONVEYANCE OF REAL PROPERTY OWNED BY THE COOK COUNTY/GRAND MARAIS JOINT ECONOMIC DEVELOPMENT AUTHORITY TO G&G SEPTIC SERVICE LLC

**Vote to approve resolution 2023-11:** (Bursheim/Mills) Vote: Passed (6/0)

**b. Economic Impact Study Superior National at Lutsen Golf Course**

Surbaugh stated this is joint work for the EDA and Superior National with cost share not to exceed \$2,500 to study economic impacts of the golf course as part of the larger Marketing Study expected to be complete by the end of October.

**Vote to approve up to \$2,500 for professional services expenses:** (Hedstrom/Shackleton) Vote: Passed (6/0)

**c. Legal Counsel related to Superior National and existing property covenants**

Surbaugh stated legal fees are expected to be between \$2,000 - \$4,000 to review existing agreements, title and covenants related to Superior National to see what a sale would look like and the obligations that exist under said agreements. Surbaugh shared the County will work with their bond counsel on obligations of existing bonds.

**Vote to approve up to \$4,000 for legal service expenses:** (Bursheim/Shackleton) Vote: Passed (6/0)

**d. Sawbill Village Update**

Shackleton said the housing has been removed from this project and the EDA has returned \$216,000 of grant funding to MHFA. Shackleton shared that the developer has agreed to return \$25,000 of the \$50,000 granted by the EDA for the project.

Theresa Bajda confirmed a letter was drafted to the Developer detailing the arrangement to return a portion of the funds.

**e. Cannabis Dispensary Discussion**

Mills shared he attended a Mitchell-Hamline Law webinar on the new State cannabis laws and how that relates to municipal dispensaries. Mills confirmed a State Office of Cannabis has yet to be formed and shared there are potential risks associated with loss of federal funding. Mills indicated with joint oversight by the City and County education can be provided whereas private owners are not obligated to do so.

Benson added that local government does not approve dispensary licenses rather the State. Benson confirmed local government approves zoning and completes background checks.

Mills expressed hope for more state/local partnership but that January 1, 2025 fast approaching and 2024 budget work underway. Mills confirmed the number of dispensaries is based on population and the County and City can approve more than one. Mills stated revenues could result in a reduction in tax levy.

Surbaugh requested Commissioner Benson and Mills share information and research with board members.

**9. Other/Old Business**

**a. TABR Loan Update**

Pat Campanaro confirmed the loan guidelines allow forgiveness and resolutions requesting this will come before the board at the regular October meeting.

**b. Cedar Grove Business Park Update**

Surbaugh stated he and Theresa Bajda met with Beaver Creek Consulting on site to assess some stormwater infrastructure

**c. Executive Director and SBDC Report**

Pat Campanaro said the Dirt Candy and G&G Septic lots at Cedar Grove are yet to close.

Surbaugh and Commissioners thanked Pat for extended service as EDA Interim Director.

**d. WTIP Strategic Framework Interview Request**

Surbaugh stated WTIP is scheduling listening sessions with local organizations and requested Theresa Bajda schedule time slot for Monday, September 25<sup>th</sup> after 3:40pm for EDA.

**e. EDA Office Space**

Theresa Bajda said she might make modifications to the current office common area and may need assistance with moving items in the future.

**10. Committee Reports**

**a. Verify appointments for Executive Director**

Theresa Bajda confirmed the following Committee appointments with board members:

- Finance: Shackleton, Surbaugh, Hedstrom
- Personnel: Bursheim, Benson, Mills
- Grant Review: Surbaugh, Shackleton,
- Design Review: Surbaugh, Shackleton, Hedstrom
- Taconite Harbor: Benson, Bursheim, Mills

Theresa Bajda indicated the bylaws state there is to be an Assistant Treasurer but that position does not need to be a Board Member. Theresa Bajda confirmed willingness to assume that role.

**11. Commissioner Items**

Hedstrom gave a Cook County Real Estate fund update: they are moving aggressively on The Heights project, a Pro Forma is ready, they are seeking tax abatement and application for infrastructure grants. They are planning on 36 units, a mix of one and two bedroom and efficiency apartments. Construction for manufactured product is nine months. Footings should be ready in Spring 2024 and perhaps apartments will be ready for rent in late 2024. The Birchbark building office tenants are moved in. Two offices are available to rent.

**12. Adjourn**

President Surbaugh adjourned the September 19, 2023 meeting of the EDA at 5:23 PM.

*Respectfully submitted by minute taker Maggie Barnard.*

# Cook County/Grand Marais Economic Development Authority

## General Ledger

September 2023

DATE	TRANSACTION TYPE	NUM	NAME	MEMO/DESCRIPTION	SPLIT	AMOUNT	BALANCE
Cedar Grove Levy							
	Beginning						23,581.71
	Balance						
<b>Total for Cedar Grove Levy</b>							
Cook County Levy							
	Beginning						181,072.74
	Balance						
<b>Total for Cook County Levy</b>							
Grant Income							
IRRRB Demolition Grant							
	Beginning						10,200.00
	Balance						
<b>Total for IRRRB Demolition Grant</b>							
<b>Total for Grant Income</b>							
Interest Income							
	Beginning						654.49
	Balance						
09/29/2023	Deposit			INTEREST PAID 30	GMSB Money Market	8.44	662.93
09/30/2023	Deposit				NSFCU Patronage	0.02	662.95
09/30/2023	Deposit			Dividend APYE= 0.05% For 30 Days	NSFCU 5162030 Checking	0.34	663.29
<b>Total for Interest Income</b>						<b>\$8.80</b>	
SBDC Income							
	Beginning						33,173.75
	Balance						
09/25/2023	Deposit			Deposit ACH NORTHLAND FOUND*PAYMENTJNL	NSFCU 5162030 Checking	1,365.00	34,538.75
<b>Total for SBDC Income</b>						<b>\$1,365.00</b>	
Melio Service Fees (deleted)							
09/11/2023	Bill	2795242	Melio		Accounts Payable	1.50	1.50
09/12/2023	Bill	2803878	Melio		Accounts Payable	1.50	3.00
09/18/2023	Bill	2851186	Melio		Accounts Payable	1.50	4.50
09/18/2023	Bill	2849598	Melio		Accounts Payable	1.50	6.00
09/18/2023	Bill	2850759	Melio		Accounts Payable	1.50	7.50
09/18/2023	Bill	2847097	Melio		Accounts Payable	1.50	9.00
09/18/2023	Bill	2851072	Melio		Accounts Payable	1.50	10.50
09/18/2023	Bill	2851080	Melio		Accounts Payable	1.50	12.00
09/18/2023	Bill	2849061	Melio		Accounts Payable	1.50	13.50
09/29/2023	Bill	2945525	Melio		Accounts Payable	1.50	15.00
09/29/2023	Bill	2945349	Melio		Accounts Payable	1.50	16.50
09/30/2023	Journal Entry	AJE 5		To reclass to bank charges	-Split-	-16.50	0.00
<b>Total for Melio Service Fees (deleted)</b>						<b>\$0.00</b>	
OPERATIONS							
	Beginning						1,500.00
	Balance						
<b>Total for OPERATIONS</b>							
Accounting Support							
	Beginning						1,575.00
	Balance						
09/14/2023	Bill	197	Sarena Crowley	August	Accounts Payable	200.00	1,775.00
<b>Total for Accounting Support</b>						<b>\$200.00</b>	
Advertising/Marketing/Website							
	Beginning						4,870.70
	Balance						
<b>Total for Advertising/Marketing/Website</b>							
Director Search Expense							
	Beginning						823.38
	Balance						
<b>Total for Director Search Expense</b>							
Dues/Memberships							

DATE	TRANSACTION TYPE	NUM	NAME	MEMO/DESCRIPTION	SPLIT	AMOUNT	BALANCE
09/14/2023	Bill	1187	The Northspan Group, Inc.	2023 Iron Range Economic Alliance (IREA) Dues	Accounts Payable	75.00	75.00
09/14/2023	Bill	2122-1203	Cook County Chamber of Commerce	Partnership Contribution 23-24	Accounts Payable	6,000.00	6,075.00
<b>Total for Dues/Memberships</b>						<b>\$6,075.00</b>	
Insurance							
Beginning Balance							2,303.00
<b>Total for Insurance</b>							
Interest Expense							
Beginning Balance							1,000.00
<b>Total for Interest Expense</b>							
Meeting/Board Expenses							
Beginning Balance							983.75
09/14/2023	Bill	2311	Maggie Barnard	EDA special meeting 8/22	Accounts Payable	18.75	1,002.50
09/14/2023	Bill	2310	Maggie Barnard	EDA special meeting 8/15	Accounts Payable	56.25	1,058.75
09/14/2023	Bill	2310	Maggie Barnard	.25 travel time 8/15	Accounts Payable	6.25	1,065.00
09/14/2023	Bill	2311	Maggie Barnard	.25 travel time 8/22	Accounts Payable	6.25	1,071.25
<b>Total for Meeting/Board Expenses</b>						<b>\$87.50</b>	
Office							
Bank Charges							
Beginning Balance							71.50
09/30/2023	Journal Entry	AJE 5		To reclass to bank charges	-Split-	16.50	88.00
<b>Total for Bank Charges</b>						<b>\$16.50</b>	
Equipment/Computers/Virtual							
Beginning Balance							1,963.64
<b>Total for Equipment/Computers/Virtual</b>							
Supplies							
Beginning Balance							967.94
<b>Total for Supplies</b>							
Telephone							
Beginning Balance							821.84
09/14/2023	Bill		Campanaro, Pat	AT&T	Accounts Payable	92.11	913.95
<b>Total for Telephone</b>						<b>\$92.11</b>	
<b>Total for Office</b>						<b>\$108.61</b>	
Rent Expense							
Beginning Balance							2,092.25
09/14/2023	Bill	167	Drosera Holdings	GM PUC August	Accounts Payable	105.19	2,197.44
09/14/2023	Bill	167	Drosera Holdings	September	Accounts Payable	1,000.00	3,197.44
<b>Total for Rent Expense</b>						<b>\$1,105.19</b>	
State Audit							
Beginning Balance							21,250.00
<b>Total for State Audit</b>							
<b>Total for OPERATIONS with sub-accounts</b>						<b>\$7,576.30</b>	
PROJECTS							
Business Development Program							
Beginning Balance							5,465.95
<b>Total for Business Development Program</b>							
Cedar Grove Business Park Prop Tax City Grand Marais							
Beginning Balance							47,163.42
<b>Total for Cedar Grove Business Park Prop Tax City Grand Marais</b>							
Property Tax							
Beginning Balance							7,508.04
09/27/2023	Bill		Cook County Auditor's Office	2nd payment of 2023 for 11 lots	Accounts Payable	6,882.37	14,390.41



DATE	TRANSACTION TYPE	NUM	NAME	MEMO/DESCRIPTION	SPLIT	AMOUNT	BALANCE
<b>Total for Property Tax</b>						<b>\$6,882.37</b>	
<b>Total for Cedar Grove Business Park Prop Tax City Grand Marais with sub-accounts</b>						<b>\$6,882.37</b>	
Housing Projects							
	Beginning						100,000.00
	Balance						
<b>Total for Housing Projects</b>							
IRRRB Demolition Grant							
	Beginning						10,200.00
	Balance						
<b>Total for IRRRB Demolition Grant</b>							
<b>Total for PROJECTS</b>						<b>\$6,882.37</b>	
STAFFING							
	Beginning						2,790.00
	Balance						
<b>Total for STAFFING</b>							
EDA Director (w/ benefits)							
	Beginning						17,430.00
	Balance						
09/14/2023	Bill		Campanaro, Pat	31.5 Hours	Accounts Payable	1,953.00	19,383.00
09/30/2023	Journal Entry	AJE 4		accrue beth's salary for last invoice from County	-Split-	13,067.42	32,450.42
<b>Total for EDA Director (w/ benefits)</b>						<b>\$15,020.42</b>	
SBDC Consultant Expense							
	Beginning						24,005.00
	Balance						
<b>Total for SBDC Consultant Expense</b>							
SBDC Expenses - Other							
	Beginning						4,330.00
	Balance						
09/14/2023	Bill		Campanaro, Pat	Northland Reimbursement	Accounts Payable	1,365.00	5,695.00
<b>Total for SBDC Expenses - Other</b>						<b>\$1,365.00</b>	
Training/Travel/Mileage							
	Beginning						720.17
	Balance						
<b>Total for Training/Travel/Mileage</b>							
<b>Total for STAFFING with sub-accounts</b>						<b>\$16,385.42</b>	

# Cook County/Grand Marais Economic Development Authority

## Budget vs. Actuals: FY\_2023 - FY23 P&L

January - September, 2023

		TOTAL	
	ACTUAL	BUDGET	% OF BUDGET
<b>Income</b>			
Cedar Grove Levy	23,581.71		
Cook County Levy	181,072.74	221,249.97	81.84 %
<b>Grant Income</b>			
DNR Start Grant	0.00		
IRRRB Demolition Grant	10,200.00		
<b>Total Grant Income</b>	<b>10,200.00</b>		
Interest Income	663.29		
Sale of Business Lots	0.00		
SBDC Income	34,538.75		
Uncategorized Income	0.00		
<b>Total Income</b>	<b>\$250,056.49</b>	<b>\$221,249.97</b>	<b>113.02 %</b>
<b>GROSS PROFIT</b>	<b>\$250,056.49</b>	<b>\$221,249.97</b>	<b>113.02 %</b>
<b>Expenses</b>			
Melio Service Fees (deleted)	0.00		
<b>OPERATIONS</b>			
Accounting Support	1,775.00	3,150.00	56.35 %
Advertising/Marketing/Website	4,870.70	2,625.03	185.55 %
Director Search Expense	823.38		
Dues/Memberships	6,075.00		
Insurance	2,303.00	2,999.97	76.77 %
Interest Expense	1,000.00		
Legal		1,500.03	
Meeting/Board Expenses	1,071.25	2,250.00	47.61 %
<b>Office</b>			
Bank Charges	71.50	74.97	95.37 %
Equipment/Computers/Virtual	1,963.64	2,999.97	65.46 %
Supplies	984.44	749.97	131.26 %
Telephone	913.95	900.00	101.55 %
<b>Total Office</b>	<b>3,933.53</b>	<b>4,724.91</b>	<b>83.25 %</b>
Rent Expense	3,197.44	11,250.00	28.42 %
State Audit	21,250.00	13,500.00	157.41 %
<b>Total OPERATIONS</b>	<b>47,799.30</b>	<b>41,999.94</b>	<b>113.81 %</b>
<b>PROJECTS</b>			
Business Development Program	5,465.95	82,500.03	6.63 %
Cedar Grove Business Park Prop Tax City Grand Marais	47,163.42		
Property Tax	14,390.41		
<b>Total Cedar Grove Business Park Prop Tax City Grand Marais</b>	<b>61,553.83</b>		
Housing Projects	100,000.00		
IRRRB Demolition Grant	10,200.00		
<b>Total PROJECTS</b>	<b>177,219.78</b>	<b>82,500.03</b>	<b>214.81 %</b>
<b>STAFFING</b>	<b>2,790.00</b>		

		TOTAL	
	ACTUAL	BUDGET	% OF BUDGET
EDA Director (w/ benefits)	32,559.18	67,500.00	48.24 %
SBDC Consultant Expense	24,005.00		
SBDC Expenses - Other	5,695.00		
Training/Travel/Mileage	720.17	2,999.97	24.01 %
<b>Total STAFFING</b>	<b>65,769.35</b>	<b>70,499.97</b>	<b>93.29 %</b>
Tax			
Payroll		26,250.03	
<b>Total Tax</b>		<b>26,250.03</b>	
<b>Total Expenses</b>	<b>\$290,788.43</b>	<b>\$221,249.97</b>	<b>131.43 %</b>
NET OPERATING INCOME	<b>\$ -40,731.94</b>	<b>\$0.00</b>	<b>0.00%</b>
NET INCOME	<b>\$ -40,731.94</b>	<b>\$0.00</b>	<b>0.00%</b>

# Cook County/Grand Marais Economic Development Authority

## Balance Sheet

As of September 30, 2023

	TOTAL	
	AS OF SEP 30, 2023	AS OF SEP 30, 2022 (PY)
<b>ASSETS</b>		
Current Assets		
Bank Accounts		
GMSB Checking Account	175,681.08	
GMSB Money Market	205,317.71	168,766.40
NSFCU 5162030 Checking	6,398.50	143,684.41
NSFCU Money Market (87)	0.00	134,413.78
NSFCU Patronage	2.16	995.17
NSFCU Savings	10.19	10,022.41
<b>Total Bank Accounts</b>	<b>\$387,409.64</b>	<b>\$457,882.17</b>
Accounts Receivable		
Accounts Receivable	0.00	0.00
<b>Total Accounts Receivable</b>	<b>\$0.00</b>	<b>\$0.00</b>
Other Current Assets		
Due from Lutsen Recreation	19,496.72	33,138.83
Due from SNL	150,000.00	150,000.00
Prepaid Rent	915.00	915.00
Taxes Receivable - current	25,973.70	25,973.70
Taxes Receivable - delinquent	3,322.00	3,322.00
Undeposited Funds	0.00	0.00
<b>Total Other Current Assets</b>	<b>\$199,707.42</b>	<b>\$213,349.53</b>
<b>Total Current Assets</b>	<b>\$587,117.06</b>	<b>\$671,231.70</b>
Fixed Assets		
Land Held for Resale	420,000.00	420,000.00
<b>Total Fixed Assets</b>	<b>\$420,000.00</b>	<b>\$420,000.00</b>
Other Assets		
Tac Area Bus Relief Note Rec	170,560.47	193,707.06
<b>Total Other Assets</b>	<b>\$170,560.47</b>	<b>\$193,707.06</b>
<b>TOTAL ASSETS</b>	<b>\$1,177,677.53</b>	<b>\$1,284,938.76</b>

	TOTAL	
	AS OF SEP 30, 2023	AS OF SEP 30, 2022 (PY)
<b>LIABILITIES AND EQUITY</b>		
Liabilities		
Current Liabilities		
Accounts Payable		
Accounts Payable	0.00	-53.86
<b>Total Accounts Payable</b>	<b>\$0.00</b>	<b>\$ -53.86</b>
Other Current Liabilities		
Contingent Liability	575.00	-29,425.00
Deferred Revenue	0.00	5,000.00
Due to City of Grand Marais	420,000.00	420,000.00
Due to Cook County	0.00	100,000.00
Due to Workforce Recruitment	0.00	0.00
Salaries/Benefits	0.00	29,820.02
<b>Total Other Current Liabilities</b>	<b>\$420,575.00</b>	<b>\$525,395.02</b>
<b>Total Current Liabilities</b>	<b>\$420,575.00</b>	<b>\$525,341.16</b>
Long-Term Liabilities		
Unavailable Rev - Deferred Tax	3,322.00	3,322.00
<b>Total Long-Term Liabilities</b>	<b>\$3,322.00</b>	<b>\$3,322.00</b>
<b>Total Liabilities</b>	<b>\$423,897.00</b>	<b>\$528,663.16</b>
Equity		
Opening Bal Equity	156,870.58	136,870.58
Retained Earnings	637,641.89	590,941.34
Net Income	-40,731.94	28,463.68
<b>Total Equity</b>	<b>\$753,780.53</b>	<b>\$756,275.60</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$1,177,677.53</b>	<b>\$1,284,938.76</b>

# Cook County/Grand Marais Economic Development Authority

## Bill Approval Status

October 2023

BILL NUMBER	VENDOR NAME	BILL DATE	AMOUNT	PAID STATUS	APPROVAL STATUS	DUE DATE
--	Cook County Real Estate Fund LP	10/05/2023	\$3,065.00	Paid	--	10/15/2023
102548	Cook County News Herald	10/09/2023	\$27.00	Paid	--	10/19/2023
169	Drosera Holdings	10/09/2023	\$1,113.65	Paid	--	10/19/2023
204	Sarena Crowley	10/09/2023	\$1,180.00	Paid	--	10/19/2023
--	Sundew Technical Services	10/09/2023	\$1,168.88	Paid	--	10/19/2023
--	Theresa Bajda	10/09/2023	\$161.26	Paid	--	10/19/2023
--	Cook County News Herald	10/09/2023	\$27.00	Paid	--	10/19/2023
006	Campanaro, Pat	10/09/2023	\$2,685.00	Paid	--	10/19/2023
2312	Maggie Barnard	10/09/2023	\$143.75	Paid	--	10/19/2023
3016718	Melio	10/10/2023	\$1.50	Paid	--	10/10/2023

# Superior National

## Profit and Loss

September 2023

	TOTAL	
	SEP 2023	JAN - SEP, 2023 (YTD)
<b>Revenue</b>		
Golfing Related Sales		
3% Golf Fee/Cart/Green	266,295.28	1,020,749.89
Club Rentals/Driving Range	4,306.08	74,911.75
Club Rentals/Lessons (deleted)		0.00
Driving Range Fees (deleted)		0.00
Greens Fees (deleted)		0.00
Membership Fees		47,420.00
<b>Total Golfing Related Sales</b>	<b>270,601.36</b>	<b>1,143,081.64</b>
Lutsen 99er		37,400.00
Merchandise, Beverage & Food		
Beverage Sales	32,287.89	134,193.77
Food Sales	14,808.20	71,463.24
Merchandise Sales	33,433.33	152,114.39
N/A Beverage Sales		0.00
<b>Total Merchandise, Beverage &amp; Food</b>	<b>80,529.42</b>	<b>357,771.40</b>
Sales - Unallocated	0.00	0.00
<b>Total Revenue</b>	<b>\$351,130.78</b>	<b>\$1,538,253.04</b>
<b>Cost of Goods Sold</b>		
Beverage CoGS	5,778.12	53,514.97
Food CoGS	9,147.74	36,182.16
Merchandise CoGS	16,668.87	39,524.70
<b>Total Cost of Goods Sold</b>	<b>\$31,594.73</b>	<b>\$129,221.83</b>
<b>GROSS PROFIT</b>	<b>\$319,536.05</b>	<b>\$1,409,031.21</b>
<b>Expenditures</b>		
Administrative & General		
Computers/POS		1,053.23
Credit Card Fees	11,104.38	34,691.14
Employee Recruitment		100.00
Insurance		12,814.28
Licenses/Permits/Dues	2,056.25	2,746.18
Office Expense	36.00	2,234.98
Rent Expense	5.34	1,582.10
Travel Expense		2,870.74
<b>Total Administrative &amp; General</b>	<b>13,201.97</b>	<b>58,092.65</b>
Club House		
Cart Lease	8,427.24	75,268.60
Cash Over/Short	42,572.25	38,939.55

# Superior National

## Profit and Loss

September 2023

	TOTAL	
	SEP 2023	JAN - SEP, 2023 (YTD)
Paper Products/Cleaning Supply	302.21	1,556.96
Repairs and Maintenance		2,788.56
Supplies	21.65	1,469.98
Uniforms	2,292.39	5,391.84
Utilities		3,971.86
Electric - Club House	5,860.93	12,493.22
Internet - Club House		959.37
Propane - Club House	391.10	4,286.19
Telephone - Club House	622.83	2,956.37
Television - Club House	172.06	2,042.25
<b>Total Utilities</b>	<b>7,046.92</b>	<b>26,709.26</b>
<b>Total Club House</b>	<b>60,662.66</b>	<b>152,124.75</b>
Grounds Maintenance		142.09
Cart Maintenance		10,193.40
Course Improvement		2,837.51
Fertilizer & Chemicals		6,758.01
Gas/Lube	8,973.88	36,339.11
Irrigation Expense	227.30	6,618.44
Seed & Soil	450.98	4,171.50
Shop Expense		6,953.33
Small Tools/Parts	5,320.87	43,418.82
Supplies	3,482.99	10,038.26
Utilities	0.00	0.00
Electric		10,444.46
Garbage	-271.44	2,700.22
Internet		0.00
Propane		998.97
Telephone		0.00
<b>Total Utilities</b>	<b>-271.44</b>	<b>14,143.65</b>
<b>Total Grounds Maintenance</b>	<b>18,184.58</b>	<b>141,614.12</b>
Melio Service Fees	55.50	93.00
Payroll Expenses	264.48	50,264.48
Company Contributions	<b>686.05</b>	<b>1,378.37</b>
Payroll Burden		
MN Unemployment Insurance		8,407.06
Payroll Taxes	13,094.00	50,264.32
Retirement/PERA	1,305.83	8,571.91
Work Comp Insurance		7,972.66
<b>Total Payroll Burden</b>	<b>14,399.83</b>	<b>75,215.95</b>



# Superior National

## Profit and Loss

September 2023

	TOTAL	
	SEP 2023	JAN - SEP, 2023 (YTD)
Salaries/Wages		
Grounds	32,529.67	192,136.45
Proshop	48,097.65	94,109.85
Salaried Employees	13,846.17	90,961.64
<b>Total Salaries/Wages</b>	<b>94,473.49</b>	<b>377,207.94</b>
Wages	0.00	95.00
<b>Total Payroll Expenses</b>	<b>109,823.85</b>	<b>504,161.74</b>
Professional Services		
Accounting/Audit	830.00	6,333.30
Marketing and Promotion		54,228.38
<b>Total Professional Services</b>	<b>830.00</b>	<b>60,561.68</b>
Uncategorized Expense	108.35	108.35
<b>Total Expenditures</b>	<b>\$202,866.91</b>	<b>\$916,756.29</b>
NET OPERATING REVENUE	<b>\$116,669.14</b>	<b>\$492,274.92</b>
Other Revenue		
Interest Income	564.23	1,580.40
<b>Total Other Revenue</b>	<b>\$564.23</b>	<b>\$1,580.40</b>
Other Expenditures		
Capital Expenditures	16,350.00	16,350.00
Misc Expense	-9,193.92	-6,048.35
<b>Total Other Expenditures</b>	<b>\$7,156.08</b>	<b>\$10,301.65</b>
NET OTHER REVENUE	<b>\$ -6,591.85</b>	<b>\$ -8,721.25</b>
NET REVENUE	<b>\$110,077.29</b>	<b>\$483,553.67</b>

# Superior National

## Balance Sheet

As of September 30, 2023

	TOTAL	
	AS OF SEP 30, 2023	AS OF SEP 30, 2022 (PY)
<b>ASSETS</b>		
Current Assets		
Bank Accounts		
Cash on Hand	1,100.00	1,100.00
NSFCU Checking 5162029	380,744.29	492,180.49
NSFCU Money Market	410,055.93	258,366.29
NSFCU Patronage Rebate	1,005.01	797.67
NSFCU Savings	10.00	10.00
<b>Total Bank Accounts</b>	<b>\$792,915.23</b>	<b>\$752,454.45</b>
Accounts Receivable		
Accounts Receivable	5,148.62	0.00
<b>Total Accounts Receivable</b>	<b>\$5,148.62</b>	<b>\$0.00</b>
Other Current Assets	<b>\$120,692.65</b>	<b>\$144,500.69</b>
<b>Total Current Assets</b>	<b>\$918,756.50</b>	<b>\$896,955.14</b>
Fixed Assets		
Accumulated Depreciation	-5,816,115.49	-5,816,115.49
Building - Club House	352,788.97	352,788.97
Building - Maintenance	69,357.03	69,357.03
Capital Items	441,884.36	318,042.24
Club House Equipment	115,895.05	108,310.05
Golf Course Equipment	1,301,942.88	1,246,231.06
Golf Course Land	213,685.00	213,685.00
Land Improvements - 1st 18 Hole	2,458,064.00	2,458,064.00
Land Improvements - New Nine	1,966,820.63	1,966,820.63
Land Improvements 2013 - 2017	5,973,887.00	5,973,887.00
<b>Total Fixed Assets</b>	<b>\$7,078,209.43</b>	<b>\$6,891,070.49</b>
Other Assets		
Deferred Outflow - Pension	17,748.00	17,748.00
<b>Total Other Assets</b>	<b>\$17,748.00</b>	<b>\$17,748.00</b>
<b>TOTAL ASSETS</b>	<b>\$8,014,713.93</b>	<b>\$7,805,773.63</b>

# Superior National

## Balance Sheet

As of September 30, 2023

	TOTAL	
	AS OF SEP 30, 2023	AS OF SEP 30, 2022 (PY)
<b>LIABILITIES AND EQUITY</b>		
Liabilities		
Current Liabilities		
Accounts Payable		
*Accounts Payable	1,948.25	100,379.80
<b>Total Accounts Payable</b>	<b>\$1,948.25</b>	<b>\$100,379.80</b>
Credit Cards	\$0.00	\$0.00
Other Current Liabilities		
Direct Deposit Payable	0.00	0.00
Due to EDA	150,000.00	150,000.00
Gift Certificates	31,508.38	25,920.38
Minnesota Department of Revenue Payable	0.00	
Payroll Liabilities	0.00	2,554.68
Child Support	0.00	
Co. HSA (deleted)	0.00	382.50
Federal Taxes (941/944)	6,704.31	3,529.16
MN Income Tax	1,152.78	579.81
MN Unemployment Taxes	14,678.04	15,250.14
PERA Employee	0.01	124.09
PERA Life	0.00	
Rent	0.00	0.00
<b>Total Payroll Liabilities</b>	<b>22,535.14</b>	<b>22,420.38</b>
Sales Tax Payable	-12,556.98	961.27
Tips Payable (deleted)	0.00	5,963.80
<b>Total Other Current Liabilities</b>	<b>\$191,486.54</b>	<b>\$205,265.83</b>
<b>Total Current Liabilities</b>	<b>\$193,434.79</b>	<b>\$305,645.63</b>
Long-Term Liabilities		
Deferred Inflow - Pension	13,210.00	13,210.00
Loan Payable - Cook County	2,169,972.00	2,169,972.00
Net Pension Liability	161,038.00	161,038.00
<b>Total Long-Term Liabilities</b>	<b>\$2,344,220.00</b>	<b>\$2,344,220.00</b>
<b>Total Liabilities</b>	<b>\$2,537,654.79</b>	<b>\$2,649,865.63</b>
Equity	\$5,477,059.14	\$5,155,908.00
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$8,014,713.93</b>	<b>\$7,805,773.63</b>

**COOK COUNTY AND GRAND MARAIS JOINT ECONOMIC DEVELOPMENT AUTHORITY  
STATE OF MINNESOTA  
COOK COUNTY**

**RESOLUTION NO. 2023-13**

**RESOLUTION AUTHORIZING COOK COUNTY AND GRAND MARAIS JOINT ECONOMIC DEVELOPMENT  
AUTHORITY TO ISSUE \$50,000 TO THE HOUSING AND REDEVELOPMENT AUTHORITY OF COOK COUNTY  
TO PROVIDE ASSISTANCE FOR HOUSING DEVELOPMENT PROJECTS**

RESOLVED, that the Cook County and Grand Marais Joint Economic Development Authority Board of Commissioners hereby authorizes the transfer of \$50,000 to the Housing and Redevelopment Authority of Cook County to support housing development projects within Cook County.

\_\_\_\_\_ Ex. Dir.

October 17, 2023

**STATEMENT OF PURPOSE:**

The purpose of this resolution is to authorize the transfer of \$50,000 to the Housing and Redevelopment Authority of Cook County (HRA) to support predevelopment costs associated with county-wide housing projects.

Board member \_\_\_\_\_ moved the adoption of the foregoing resolution, and said motion was duly seconded by Board member \_\_\_\_\_, and upon vote being taken thereon, the following voted in favor thereof:

and the following voted against the same:

Whereupon said resolution was declared adopted by the Cook County and Grand Marais Joint Economic Development Authority this 17<sup>th</sup> day of October 2023.

ATTEST:

\_\_\_\_\_  
Steve Surbaugh – Board President

**COOK COUNTY AND GRAND MARAIS JOINT ECONOMIC DEVELOPMENT AUTHORITY  
STATE OF MINNESOTA  
COOK COUNTY**

**RESOLUTION NO. 2023-14**

**RESOLUTION ADOPTING COOK COUNTY AND GRAND MARAIS JOINT ECONOMIC DEVELOPMENT  
AUTHORITY PROCUREMENT POLICY.**

RESOLVED, that the Cook County and Grand Marais Joint Economic Development Authority Board of Commissioners hereby adopt the 2023 Cook County and Grand Marais EDA Procurement Policy which is set forth in attached Exhibit A.

\_\_\_\_\_ Ex. Dir.

October 17, 2023

**STATEMENT OF PURPOSE:**

The purpose of this resolution is to authorize the EDA Board of Commissioners to adopt the Procurement Policy set form in attached Exhibit A, establishing purchasing definitions, procurement guidelines, and purchasing and application authority.

Board member \_\_\_\_\_ moved the adoption of the foregoing resolution, and said motion was duly seconded by Board member \_\_\_\_\_, and upon vote being taken thereon, the following voted in favor thereof:

and the following voted against the same:

Whereupon said resolution was declared adopted by the Cook County and Grand Marais Joint Economic Development Authority this 17<sup>th</sup> day of October 2023.

ATTEST:

\_\_\_\_\_  
Steve Surbaugh – Board President



## Cook County & Grand Marais EDA Procurement Policy – October, 2023

### I. PURCHASING DEFINITIONS (Adapted from portions of Minnesota §16C.02)

**Award:** means a written acceptance of a bid or proposal to provide goods, services, construction or utilities, which shall be binding upon contract execution.

**Contract:** means any written instrument or electronic document containing the elements of offer, acceptance, and consideration to which the EDA is a party, including an amendment to or extension of a contract for purchase of supplies, materials, equipment, or the construction, alteration, repair or maintenance of real or personal property.

**Direct Negotiation:** means a direct solicitation with a specific vendor or individual without requesting or obtaining additional quotes.

**Director:** means the Executive Director of the EDA or EDA staff as assigned by the Director.

**EDA:** means the Cook County and Grand Marais Joint Economic Development Authority.

**Formal Solicitation:** means a solicitation which requires a sealed response. This includes Requests for Bids and Requests for Proposals.

**Open Market:** means obtaining two or more quotations for a purchase or sale when possible, and without advertising for bids otherwise complying with the requirements of competitive bidding.

**Professional Services Agreement (PSA):** means any contract or agreement entered into by the EDA for services that do not fall under the definition of Contract.

**Request for Information (RFI):** means non-binding input from interested parties for a forthcoming solicitation. RFI is used to obtain comments, feedback or reactions from potential suppliers or vendors prior to the issuing of a solicitation. Contracts are not awarded based on an RFI. Solicitations are produced based on results of an RFI.

**Request for Proposal (RFP):** means a formal solicitation that may be a single or multi-step process. It is used when it is not advantageous to set forth all the actual, detailed requirements at the time of a solicitation. Responses may be negotiated to achieve best value for the EDA in which price is not always the primary evaluation factor. RFP provides for the negotiation of terms, including price, prior to contract award.

**Request for Quotes (RFQ):** means an informal solicitation for goods or services in which responses are received by letter, email or other manner. RFQs are not subject to formal bidding requirements.

**Sealed:** means a method of the solicitation process to prevent the contents from being revealed or known before the deadline for submission of responses.

**Solicitation:** means the process used to communicate procurement requirements and to request responses from interested vendors.

**Supplies:** means all supplies and materials that.

**II. PROCUREMENT GUIDELINES**

Type	Amount	Required Method of Procurement
Contract*	\$25,000 or less	Contract made upon either direct negotiation or the open market at the discretion of Board.
	\$25,000 to \$175,000	Sealed bids or direct negotiations with vendor. Must attempt to receive two bids or more when possible and without advertising for bids or otherwise complying with the requirements of competitive bidding.
	Over \$175,000	Sealed bids with public notice process; “best value” alternative an option per §471.345 Subd. 3a.
PSA	\$7,500 or less	Director secures through direct negotiations.
	\$7,500 to \$25,000	EDA must make good faith effort to secure at least two competitive bids. Board may approve PSA if Director is unable to secure additional bid response.
	Above \$25,000	EDA must issue RFP for services. Board will review responses and award the PSA.

*\*“Contract” guidelines incorporate EDA spending thresholds as dictated by Minnesota §471.345 for procurement of construction services and materials for municipal entities.*

**III. PURCHASING AUTHORITY**

- a. For all purchases made on behalf of the EDA from the EDA budget in an amount that totals Two Thousand Dollars (\$2,000) or less:
  - i. The Director is authorized to make such purchases without Board approval.
    - 1. This includes contracts or services to assist with the operations and efforts of the EDA that are under the prescribed amount for the duration of the contract or service.
- b. For all purchases made on behalf of the EDA from the EDA budget that are in excess of Two Thousand Dollars (\$2,000):
  - i. The Executive Director must secure Board approval.
    - 1. This applies to any good or service or contract for good or service.

**IV. APPLICATION AUTHORITY**

- a. The Director may apply or submit an intent to apply for grant funding or technical services valued up to \$50,000 (Fifty Thousand Dollars) without prior approval from the Board but will notify the Board of any such submission promptly.
- b. For any applications for assistance valued in excess of \$50,000 (Fifty Thousand Dollars), the Director must secure Board approval before commencing with the application process.

**COOK COUNTY AND GRAND MARAIS JOINT ECONOMIC DEVELOPMENT AUTHORITY  
STATE OF MINNESOTA  
COOK COUNTY**

**RESOLUTION NO. 2023-15**

**RESOLUTION AUTHORIZING APPLICATION FOR AND, UPON APPROVAL, ACCEPTANCE OF A GRANT FROM THE DEPARTMENT OF IRON RANGE RESOURCES AND REHABILITATION FOR AN AMOUNT NOT TO EXCEED \$750,000 TO SUPPORT CONSTRUCTION OF THE HEIGHTS RESIDENTIAL PROJECT.**

WHEREAS, the Cook County and Grand Marais Joint Economic Development Authority (“EDA”) has the legal authority to apply for funding from the Department of Iron Range Resources and Rehabilitation (“IRRR”); and

WHEREAS, the Executive Director of the Cook County Housing and Redevelopment Authority (“HRA”) has agreed to provide technical and managerial support to ensure proper planning and grant administration for the project;

WHEREAS, the Comprehensive Housing Needs Analysis for Cook County, Minnesota published May 5, 2022 found zero vacancies in the general-occupancy rental properties in and near Cook County and cited a demand for between 230 and 270 new units of rental housing from 2021 to 2026.

NOW THEREFORE, BE IT RESOLVED, that the EDA Board of Commissioners hereby approves application for and, upon approval, acceptance of a housing grant up to \$750,000 from the IRRR to support construction of the Heights, a multifamily residential project, (the “Project”) located at 1503 West Highway 61 in Grand Marais.

\_\_\_\_\_ Ex. Dir.

October 17, 2023

**STATEMENT OF PURPOSE:**

The purpose of this resolution is to authorize application for and, upon approval, acceptance of a housing grant up to \$750,000 from the Department of Iron Range Resources and Rehabilitation (IRRR). The Housing grant program requires a 1:1 match, which will be provided through a combination of Developer equity and other local funding sources. The Project is located at 1503 W Hwy 61 next to Up Yonder and will include approximately 34 units of much needed studio, 1-bedroom and 2-bedroom long term, workforce rental housing units. While the IRRR requires the EDA be the sole applicant for countywide grant applications, the Executive Director of the HRA has agreed to provide technical and managerial support for this housing grant.



Board member \_\_\_\_\_ moved the adoption of the foregoing resolution, and said motion was duly seconded by Board member \_\_\_\_\_, and upon vote being taken thereon, the following voted in favor thereof:

and the following voted against the same:

Whereupon said resolution was declared adopted by the Cook County and Grand Marais Joint Economic Development Authority this 17<sup>th</sup> day of October 2023.

ATTEST:

\_\_\_\_\_

Steve Surbaugh – Board President

**COOK COUNTY AND GRAND MARAIS JOINT ECONOMIC DEVELOPMENT AUTHORITY  
STATE OF MINNESOTA  
COOK COUNTY**

**RESOLUTION NO. 2023-16**

**RESOLUTION AUTHORIZING AN AGREEMENT WITH FRYBERGER, BUCHANAN, SMITH & FREDERICK, P.A.  
TO PROVIDE PROFESSIONAL SERVICES FOR THE COOK COUNTY AND GRAND MARAIS JOINT ECONOMIC  
DEVELOPMENT AUTHORITY IN AN AMOUNT NOT TO EXCEED \$7,500.**

RESOLVED, that the Board of Commissioners of the Cook County and Grand Marais Joint Economic Development Authority (“EDA”) hereby authorize a professional services agreement, substantially in the form attached as Exhibit A, with Fryberger, Buchanan, Smith & Frederick, P.A. related to legal counsel for a total amount not to exceed \$7,500, payable from Operations Fund.

\_\_\_\_\_ Ex. Dir.

October 17, 2023

**STATEMENT OF PURPOSE:**

The purpose of this resolution is to authorize a professional services agreement with Fryberger, Buchanan, Smith & Frederick, P.A. to provide legal counsel to the EDA through December 31, 2024 in an amount not to exceed \$7,500. This agreement will provide the Executive Director and EDA Board with timely legal advice on current and future operations, agreements, and land conveyance. Fryberger will provide assistance on an on-needed basis.

Board member \_\_\_\_\_ moved the adoption of the foregoing resolution, and said motion was duly seconded by Board member \_\_\_\_\_, and upon vote being taken thereon, the following voted in favor thereof:

and the following voted against the same:

Whereupon said resolution was declared adopted by the Cook County and Grand Marais Joint Economic Development Authority this 17<sup>th</sup> day of October 2023.

ATTEST:

\_\_\_\_\_  
Steve Surbaugh – Board President

**AGREEMENT FOR PROFESSIONAL SERVICES  
BY AND BETWEEN  
FRYBERGER, BUCHANAN, SMITH & FREDERICK P.A.  
AND  
COOK COUNTY AND GRAND MARAIS JOINT ECONOMIC DEVELOPMENT AUTHORITY**

THIS AGREEMENT, effective as of the date of attestation (the “Effective Date”), by and between the Cook County and Grand Marais Joint Economic Development Authority, hereinafter referred to as EDA, and Fryberger, Buchanan, Smith & Frederick P.A., located at 302 West Superior Street, Suite 700, Duluth, MN 55802, hereinafter referred to as Fryberger, for the purpose of rendering services to the EDA.

WHEREAS, the EDA has requested legal services for future economic development projects and EDA operations and administration (the “Operations”); and

WHEREAS, Fryberger has represented itself as qualified and willing to perform the services required by the EDA; and

WHEREAS, Fryberger submitted an outline describing the services it can provide for the EDA (the “Outline”), a copy of which is attached hereto as Exhibit A;

WHEREAS, the EDA desires to utilize Fryberger’s professional services for the Operations;

NOW, THEREFORE, in consideration of the mutual covenants and conditions hereinafter contained, the parties hereto agree as follows:

I. Services

Fryberger will provide requested services related to the Operations as described in Fryberger’s Proposal (the “Services”). Fryberger agrees that it will provide its services only at the request of the EDA Executive Director (the “Director”). In the event of a conflict between the Proposal and this Agreement, the terms and conditions of this Agreement shall be deemed controlling.

II. Fees

It is agreed between the parties that Fryberger’s maximum fee for the Operations and Services shall not exceed the sum of Seven Thousand Five Hundred and 00/100 Dollars

(\$7,500) inclusive of all travel and other expenses associated with the Operations, payable from Fund Operations. All invoices for services rendered shall be submitted monthly to the attention of the Director. Payment of expenses is subject to the EDA's receipt of reasonable substantiation/back-up supporting such expenses.

III. General Terms and Conditions

1. Amendments

Any alterations, variations, modifications or waivers of terms of this Agreement shall be binding upon the EDA and Fryberger only upon being reduced to writing and signed by a duly authorized representative of each party.

2. Assignment

Fryberger represents that it will utilize only its own personnel in the performance of the services set forth herein; and further agrees that it will neither assign, transfer or subcontract any rights or obligations under this Agreement without prior written consent of the EDA. The Fryberger shall be responsible for the delivery of professional services required by this Agreement.

3. Data and Confidentiality, Records and Inspection

a. The EDA agrees that it will make available all pertinent information, data and records under its control for Fryberger to use in the performance of this Agreement, or assist Fryberger wherever possible to obtain such records, data and information.

b. All reports, data, information, documentation and material given to or prepared by Fryberger pursuant to this Agreement will be confidential and will not be released by Fryberger without prior authorization from the EDA.

c. Fryberger agrees that all work created by Fryberger for the EDA is a "work made for hire" and that the EDA shall own all right, title, and interest in and to the work, including the entire copyright in the work ("EDA Property"). Fryberger further agrees that to the extent the work is not a "work made for hire" Fryberger will assign to EDA ownership of all right, title and interest in and to the work, including ownership of the entire copyright in the work. Fryberger agrees to execute, at no cost to EDA, all documents necessary for EDA to perfect its ownership of the entire copyright in the work. Fryberger represents and warrants that the work created or prepared by Fryberger will be original and will not infringe upon the rights of any third party, and

Fryberger further represents that the work will not have been previously assigned, licensed or otherwise encumbered.

- d. Records shall be maintained by Fryberger in accordance with requirements prescribed by the EDA and with respect to all matters covered by this Agreement. Such records shall be maintained for a period of six (6) years after receipt of final payment under this Agreement.
- e. Fryberger will ensure that all costs shall be supported by properly executed payrolls, time records, invoices, contracts, vouchers, or other official documentation evidencing in proper detail the nature and propriety of the charges. All checks, payrolls, invoices, contracts, vouchers, orders, or other accounting documents pertaining in whole or in part to this Agreement shall be clearly identified and readily accessible.
- f. Fryberger shall be responsible for furnishing to the EDA records, data and information as the EDA may require pertaining to matters covered by this Agreement.
- g. Fryberger shall ensure that at any time during normal business hours and as often as the EDA may deem necessary, there shall be made available to the EDA for examination, all of its records with respect to all matters covered by this Agreement Fryberger will also permit the EDA to audit, examine, and make excerpts or transcripts from such records, and to make audits of all contracts, invoices, materials, payrolls, records of personnel, conditions of employment, and other data relating to all matters covered by this Agreement.

4. Fryberger Representation and Warranties

Fryberger represents and warrants that:

- a. Fryberger and all personnel to be provided by it hereunder has sufficient training and experience to perform the duties set forth herein and are in good standing with all applicable licensing requirements.
- b. Fryberger and all personnel provided by it hereunder shall perform their respective duties in a professional and diligent manner in the best interests of the EDA and in accordance with the then current generally accepted standards of the profession for the provisions of services of this type.
- c. Fryberger has complied or will comply with all legal requirements applicable to it with respect to this Agreement. Fryberger will observe all applicable laws,

regulations, ordinances and orders of the United States, State of Minnesota and agencies and political subdivisions thereof.

- d. The execution and delivery of this Agreement and the consummation of the transactions herein contemplated do not and will not conflict with, or constitute a breach of or a default under, any agreement to which the Fryberger is a party or by which it is bound, or result in the creation or imposition of any lien, charge or encumbrance of any nature upon any of the property or assets of the Fryberger contrary to the terms of any instrument or agreement.
- e. There is no litigation pending or to the best of the Fryberger's knowledge threatened against the Fryberger affecting its ability to carry out the terms of this Agreement or to carry out the terms and conditions of any other matter materially affecting the ability of the Fryberger to perform its obligations hereunder.
- f. The Fryberger will not, without the prior written consent of the EDA, enter into any agreement or other commitment the performance of which would constitute a breach of any of the terms, conditions, provisions, representations, warranties and/or covenants contained in this Agreement.

5. Agreement Period

The term of this Agreement shall commence on the Effective Date and performance shall be completed by 12/31/2024, unless terminated earlier as provided for herein. Either party may, by giving written notice, specifying the effective date thereof, terminate this Agreement in whole or in part without cause. In the event of termination, all property and finished or unfinished documents and other writings prepared by Fryberger under this Agreement shall become the property of the EDA and Fryberger shall promptly deliver the same to the EDA. Fryberger shall be entitled to compensation for services properly performed by it to the date of termination of this Agreement. In the event of termination due to breach by Fryberger, the EDA shall retain all other remedies available to it, and the EDA shall be relieved from payment of any fees in respect of the services of Fryberger which gave rise to such breach.

6. Independent Contractor

- a. It is agreed that nothing herein contained is intended or should be construed in any manner as creating or establishing the relationship of copartners

between the parties hereto or as constituting Fryberger as an agent, representative or employee of the EDA for any purpose or in any manner whatsoever. The parties do not intend to create any third party beneficiary of this Agreement. Fryberger and its employees shall not be considered employees of the EDA, and any and all claims that may or might arise under the Worker's Compensation Act of the State of Minnesota on behalf of Fryberger's employees while so engaged, and any and all claims whatsoever on behalf of Fryberger's employees arising out of employment shall in no way be the responsibility of EDA. Except for compensation provided in Section II of this Agreement, Fryberger's employees shall not be entitled to any compensation or rights or benefits of any kind whatsoever from EDA, including without limitation, tenure rights, medical and hospital care, sick and vacation leave, Worker's Compensation, Unemployment Insurance, disability or severance pay and P.E.R.A. Further, EDA shall in no way be responsible to defend, indemnify or save harmless Fryberger from liability or judgments arising out of intentional or negligent acts or omissions of Fryberger or its employees while performing the work specified by this Agreement.

- b. The parties do not intend by this Agreement to create a joint venture or joint enterprise, and expressly waive any right to claim such status in any dispute arising out of this Agreement.
- c. Fryberger expressly waives any right to claim any immunity provided for in Minnesota Statutes Chapter 466 or pursuant to the official immunity doctrine.

7. Indemnity

To the extent allowed by law, Fryberger shall defend, indemnify and hold EDA and its employees, officers, and agents harmless from and against any and all cost or expenses, claims or liabilities, including but not limited to, reasonable attorneys' fees and expenses in connection with any claims resulting from the Fryberger's a) breach of this agreement or b) its negligence or misconduct or that of its agents or contractors in performing the Services hereunder or c) any claims arising in connection with Fryberger's employees or contractors, or d) the use of any materials supplied by the Fryberger to the EDA unless such material was modified by EDA and such modification is the cause of such claim. This Section shall survive the termination of this Agreement for any reason.

8. Insurance

Fryberger shall obtain and maintain for the Term of this Agreement the following minimum amounts of insurance from insurance companies authorized to do business in the State of Minnesota.

- a. Public Liability and Automobile Liability Insurance with limits not less than \$1,500,000 Single Limit and shall provide for the following: Liability for Premises, Operations, Completed Operations, and Contractual Liability. Cook County and Grand Marais Joint Economic Development Authority shall be named as Additional Insured by endorsement under the Public Liability and Automobile Liability, or as an alternate, Fryberger may provide Owners-Contractors Protective policy, naming itself and Cook County and Grand Marais Joint Economic Development Authority. Upon execution of this Agreement, Fryberger shall provide Certificate of Insurance evidencing such coverage with 30-days' notice of cancellation, non-renewal or material change provisions included.
- b. Professional Liability Insurance in an amount not less than \$1,500,000 Single Limit; provided further that in the event the professional malpractice insurance is in the form of "claims made," insurance, 60 days' notice prior to any cancellation or modification shall be required; and in such event, Fryberger agrees to provide the EDA with either evidence of new insurance coverage conforming to the provisions of this paragraph which will provide unbroken protection to the EDA, or, in the alternative, to purchase at its cost, extended coverage under the old policy for the period the state of repose runs; the protection to be provided by said "claims made" insurance shall remain in place until the running of the statute of repose for claims related to this Agreement.
- c. Fryberger shall also provide evidence of Statutory Minnesota Workers' Compensation Insurance.
- d. A certificate showing continued maintenance of such insurance shall be on file with the EDA during the term of this Agreement.
- e. The EDA of Duluth does not represent or guarantee that these types or limits of coverage are adequate to protect the Fryberger's interests and liabilities.

9. Notices

Unless otherwise expressly provided herein, any notice or other communication required or given shall be in writing and shall be effective for any purpose if



served, with delivery or postage costs prepaid, by nationally recognized commercial overnight delivery service or by registered or certified mail, return receipt requested, to the following addresses:

**EDA:** Cook County and Grand Marais Joint Economic  
Development Authority  
425 W. Highway 61, Suite B  
PO Box 597  
Grand Marais, MN 55604  
Attn: Executive Director

**Fryberger:** Fryberger Law Firm  
302 West Superior Street, Suite 700  
Duluth, MN 55802  
Attn: Chris Virta

10. Civil Rights Assurances

Fryberger, as part of the consideration under this Agreement, does hereby covenant and agree that:

- a. No person on the grounds of race, color, creed, religion, national origin, ancestry, age, sex, marital status, status with respect to public assistance, sexual orientation, and/or disability shall be excluded from any participation in, denied any benefits of, or otherwise subjected to discrimination with regard to the work to be done pursuant to this Agreement.
- b. That all activities to be conducted pursuant to this Agreement shall be conducted in accordance with the Minnesota Human Rights Act of 1974, as amended (Chapter 363), Title 7 of the U.S. Code, and any regulations and executive orders which may be affected with regard thereto.

11. Laws, Rules and Regulations

Fryberger agrees to observe and comply with all laws, ordinances, rules and regulations of the United States of America, the State of Minnesota and the EDA with respect to their respective agencies which are applicable to its activities under this Agreement.

12. Applicable Law

This Agreement, together with all of its paragraphs, terms and provisions is made in the State of Minnesota and shall be construed and interpreted in accordance with the laws of the State of Minnesota.

13. Force Majeure

Neither party shall be liable for any failure of or delay in performance of its obligations under his Agreement to the extent such failure or delay is due to circumstances beyond its reasonable control, including, without limitation, acts of God, acts of a public enemy, fires, floods, wars, civil disturbances, sabotage, accidents, insurrections, blockades, embargoes, storms, explosions, labor disputes, acts of any governmental body (whether civil or military, foreign or domestic), failure or delay of third parties or governmental bodies from whom a party is obtaining or must obtain approvals, franchises or permits, or inability to obtain labor, materials, equipment, or transportation. Any such delays shall not be a breach of or failure to perform this Agreement or any part thereof and the date on which the party's obligations hereunder are due to be fulfilled shall be extended for a period equal to the time lost as a result of such delays.

14. Severability

In the event any provision herein shall be deemed invalid or unenforceable, the remaining provision shall continue in full force and effect and shall be binding upon the parties to this Agreement.

15. Entire Agreement

It is understood and agreed that the entire agreement of the parties including all exhibits is contained herein and that this Agreement supersedes all oral agreements and negotiations between the parties relating to the subject matter hereof. Any amendment to this Agreement shall be in writing and shall be executed by the same parties who executed the original agreement or their successors in office.

16. Counterparts

This Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original as against any party whose signature appears thereon, but all of which together shall constitute but one and the same instrument. Signatures to this Agreement transmitted by facsimile, by electronic mail in "portable document format" (".pdf"), or by any other electronic means which preserves the original graphic and pictorial appearance of the Agreement, shall have the same effect as physical delivery of the paper document bearing the original signature.

IN WITNESS WHEREOF, the parties have hereunto set their hands as of the date of attestation shown below.

**Cook County and Grand Marais Joint  
Economic Development Authority**

By:

\_\_\_\_\_  
Steve Surbaugh  
Its: Board President

By:

\_\_\_\_\_  
Theresa Bajda  
Its: Executive Director

**Fryberger Law Firm**

By:

\_\_\_\_\_  
Company Representative

Its:

\_\_\_\_\_  
Title of Representative

Date:

## Exhibit A

Proposal to the:

**Cook County/Grand Marais Joint Economic Development Authority**

Presented on:

**October 12, 2023**

Proposal from:

**FRYBERGER**  
— LAW FIRM —

Contact Person:

Christopher J. Virta  
cvirta@fryberger.com  
Fryberger.com

**Cloquet Office**

813 Cloquet Ave.  
Cloquet, MN 55802  
p: (218) 722-0861

**Duluth Office**

302 West Superior Street  
700 Lonsdale Building  
Duluth, MN 55802  
p: (218) 722-0861

**Superior Office**

1409 Hammond Ave  
Suite 330  
Superior, WI 54880  
p: (715) 392-7405

**St. Paul Office**

c/o 302 W. Superior St.  
700 Lonsdale Building  
Duluth MN 55802  
(651) 221-1044

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October 12, 2023

Ms. Theresa Bajda  
Cook County/Grand Marais Joint Economic Development Authority  
425 W Highway 61, Suite B  
Grand Marais, MN 55604

**RE: Legal Services**

Dear Ms. Bajda:

Fryberger, Buchanan, Smith & Frederick, P.A. (“Fryberger”), a full-service law firm, is pleased to submit this proposal for consideration by the Cook County/Grand Marais Joint Economic Development Authority (the “Authority”) to provide comprehensive legal services.

As detailed in the enclosed materials, Fryberger attorneys have the experience and skills to assist the Authority by providing the following legal services: (i) general counsel, (ii) bond counsel, (iii) public finance, (iv) real estate, (v) collective bargaining, and (vi) government relations, all within requested time periods.

Our strengths include:

- experience working as general counsel and bond counsel for all types of municipal corporations, including cities, townships, counties, economic development authorities, housing and redevelopment authorities, port authorities and sanitary sewer districts, providing both general counsel and bond counsel services, as needed;
- the ability to provide integrated, cost-effective comprehensive services across related areas involved in economic development, real estate, public finance and government relations services; and
- depth of experience by our attorneys in employment and labor law and collective bargaining.

Thank you for the opportunity to submit this proposal. Please contact me if you have any questions or desire additional information.

Sincerely,



Christopher Virta, Shareholder

## **1. Our Mission, History and Approach**

### Our Mission.

We are one of the oldest and the largest Minnesota law firms outside the Twin Cities. In our 130 years of service to the people, local governments and businesses of Minnesota, the Fryberger Law Firm has acquired intimate knowledge of the state's people and businesses and their needs. That knowledge can be very useful in assessing the practical, political and legal implications of a particular strategy or response.

Our mission is to provide helpful, caring and high-quality legal services to the people, businesses and institutions we serve. In carrying out our mission, we will:

- Adhere to the highest ethical standards of our profession
- Earn a reputation for excellence through commitment to our mission and the long-term viability of our clients
- Create a supportive, congenial and tolerant work environment that fosters a mutual ownership of the Firm
- Commit the energy and resources required to anticipate and meet the changing needs of our clients
- Drive continually to enhance the quality and efficiency of the specialized legal services we provide while retaining a sense of responsibility for the total well-being of our clients
- Demonstrate shared responsibility for the betterment of our community and the region through community service
- Support our mission by charging fair and reasonable fees so that we can attract and retain employees willing and able to contribute to the fulfillment of our mission.

### Our History.

Fryberger, Buchanan, Smith & Frederick, P.A. combines the tradition and history of two of Duluth's oldest and most accomplished law firms. The two firms were known for many years as the Fryberger and Wheeler law offices.

The Fryberger office was founded in 1893 by Herschel B. Fryberger, Sr. In 1906, Mr. Fryberger moved his growing practice to the seventh floor of Duluth's Lonsdale Building, which to this day serves as the Firm's headquarters. Herschel B. Fryberger, Jr. joined his father's practice in 1932. The Fryberger office expanded over the years by offering Duluth businesses and families litigation and general legal services. It gained a reputation for providing the highest quality services based on hard work and meticulous preparation.

The Wheeler office was established in 1926 by Amasa E. Wheeler. The Wheeler firm grew and by 1971 was known as Wheeler, Burns, Buchanan & Sanford. It developed a reputation for the excellence of its services in the areas of corporate, banking, tax, probate and municipal law.



To enhance their ability to provide comprehensive services to their respective clients, the Fryberger and Wheeler firms merged in 1971 and become what is now Fryberger, Buchanan, Smith & Frederick. Recognizing a need to be able to provide legislative legal services to its clients, the Firm opened a St. Paul office in 1991. To bring its services closer to its regional clients, the Firm opened an office in Superior in 1995 and in 2020 added the attorneys and staff of Cloquet's Rudy Law Firm.

### Our Approach.

Our approach to providing legal services begins with designating a team of attorneys who have the skill sets we believe are most appropriate for your business needs. To increase efficiency and enhance the client relationship, we will designate two attorneys who will act as your "lead" attorneys. This gives the people in your organization two main contacts to call upon at any time, thus assuring more effective and timely communications between us. It also provides us, through your lead attorneys, with the continuity needed to gain a better overall understanding of your unique needs and expectations.

It is our expectation that the lead attorneys will develop special knowledge of the Authority's activities. We believe this enables us to respond promptly and effectively to each issue as it arises. It also provides us with a continuum of information that makes it possible to sometimes anticipate and diffuse issues before they become problems. Developing a higher level of knowledge of the Authority's operations is somewhat similar to buying an insurance policy for proactive protection against legal problems that may be overlooked by attorneys who have only transactional knowledge of the Authority.

We propose that Christopher Virta serve as the lead attorney for the Authority. He will have primary responsibility for coordinating work assignments among our twenty-seven attorneys to address your specific legal needs as they arise.

Attached is biographical information for the attorneys we suggest be on your team of attorneys. In addition, information about all of our attorneys is available on our website at [www.fryberger.com](http://www.fryberger.com).

### *A Collaborative Effort*

Our attorneys function in practice groups organized along the lines of their personal interests, special skills and experience. This enables our attorneys to share their knowledge and experience with each other. This approach enables us to deliver high quality, efficient and coordinated legal services in all areas of the law. We believe this practice model provides a tangible benefit to you because it enables you to utilize the skills and expertise of qualified attorneys in a full range of legal matters without having to "shop" multiple law firms. In those rare cases where your legal issues may require specialized skills and experience we lack, we will assist you and provide recommendations for a referral to qualified counsel.

### *Quality Service and Timeliness*

We believe clients differentiate excellent legal services from merely acceptable legal services based on quality, responsiveness and timeliness. We strive to provide the highest quality services. We expect our attorneys and paralegals to promptly return phone calls and provide clients with information about backup assistance when they have a planned or unplanned absence. Attorneys are expected to meet with clients as frequently as necessary and when requested by the client to review the status of a matter, discuss concerns, anticipate future needs, plan legal strategy, review bills or discuss concerns of the client relating to the attorney-client relationship. It is our intent that you would always be able to contact and speak with someone immediately within our offices during business hours. Meetings may be held in-person or remotely via telephone or video conferencing software including Webex, Microsoft Teams or Zoom.

These are some of the reasons why the Fryberger Law Firm is rated AV, the highest rating for legal ability and ethical standards issued by the Martindale Hubbell national law directory.

### *Research*

The firm uses LexisNexis, with various supplemental product subscriptions, including Antieau on Local Government Law, and Bloomberg Law as its primary research tools. Newer associates are engaged to assist with research projects to ensure cost effective services.

### *Use of Paralegal Staff*

To assure cost effective services, we use the skills and abilities of our paralegal staff. Our practice groups include paralegals who are trained, experienced and capable of handling under the supervision of our attorneys, or assisting our attorneys on, a wide variety of more routine legal matters.

### *Work Schedules, Office Staffing and Procedures for Uninterrupted Services*

The Fryberger Law Firm is comprised of ten shareholders, sixteen associates, one of counsel, seven paralegals, ten legal assistants and two document imaging specialists. Our main office is located in Duluth, Minnesota with branch offices in Superior, Wisconsin, Cloquet, Minnesota, and St. Paul, Minnesota. Our dedicated municipal law and public finance department is based in Duluth and includes five attorneys, three paralegals, and one legal assistant.

The firm maintains regular business hours Monday through Friday from 7:00 A.M. to 5:00 P.M. The Authority's lead attorneys will coordinate with the Authority team and the Authority in order to ensure Authority projects are given priority by the assigned attorney. Additionally, the lead attorneys will proactively work with the Authority to arrange for necessary staffing and resource allocation in order to ensure continued uninterrupted quality service in the event of any staffing changes or changes related to the requested scope of services.

The Fryberger Law Firm is a full-service law firm with extensive experience across several practice areas. While we are confident in our ability to serve the Authority's legal needs, should the Authority require services outside of our expertise, the lead attorneys will work with the Authority to assist it in locating reputable counsel.

## **2. Services We Can Provide**

Our attorneys practice in the following specialized areas of law:

- General Civil Litigation
- Employment and Labor Law
- Workers' Compensation
- Contracts
- Insurance Claims
- Commercial Transactions
- Land Acquisition
- Risk Management
- Intellectual Property (service marks, trademarks, franchise work)
- Development Agreements
- Zoning and Variances

- Real Estate
- Corporate Law
- Municipal Law
- Environmental Law
- Financing
- Agency and Legislative Services

### 3. Capacity and Training

#### Authority Team

We take great care assembling the team of professionals to work with each client. Many variables make up the formula of an effective working relationship, including: specific areas of expertise, work styles, past experience and enthusiasm for particular types of projects. We propose the following attorneys be assigned to the Authority team to provide services related to their individual areas of experience and expertise.

<b>Primary Personnel</b>	<b>Responsibilities and Legal Specialties</b>
Christopher Virta, Shareholder  Mia Thibodeau, Shareholder	<ul style="list-style-type: none"> <li>• General Counsel</li> <li>• Compliance with Minnesota Statutes applicable to Authority</li> <li>• Economic Development</li> <li>• Bond Counsel</li> <li>• HOME, CDBG, LIHTC housing programs</li> <li>• HUD Regulations</li> <li>• Low income housing tax credits (LIHTC)</li> <li>• Mixed Finance Development</li> <li>• Public Finance</li> <li>• Preparation and review of bond documents, compliance and program development</li> <li>• Preparation and review of bond documents</li> <li>• Preparation and review of compliance and program development</li> <li>• Tax Increment Financing (TIF) Plans</li> <li>• Tax Abatement Programs</li> </ul>
Nicholas J. Simonson  Donald Erickson  Joseph Mihalek	<ul style="list-style-type: none"> <li>• Employment litigation (NLRB, EEOC AND state and federal courts)</li> <li>• Employment and labor law advice/consultation</li> <li>• Collective bargaining, disciplinary and grievances</li> <li>• Ongoing advice and consultation on employment law, including discrimination and harassment</li> <li>• Employee benefits</li> <li>• Collective bargaining agreement negotiations</li> <li>• EEOC and Minnesota Department of Human Rights investigations, compliance, mediation,</li> </ul>

<b>Primary Personnel</b>	<b>Responsibilities and Legal Specialties</b>
	conciliation, and litigation <ul style="list-style-type: none"> <li>• Employment investigations, discipline and discharge</li> <li>• Grievance and unfair labor practice charge hearings</li> <li>• General Counsel on employment and labor matters</li> </ul>
Matthew Hanka  Julie Padilla	<ul style="list-style-type: none"> <li>• Architectural, construction and other service contracts</li> <li>• Compliance with Minnesota Statutes applicable to the Authority</li> <li>• Eviction Proceedings</li> <li>• Formation of development partnerships, including the use of various entity models such as limited partnerships, limited liability companies, limited liability partnerships and joint ventures</li> <li>• General counsel related to applicable real estate matters</li> <li>• Low-income housing tax credit syndications and conventional mortgage financing</li> <li>• Mixed-Finance development</li> <li>• Preparation and/or review of documentation relating to the foregoing</li> <li>• Preparing covenants, conditions and restrictions for residential or mixed residential/commercial</li> <li>• Real estate development/redevelopment</li> <li>• Real estate loans, purchases and sales</li> <li>• Transfer, ownership and control of real estate</li> <li>• Zoning, environmental and tax code compliance</li> </ul>
Samuel Richie	<ul style="list-style-type: none"> <li>• Lobbying</li> <li>• Government Relations and Legislation</li> </ul>

<b>Additional Personnel</b>	<b>Responsibilities and Legal Specialties</b>
Laura Bennett, Paralegal Gabriel Hendrickson, Paralegal Linda Taylor, Paralegal	<i>All paralegals assist in the legal matters described above under the supervision of an attorney.</i>

## Attorney Standard Rates August 2023

SHAREHOLDERS	Standard Rate
Oberstar	280
Kilgore	340
Ball	285
Loraas	300
Kanuit	300
Thibodeau	300
Virta	300
Nys	285
Pritchett	350
Johnson	275

SR/OF COUNSEL	Standard Rate
Toftey	290
Skala	360
Helwig	305
Yetka	305
Gasele	260
Mihalek	375
Maddy	325
Erickson	370

ASSOCIATES	Standard Rate
Hanka	240
Witt	230
Richie	230
Helwig	235
Heck	210
Simonson	270
Crowl	185
Padilla	300
Aird	185

**COOK COUNTY AND GRAND MARAIS JOINT ECONOMIC DEVELOPMENT AUTHORITY  
STATE OF MINNESOTA  
COOK COUNTY**

**RESOLUTION NO. 2023-17**

**RESOLUTION AUTHORIZING AN AGREEMENT WITH EHLERS, INC TO PROVIDE PROFESSIONAL SERVICES  
TO THE COOK COUNTY AND GRAND MARAIS JOINT ECONOMIC DEVELOPMENT AUTHORITY IN AN  
AMOUNT NOT TO EXCEED \$7,500.**

RESOLVED, that the Board of Commissioners of the Cook County and Grand Marais Joint Economic Development Authority (“EDA”) hereby authorize a professional services agreement, substantially in the form attached as Exhibit A, with Ehlers, Inc. for future public finance projects that support economic development for a total amount not to exceed \$7,500, payable from Operations Fund.

\_\_\_\_\_ Ex. Dir.

October 17, 2023

**STATEMENT OF PURPOSE:**

The purpose of this resolution is to authorize a professional services agreement with Ehlers, Inc. (“Ehlers”). Based in Roseville, Minnesota, Ehlers has advised municipalities on matters of public financing since 1955 and has assisted Economic Development Authorities across the state of Minnesota in economic development projects. As the EDA continues its work supporting developments that support economic development, it may require professional consultation and assistance.

The attached professional services agreement retains Ehlers for services costing up to \$7,500, and expires at the end of 2024. Ehlers will provide assistance only upon request.

Board member \_\_\_\_\_ moved the adoption of the foregoing resolution, and said motion was duly seconded by Board member \_\_\_\_\_, and upon vote being taken thereon, the following voted in favor thereof:

and the following voted against the same:

Whereupon said resolution was declared adopted by the Cook County and Grand Marais Joint Economic Development Authority this 17<sup>th</sup> day of October 2023.

ATTEST:

\_\_\_\_\_  
Steve Surbaugh – Board President

**AGREEMENT FOR PROFESSIONAL SERVICES  
BY AND BETWEEN  
EHLERS, INC.  
AND  
COOK COUNTY AND GRAND MARAIS JOINT ECONOMIC DEVELOPMENT AUTHORITY**

THIS AGREEMENT, effective as of the date of attestation (the “Effective Date”), by and between the Cook County and Grand Marais Joint Economic Development Authority, hereinafter referred to as EDA, and Ehlers, Inc., located at 3060 Centre Pointe Dr., Roseville, MN 55113, hereinafter referred to as Consultant, for the purpose of rendering services to the EDA.

WHEREAS, the EDA has requested consulting services for future public finance projects and economic development efforts (the “Projects”); and

WHEREAS, Consultant has represented itself as qualified and willing to perform the services required by the EDA; and

WHEREAS, Consultant submitted a proposal describing the services it can provide for the Projects (the “Proposal”), a copy of which is attached hereto as Exhibit A; and

WHEREAS, the EDA desires to utilize Consultant’s professional services for the Projects;

NOW, THEREFORE, in consideration of the mutual covenants and conditions hereinafter contained, the parties hereto agree as follows:

I. Services

Consultant will provide requested services related to the Projects as described in Consultant’s Proposal (the “Services”). Consultant agrees that it will provide its services only at the request of the EDA Executive Director (the “Director”). In the event of a conflict between the Proposal and this Agreement, the terms and conditions of this Agreement shall be deemed controlling.

II. Fees

It is agreed between the parties that Consultant’s maximum fee for the Projects and Services shall not exceed the sum of Seven Thousand Five Hundred and 00/100 Dollars (\$7,500) inclusive of all travel and other expenses associated with the Projects, payable from Fund Operations. All invoices for services rendered shall be submitted monthly to

the attention of the Director. Payment of expenses is subject to the EDA's receipt of reasonable substantiation/back-up supporting such expenses.

III. General Terms and Conditions

1. Amendments

Any alterations, variations, modifications or waivers of terms of this Agreement shall be binding upon the EDA and Consultant only upon being reduced to writing and signed by a duly authorized representative of each party.

2. Assignment

Consultant represents that it will utilize only its own personnel in the performance of the services set forth herein; and further agrees that it will neither assign, transfer or subcontract any rights or obligations under this Agreement without prior written consent of the EDA. The Consultant shall be responsible for the delivery of professional services required by this Agreement.

3. Data and Confidentiality, Records and Inspection

a. The EDA agrees that it will make available all pertinent information, data and records under its control for Consultant to use in the performance of this Agreement, or assist Consultant wherever possible to obtain such records, data and information.

b. All reports, data, information, documentation and material given to or prepared by Consultant pursuant to this Agreement will be confidential and will not be released by Consultant without prior authorization from the EDA.

c. Consultant agrees that all work created by Consultant for the EDA is a "work made for hire" and that the EDA shall own all right, title, and interest in and to the work, including the entire copyright in the work ("EDA Property"). Consultant further agrees that to the extent the work is not a "work made for hire" Consultant will assign to EDA ownership of all right, title and interest in and to the work, including ownership of the entire copyright in the work. Consultant agrees to execute, at no cost to EDA, all documents necessary for EDA to perfect its ownership of the entire copyright in the work. Consultant represents and warrants that the work created or prepared by Consultant will be original and will not infringe upon the rights of any third party, and Consultant further represents that the work will not have been previously assigned, licensed or otherwise encumbered.



- d. Records shall be maintained by Consultant in accordance with requirements prescribed by the EDA and with respect to all matters covered by this Agreement. Such records shall be maintained for a period of six (6) years after receipt of final payment under this Agreement.
  - e. Consultant will ensure that all costs shall be supported by properly executed payrolls, time records, invoices, contracts, vouchers, or other official documentation evidencing in proper detail the nature and propriety of the charges. All checks, payrolls, invoices, contracts, vouchers, orders, or other accounting documents pertaining in whole or in part to this Agreement shall be clearly identified and readily accessible.
  - f. Consultant shall be responsible for furnishing to the EDA records, data and information as the EDA may require pertaining to matters covered by this Agreement.
  - g. Consultant shall ensure that at any time during normal business hours and as often as the EDA may deem necessary, there shall be made available to the EDA for examination, all of its records with respect to all matters covered by this Agreement Consultant will also permit the EDA to audit, examine, and make excerpts or transcripts from such records, and to make audits of all contracts, invoices, materials, payrolls, records of personnel, conditions of employment, and other data relating to all matters covered by this Agreement.
4. Consultant Representation and Warranties
- Consultant represents and warrants that:
- a. Consultant and all personnel to be provided by it hereunder has sufficient training and experience to perform the duties set forth herein and are in good standing with all applicable licensing requirements.
  - b. Consultant and all personnel provided by it hereunder shall perform their respective duties in a professional and diligent manner in the best interests of the EDA and in accordance with the then current generally accepted standards of the profession for the provisions of services of this type.
  - c. Consultant has complied or will comply with all legal requirements applicable to it with respect to this Agreement. Consultant will observe all applicable laws, regulations, ordinances and orders of the United States, State of Minnesota and agencies and political subdivisions thereof.

- d. The execution and delivery of this Agreement and the consummation of the transactions herein contemplated do not and will not conflict with, or constitute a breach of or a default under, any agreement to which the Consultant is a party or by which it is bound, or result in the creation or imposition of any lien, charge or encumbrance of any nature upon any of the property or assets of the Consultant contrary to the terms of any instrument or agreement.
- e. There is no litigation pending or to the best of the Consultant's knowledge threatened against the Consultant affecting its ability to carry out the terms of this Agreement or to carry out the terms and conditions of any other matter materially affecting the ability of the Consultant to perform its obligations hereunder.
- f. The Consultant will not, without the prior written consent of the EDA, enter into any agreement or other commitment the performance of which would constitute a breach of any of the terms, conditions, provisions, representations, warranties and/or covenants contained in this Agreement.

5. Agreement Period

The term of this Agreement shall commence on the Effective Date and performance shall be completed by 12/31/2024, unless terminated earlier as provided for herein. Either party may, by giving written notice, specifying the effective date thereof, terminate this Agreement in whole or in part without cause. In the event of termination, all property and finished or unfinished documents and other writings prepared by Consultant under this Agreement shall become the property of the EDA and Consultant shall promptly deliver the same to the EDA. Consultant shall be entitled to compensation for services properly performed by it to the date of termination of this Agreement. In the event of termination due to breach by Consultant, the EDA shall retain all other remedies available to it, and the EDA shall be relieved from payment of any fees in respect of the services of Consultant which gave rise to such breach.

6. Independent Contractor

- a. It is agreed that nothing herein contained is intended or should be construed in any manner as creating or establishing the relationship of copartners between the parties hereto or as constituting Consultant as an agent, representative or employee of the EDA for any purpose or in any manner

whatsoever. The parties do not intend to create any third party beneficiary of this Agreement. Consultant and its employees shall not be considered employees of the EDA, and any and all claims that may or might arise under the Worker's Compensation Act of the State of Minnesota on behalf of Consultant's employees while so engaged, and any and all claims whatsoever on behalf of Consultant's employees arising out of employment shall in no way be the responsibility of EDA. Except for compensation provided in Section II of this Agreement, Consultant's employees shall not be entitled to any compensation or rights or benefits of any kind whatsoever from EDA, including without limitation, tenure rights, medical and hospital care, sick and vacation leave, Worker's Compensation, Unemployment Insurance, disability or severance pay and P.E.R.A. Further, EDA shall in no way be responsible to defend, indemnify or save harmless Consultant from liability or judgments arising out of intentional or negligent acts or omissions of Consultant or its employees while performing the work specified by this Agreement.

- b. The parties do not intend by this Agreement to create a joint venture or joint enterprise, and expressly waive any right to claim such status in any dispute arising out of this Agreement.
- c. Consultant expressly waives any right to claim any immunity provided for in Minnesota Statutes Chapter 466 or pursuant to the official immunity doctrine.

7. Indemnity

To the extent allowed by law, Consultant shall defend, indemnify and hold EDA and its employees, officers, and agents harmless from and against any and all cost or expenses, claims or liabilities, including but not limited to, reasonable attorneys' fees and expenses in connection with any claims resulting from the Consultant's a) breach of this agreement or b) its negligence or misconduct or that of its agents or contractors in performing the Services hereunder or c) any claims arising in connection with Consultant's employees or contractors, or d) the use of any materials supplied by the Consultant to the EDA unless such material was modified by EDA and such modification is the cause of such claim. This Section shall survive the termination of this Agreement for any reason.

8. Insurance

Consultant shall obtain and maintain for the Term of this Agreement the following minimum amounts of insurance from insurance companies authorized to do

business in the State of Minnesota.

- a. Public Liability and Automobile Liability Insurance with limits not less than \$1,500,000 Single Limit and shall provide for the following: Liability for Premises, Operations, Completed Operations, and Contractual Liability. Cook County and Grand Marais Joint Economic Development Authority shall be named as Additional Insured by endorsement under the Public Liability and Automobile Liability, or as an alternate, Consultant may provide Owners-Contractors Protective policy, naming itself and Cook County and Grand Marais Joint Economic Development Authority. Upon execution of this Agreement, Consultant shall provide Certificate of Insurance evidencing such coverage with 30-days' notice of cancellation, non-renewal or material change provisions included.
- b. Professional Liability Insurance in an amount not less than \$1,500,000 Single Limit; provided further that in the event the professional malpractice insurance is in the form of "claims made," insurance, 60 days' notice prior to any cancellation or modification shall be required; and in such event, Consultant agrees to provide the EDA with either evidence of new insurance coverage conforming to the provisions of this paragraph which will provide unbroken protection to the EDA, or, in the alternative, to purchase at its cost, extended coverage under the old policy for the period the state of repose runs; the protection to be provided by said "claims made" insurance shall remain in place until the running of the statute of repose for claims related to this Agreement.
- c. Consultant shall also provide evidence of Statutory Minnesota Workers' Compensation Insurance.
- d. A certificate showing continued maintenance of such insurance shall be on file with the EDA during the term of this Agreement.
- e. The EDA of Duluth does not represent or guarantee that these types or limits of coverage are adequate to protect the Consultant's interests and liabilities.

9. Notices

Unless otherwise expressly provided herein, any notice or other communication

required or given shall be in writing and shall be effective for any purpose if served, with delivery or postage costs prepaid, by nationally recognized commercial overnight delivery service or by registered or certified mail, return receipt requested, to the following addresses:

**EDA:** Cook County and Grand Marais Joint Economic  
Development Authority  
425 W. Highway 61, Suite B  
PO Box 597  
Grand Marais, MN 55604  
Attn: Executive Director

**Consultant:** Ehlers, Inc.  
Centre Pointe Dr.  
Roseville, MN 55113  
Attn: Jason Aarsvold

10. Civil Rights Assurances

Consultant, as part of the consideration under this Agreement, does hereby covenant and agree that:

- a. No person on the grounds of race, color, creed, religion, national origin, ancestry, age, sex, marital status, status with respect to public assistance, sexual orientation, and/or disability shall be excluded from any participation in, denied any benefits of, or otherwise subjected to discrimination with regard to the work to be done pursuant to this Agreement.
- b. That all activities to be conducted pursuant to this Agreement shall be conducted in accordance with the Minnesota Human Rights Act of 1974, as amended (Chapter 363), Title 7 of the U.S. Code, and any regulations and executive orders which may be affected with regard thereto.

11. Laws, Rules and Regulations

Consultant agrees to observe and comply with all laws, ordinances, rules and regulations of the United States of America, the State of Minnesota and the EDA with respect to their respective agencies which are applicable to its activities under this Agreement.

12. Applicable Law

This Agreement, together with all of its paragraphs, terms and provisions is made in the State of Minnesota and shall be construed and interpreted in accordance

with the laws of the State of Minnesota.

13. Force Maieure

Neither party shall be liable for any failure of or delay in performance of its obligations under his Agreement to the extent such failure or delay is due to circumstances beyond its reasonable control, including, without limitation, acts of God, acts of a public enemy, fires, floods, wars, civil disturbances, sabotage, accidents, insurrections, blockades, embargoes, storms, explosions, labor disputes, acts of any governmental body (whether civil or military, foreign or domestic), failure or delay of third parties or governmental bodies from whom a party is obtaining or must obtain approvals, franchises or permits, or inability to obtain labor, materials, equipment, or transportation. Any such delays shall not be a breach of or failure to perform this Agreement or any part thereof and the date on which the party's obligations hereunder are due to be fulfilled shall be extended for a period equal to the time lost as a result of such delays.

14. Severability

In the event any provision herein shall be deemed invalid or unenforceable, the remaining provision shall continue in full force and effect and shall be binding upon the parties to this Agreement.

15. Entire Agreement

It is understood and agreed that the entire agreement of the parties including all exhibits is contained herein and that this Agreement supersedes all oral agreements and negotiations between the parties relating to the subject matter hereof. Any amendment to this Agreement shall be in writing and shall be executed by the same parties who executed the original agreement or their successors in office.

16. Counterparts

This Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original as against any party whose signature appears thereon, but all of which together shall constitute but one and the same instrument. Signatures to this Agreement transmitted by facsimile, by electronic mail in "portable document format" (".pdf"), or by any other electronic means which preserves the original graphic and pictorial appearance of the Agreement, shall have the same effect as physical delivery of the paper document bearing the original signature.

IN WITNESS WHEREOF, the parties have hereunto set their hands as of the date of attestation shown below.

**Cook County and Grand Marais Joint  
Economic Development Authority**

By:

\_\_\_\_\_  
Steve Surbaugh  
Its: Board President

By:

\_\_\_\_\_  
Theresa Bajda  
Its: Executive Director

**Ehlers, Inc.**

By:

\_\_\_\_\_  
Company Representative

Its:

\_\_\_\_\_  
Title of Representative

Date:

## Exhibit A



## Exhibit A - Scope Work

At the direction of the EDA, Ehlers will provide economic development services including but not limited to the following:

- Review proposals requesting public financial assistance for private development to determine type and level of assistance needed for financial feasibility. Negotiation of assistance package with developers.
- Preparation of required information for attorneys and review of TIF agreements for inclusion of appropriate terms for assistance, lookback, development timing/phasing, etc.
- Creation and management of tax increment financing districts.
- Creation and management of tax abatement programs.
- Annual preparation of tax increment financing payment calculations for EDA PAYGO and/or bond obligations.
- Creation and management of other public finance tools including special service districts, housing improvement areas, special assessments, and utility user fees.
- Creation of strategies and/or policies for the implementation of housing, development and redevelopment projects including leading efforts for public input.
- Preparation of long-range financial projections and analysis of funding alternatives.
- Design and facilitation of group decisions making and educational workshops.
- Assistance with grants and other federal funding initiatives.
- Assistance with special legislative items and provision of regular legislative updates.
- Assistance with developer solicitation and/or RFP preparation and evaluation for specific site development.

### Performance of Services

Ehlers shall perform independent municipal advisory services upon request of the EDA and shall continue until services are completed.

### Compensation for Services

For the professional services provided for herein, it is agreed that Ehlers shall be paid according to the terms and at the fees, rates and charges as enumerated in the attached Fee Chart.

### Method of Payment

Ehlers shall submit itemized bills for services provided to the EDA on a monthly basis, except for debt issuance fees. Ehlers billing statement shall also show the types of work done in various categories and the time spent and fees attributable to each of these categories. To the extent possible, Ehlers shall indicate for each employee his or her name, the number of hours worked, the topic and nature of the work performed and the total amount due.

Ehlers shall submit bills for debt issuance after the award of the sale unless the parties agree otherwise.

## Schedule of Professional Fees & Expenses

Most non-bond related advisory services requested by the EDA will be billed on an hourly basis according to the following rates:

<b>POSITION</b>	<b>RATE</b>
Senior Municipal Advisor	\$245 - 300/hour
Municipal Advisor	\$240 – 300/hour
Financial Analyst	\$250 - \$265/hour
Senior Financial Specialist	\$265/hour
Financial Specialist	\$200 - \$245/hour

### TIF Districts

All work will be done on a flat fee basis for all district creation, modification and certification services.

- Redevelopment/Renewal & Renovation TIF Districts: \$12,500 - \$15,500 (depending on district complexity)
- Housing: \$12,000 - \$13,500 (depending on district complexity)
- Other TBD based on scope: \$10,500 - \$15,000