



City Commission Meeting Agenda

Devils Lake City Hall Commission Chambers

423 6th St NE, Devils Lake, 58301

Monday, May 1, 2023

Meeting Items

- 1) Call to Order
- 2) Pledge of Allegiance
- 3) Approval of Minutes – April 17, 2023

Awards and Proclamations

- 1) 2023 Arbor Day Proclamation

Public Hearings – 5:30 PM

- 1) N/A

Bid Openings – 5:30 PM

- 1) N/A

Visitors or Delegations

**Limited to five minutes per guest, unless extended by presiding officer*

- 1) Nodak Electric

Commission Portfolios

- 1) N/A

Old Business

- 1) N/A

Consent Agenda

- 1) CAD/RMS Final Approval
- 2) Budget Amendment 23-01 – Completed Construction Project Payoffs

New Business

- 1) Project Financing Intergovernmental Agreement with Park District
- 2) Authorization to Issue \$1.5 million in US Treasuries/CD's – General Fund
- 3) Renaissance Zone Project 25-DL
- 4) 1st Reading of Domestic Fowl Ordinance
- 5) Temporary Employee Pay Scale
- 6) Contract for Collection of City Sales, Use and Gross Receipts Taxes – Office of State Tax Commissioner

Citizen Comment

- 1) N/A

Informational Items

- 1) N/A

Motion to approve payment of the list of bills as submitted.

The City of Devils Lake may convene in an executive session as provided by NDCC 44-04-19.2 to consider and discuss closed or confidential records and information, negotiating strategy or negotiating instructions as provided by NDCC 44-04-19.1, 44-04-19.2, 44-04-18.4.

Minutes of the Devils Lake City Commission

April 17, 2023

The regular meeting of the Devils Lake City Commission was held on April 17, 2023, with the following members present: President Moe, Rob Hach, Dale Robbins, Jason Pierce and Shane Hamre.

Commissioner Hamre moved to approve the minutes of the regular Commission meeting held April 3, 2023. The motion was seconded by Commissioner Robbins, and the motion carried unanimously.

Devils Lake Chamber of Commerce – Paula Vistad gave an update on the Devils Lake Chamber and talked about the events that they have coming up and are working on. She thanked the Commission and the City for the years she has been at the Chamber for everything. Commissioner Hamre motioned to approve first and second quarter funds. Commissioner Hach seconded the motion. The motion carried unanimously on a roll call vote.

Commissioner Hamre – The City Engineer communicated that there is not an update for the Utilities Department.

Commissioner Hach – The City Engineer communicated that the garbage pickup will be moved to the streets from the alleys this week. There is also free dumping at the landfill this week by appointment. Special Pickups also start on April 24. The City Assessor communicated that he is working on the data loss that happened when our servers went down. He mentioned that it would cost about \$250,000 and it would be about 5 years before they could get here.

Commissioner Robbins – The City Engineer communicated that the State Water Commission met last week, and we were successful in receiving 1.77 million in grant money. This is for cost share for 60% of the construction costs. The Street Department will be out doing minor pothole patching and once it gets nicer out, they will do some more intense patching.

Commissioner Pierce – The Fire Chief communicated that they have some minor equipment issues that will be getting worked out.

The Police Chief communicated that he is working on renovating the taxi ordinance. He is going to sit with the City Attorney and will bring the ordinance to the Commission when it is complete.

The City Administrator communicated that he does not have an update.

The City Attorney communicated that they are working on some ordinances.

Authorize Call for Bids – 2023 Asphalt and Concrete Street Repair Project –
Commissioner Robbins motioned to approve the authorization for call for bids – 2023

Asphalt and Concrete Street Repair Project. Commissioner Hach seconded the motion, and the motion carried unanimously.

Authorize Call for Bids – 2023 Curb, Gutter, & Sidewalk – Commissioner Hamre motioned to approve the authorization call for bids – 2023 Curb, Gutter, & Sidewalk. Commissioner Robbins seconded the motion, and the motion carried unanimously.

Summer Maintenance Contract – Ramsey County – The City Engineer communicated that there is an agreement and a map attached to the agenda. The total cost would be \$6,547.20, which is in the agreement. Commissioner Robbins motioned to approve the agreement as presented. Commissioner Hach seconded the motion, and the motion carried unanimously.

New Opioid Litigation Opt-In (Teva, Allergan, CVS, Walgreens, Walmart) - The City Administrator communicated that the City currently receives a small amount of money from this settlement. Commissioner Robbins motioned to approve the opt-in for the new opioid litigation. Commissioner Hach seconded the motion, and the motion carried unanimously.

First Due Contract – The Fire Chief communicated that they are looking to get approval for the First Due Contract, which would be the new software for the Fire Department. The City Attorney has looked it over and communicated that it is good. Commissioner Hamre motioned to approve the First Due Contract. Commissioner Pierce seconded the motion. The motion carried unanimously on a roll call vote.

Capital Improvement Plan and Review and Approval – The City Administrator communicated that the sales tax will grow at 2% and that we dedicate at least 31% of our sales tax to the infrastructure fund. The Assistant City Engineer communicated that they met with the infrastructure committee a few weeks ago and discussed the projects that they identify as major. In the pack provided, they have identified the projects up to 2028. He went through the packet and discussed projects that have and will be happening. Discussion continued on the Capital Improvement Plan. Commissioner Hamre motioned to approve the capital improvement plan. Commissioner Robbins seconded the motion, and the motion carried unanimously.

Park District Project Update and Financing Strategy – The City Administrator communicated that the Park District is working on their family entertainment center, and they are at the stage where it is coming down to the financing. They have \$3 million dollars' worth of financing that they need to issue. They have \$2 million dollars ready to issue general obligation bonds internally. The remaining \$1 million dollars is planned to come from the sales tax revenue debt. Discussion continued on this topic. Commissioner Robbins motioned to give preliminary approval for \$1 million dollars. Commissioner Hach seconded the motion. The motion carried unanimously on a roll call vote.

Budget Amendment 01-22 – Final Adjustments to Actual – The City Administrator communicated that these are the closeouts for 2022. He mentioned that a lot of

projects have been paid down. Commissioner Hach motioned to approve the budget amendments. Commissioner Robbins seconded the motion. The motion carried unanimously on a roll call vote.

Commissioner Hamre moved to approve the list of bills as submitted. The motion was seconded by Commissioner Pi. The motion carried unanimously on a roll call vote.

SPENCER HALVORSON
CITY ADMINISTRATOR/AUDITOR

JIM MOE
PRESIDENT OF CITY COMMISSION



ARBOR DAY PROCLAMATION

WHEREAS, In 1872, J. Sterling Morton proposed to the Nebraska Board of Agriculture that a special day be set aside for the planting of trees; and

WHEREAS, This holiday, called Arbor Day, was first observed with the planting of more than a million trees in Nebraska, and Arbor Day is now observed throughout the nation and the world; and

WHEREAS, Trees reduce the erosion of our precious topsoil by wind and water, cut heating and cooling costs, moderate the temperature, clean the air, produce life-giving oxygen and provide habitat for wildlife; and

WHEREAS, Trees are a renewable resource giving us paper, wood for our homes, fuel for our fires and beautify our community and

WHEREAS, Trees in our city increase property values, enhance the economic vitality of business areas, and beautify our community; and

WHEREAS, Trees, wherever they are planted, are a source of joy and spiritual renewal; and

WHEREAS, Devils Lake has been recognized as a Tree City USA by the National Arbor Day Foundation and desires to continue its tree-planting practices.

NOW, THEREFORE, I, Jim Moe, Mayor of the City of Devils Lake, do hereby proclaim May 18, 2023, as:

"ARBOR DAY"

in the City of Devils Lake, and I urge all citizens to celebrate Arbor Day and to support efforts to protect our trees and woodlands; and

FURTHER, I urge all citizens to plant trees to gladden the heart and promote the well-being of this and future generations.

Dated this 1st day of May, 2023.

JIM MOE, MAYOR
CITY OF DEVILS LAKE



April 26, 2023

City of Devils Lake
ATTN: Mayor Jim Moe
423 6th St NE
Devils Lake, ND 58301

Dear Mayor Moe,

We at Nodak Electric Cooperative are writing to formally express our interest in developing a franchise agreement with the City of Devils Lake. We believe that a franchise agreement will allow us to continue providing high-quality electric services to the residents and businesses in your city, while promoting sustainable growth, economic development and creating a long-term vision for the region's power needs.

As an electric cooperative, our focus is on providing safe, reliable and affordable electric service to our members. Our cooperative is owned and governed by the members we serve, which means that we are accountable to the people who rely on us for their electricity. This model of ownership and governance allows us to focus solely on the interests of our members. We exist because of the people we serve and we're committed to helping them as much as possible.

We have a strong track record of providing high-quality electric service to the communities we serve, including Devils Lake, for more than 80 years. Our cooperative has invested in modernizing our infrastructure and adopting new technologies to ensure that our members have access to the most reliable and efficient electric service possible.

Nodak and its wholesale power provider, Grand Forks-based Minnkota Power Cooperative, have robust economic development programs to help attract opportunities to the community. The challenge with the current structure is that it is difficult to determine where Nodak should focus its efforts and investments. The establishment of this agreement will help guide future investment decisions and determine how tools and resources can be utilized to meet our shared goals.

We look forward to the opportunity to discuss this matter further with the City Council and answer any questions you may have about our electric cooperative and our proposal for a franchise agreement.

We are grateful for the opportunity to serve Devils Lake and thank you for considering our request.

Sincerely,

Mylo Einarson
Nodak Electric Cooperative President/CEO

Mission Statement

Nodak Electric Cooperative is dedicated to be an efficient provider of quality electric service with leadership that demonstrates the highest regard for its member/owners.



Nodak Franchise Request

Devils Lake North Dakota

Cooperative Facts:

Counties served:

Cavalier, Pembina, Walsh, Benson, Ramsey, Nelson, Grand Forks, Eddy, Griggs, Steele, Traill, Barnes and Cass

Number of employees: 67

(4 in Devils Lake & 3 in Michigan)

Square miles: 8,820

Meters Served: 20,697

Overhead miles of line: 3,782

Underground miles of line: 4,300

Date first energized: Dec. 23, 1939

Power supplier:

Minnkota Power Cooperative, Inc.

Nodak
ELECTRIC COOPERATIVE

Devils Lake



How a Cooperative works

- Member owned and governed just like a city.
 - Governance and oversight by democratically elected board of directors made up of it's members (electric customers).
 - Not for profit
 - Sole objective is low-cost reliable power.
 - Members receive capital credits.
- All cooperatives operate under seven guiding principles.
- Coop members are made up of the people that live and do business around Devils Lake and are a part of the community.

1. Voluntary and Open Membership

Cooperatives are voluntary organizations, open to all persons able to use their services and willing to accept the responsibilities of membership, without gender, social, racial, political, or religious discrimination.

2. Democratic Member Control

Cooperatives are democratic organizations controlled by their members, who actively participate in setting policies and making decisions. The elected representatives are accountable to the membership. In primary cooperatives, members have equal voting rights (one member, one vote) and cooperatives at other levels are organized in a democratic manner.

3. Members' Economic Participation

Members contribute equitably to, and democratically control, the capital of their cooperative. At least part of that capital is usually the common property of the cooperative. Members usually receive limited compensation, if any, on capital subscribed as a condition of membership. Members allocate surpluses for any or all of the following purposes: developing the cooperative, possibly by setting up reserves, part of which at least would be indivisible; benefiting members in proportion to their transactions with the cooperative; and supporting other activities approved by the membership.

4. Autonomy and Independence

Cooperatives are autonomous, self-help organizations controlled by their members. If they enter into agreements with other organizations, including governments, or raise capital from external sources, they do so on terms that ensure democratic control by their members and maintain their cooperative autonomy.

5. Education, Training, and Information

Cooperatives provide education and training for their members, elected representatives, managers, and employees so they can contribute effectively to the development of their cooperatives. They inform the general public, particularly young people and opinion leaders, about the nature and benefits of cooperation.

6. Cooperation Among Cooperatives

Cooperatives serve their members most effectively and strengthen the cooperative movement by working together through local, national, regional, and international structures.

7. Concern for Community

While focusing on member needs, cooperatives work for the sustainable development of their communities through policies accepted by their members.

Relationship to Minnkota Power



Member owners that own Minnkota Power Cooperative -

- **Beltrami Electric**
Bemidji, MN
- **Cass County Electric**
Fargo, ND
- **Cavalier Rural Electric**
Langdon, ND
- **Clearwater-Polk Electric**
Bagley, MN
- **Nodak Electric**
Grand Forks, ND
- **North Star Electric**
Baudette, MN
- **PKM Electric**
Warren, MN
- **Red Lake Electric**
Red Lake Falls, MN
- **Red River Valley Co-op Power**
Halstad, MN
- **Roseau Electric**
Roseau, MN
- **Wild Rice Electric**
Mahnomen, MN

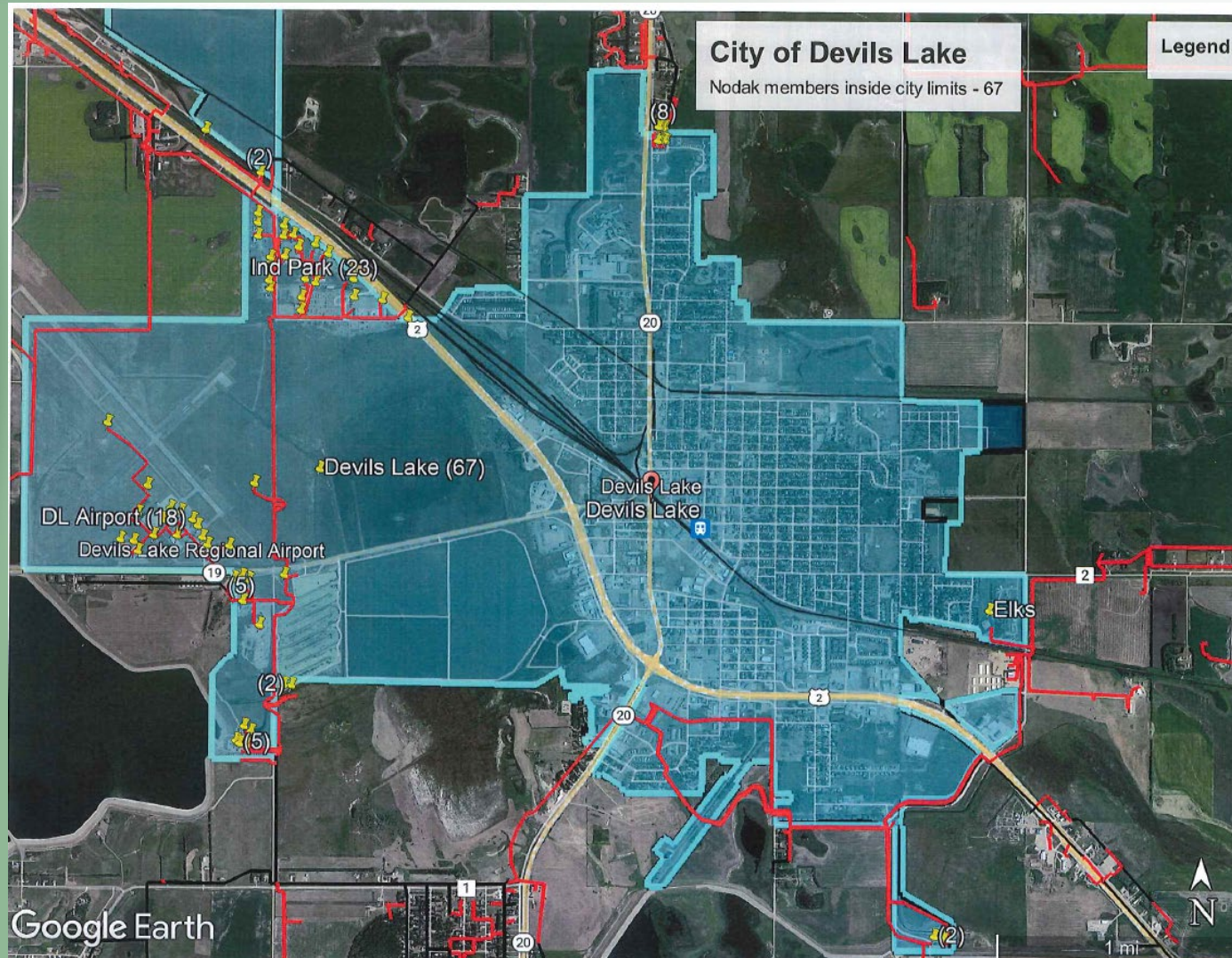
Nodak
ELECTRIC COOPERATIVE

Why a franchise agreement would be beneficial to the city of Devils Lake

- Orderly and efficient growth as the city expands.
 - Under current conditions Nodak does not know how or where to invest.
- Two utilities investing in the community.
- Two utilities providing economic development support.
 - Nodak and Minnkota Power have robust economic development efforts to help attract opportunities to the community.
 - REDLG Loans (0% interest, \$3Million deployed in DL and another \$2Million pending)
 - Economic development incentives
 - Attraction efforts, relationships with property owners, data availability, regional and national development contacts.



Current conditions - Nodak Members inside the city of Devils lake



- Nodak already serves members within the city limits.
- A franchise agreement would help to plan for future growth.

Common misconceptions

Rates – Rates are complex and fluctuate over time driven primarily by market conditions and utility investments. Nodak's rates are in line with or lower than other utilities in the region.

Reliability – According to the System Average Interruption Duration Index (2018 -2021) Nodak has excellent reliability in the region.

Lack of governance or oversight – Cooperatives are not for profit organizations governed just like local governments. Members don't have any motivation to raise rates or provide poor service to themselves.



Official Request

- Nodak is seeking a franchise agreement or limited franchise agreement from the city of Devils Lake.
 - To guide investment decisions and help to facilitate growth in the city.
 - To partner in the continued prosperity of Devils Lake.



Thank you!

Les Windjue
Board member
Nodak Electric Cooperative
4000 32nd Ave S
Grand Forks, ND 58208-3000
les.windjue@icloud.com

Steve Breidenbach
Engineering Manager
Nodak Electric Cooperative
4000 32nd Ave S
Grand Forks, ND 58208-3000
Direct: (701) 795-6759
sbreidenbach@nodakelectric.com

Matthew Marshall
Economic Development Administrator
Minnkota Power Cooperative
5301 32nd Avenue South
Grand Forks, ND 58201
Office: (701) 795- 4224
Cell: (701) 630- 4658
mmarshall@minnkota.com

AGREEMENT

Computer Aided Dispatch (CAD) and Records Management System (RMS)

Software License and Service

This Agreement is made and entered into this ____ day of _____, 2023 by and between the Lake Region Law Enforcement Center of Devils Lake, North Dakota, an entity created by a cooperative Joint Powers Agreement, having an address of 222 W. Walnut St., Devils Lake, ND 58301, hereinafter referred to as “LEC”; and

The City of Devils Lake, a North Dakota municipal corporation, which has an address of 423 6th St. N.E., P.O. Box 1048, Devils Lake, ND 58301, hereinafter referred to as “City”; Ramsey County, ND, a North Dakota municipal corporation, which has an address of 524 4th Ave. N.E., Devils Lake, ND, 58301, hereinafter referred to as “Ramsey County”; Benson County, ND, a North Dakota municipal corporation, which has an address of 311 B Ave. S., Minnewaukan, ND 58351, hereinafter referred to as “Benson County”; Nelson County, ND, a North Dakota municipal corporation, which has an address of 210 B Ave. W., Ste. 201, Lakota, ND 58344, hereinafter referred to as “Nelson County”; Eddy County, ND, a North Dakota municipal corporation, which has an address of 524 Central Ave., New Rockford, ND 58356, hereinafter referred to as “Eddy County”; Spirit Lake Nation, a federally recognized sovereign tribe, which has an address of _____, _____, ND 58____, hereinafter referred to as “Spirit Lake”; and Lake Region Ambulance Service, a _____, which has an address of 804 5th St. S.E., P.O. Box 893, Devils Lake, ND 58301, hereinafter referred to as “Lake Region Ambulance”.

The City, Ramsey County, Benson County, Nelson County, Eddy County, Spirit Lake and Lake Region Ambulance shall collectively be referred to herein as “Users”.

RECITALS

WHEREAS, the LEC provides various services benefitting Users, including, but not limited to, PSAP, dispatch, records management, jail management, and computer aided dispatch;

WHEREAS, the LEC has entered into a Software License and Service Agreement with CentralSquare Technologies, LLC, whose principal place of business is 1000 Business Center Dr., Lake Mary, FL 32746, for the provision of upgraded systems to be utilized for record management, jail management and computer aided dispatch for its Users;

WHEREAS, each of the Users will benefit from the acquisition, implementation and utilization of the updated systems;

WHEREAS, the LEC will incur ongoing subscription costs for the continued use of the software through the Software License and Service Agreement with CentralSquare Technologies, LLC and seeks to recover such costs through the Users through an equitable allocation;

WHEREAS, the Users have agreed to contribute to the costs of such upgraded systems and for the annual subscription fees in the manner set forth herein;

NOW, THEREFORE, based upon the mutual covenants and conditions set forth herein, the parties agree as follows:

1. Annual Subscription Fees.

a. The Users shall make annual payments to the LEC on or before July 1, 2023 in the following amounts:

City of Devils Lake	\$ 38,275.72
Ramsey County	\$ 17,021.15
Benson County	\$ 8,302.08
Nelson County	\$ 6,975.78
Eddy County	\$ 6,197.25
Spirit Lake Nation	\$ 6,920.63
Lake Region Ambulance	\$ 7,161.50
TOTAL	\$ 90,854.11

b. For the years after 2023, the annual subscription fee for each user shall be increased in an amount proportionate to any increase in annual subscription fees charged by CentralSquare Technologies, LLC. Exhibit C of the Software License and Service Agreement with CentralSquare Technologies, LLC provides that the annual subscription fee increase is not expected to exceed five percent (5%) per year.

2. Default. Payments from Users not received when due shall bear interest at the rate of eighteen percent (18%) per annum until paid. If payment from a User is more than three months delinquent, the LEC may terminate the individual User's use and access to the upgraded system and suspend access to the software. Such User shall cease using such software system. Termination or suspension of a User's access shall not extinguish any obligation to pay LEC for any services, subscriptions or other amounts due, together with interest. In the event of a default by a User, the delinquent User shall not be entitled to any refunds or repayments from amounts previously paid to the LEC.

3. Ownership. To the extent provided by the Software License and Service Agreement and as further allowed by law, the LEC shall be the owner of the updated systems, including, but not limited to, any license or other authorization provided for the utilization of any software, hardware or proprietary products. No form of ownership or interest in and to the systems are granted to Users under this Agreement.

4. Government Immunity. Nothing in this Agreement, whether express or implied, is intended to alter, limit, or otherwise modify the application of any governmental immunity or protection provided under law to the parties hereto.

5. Governmental Purpose. Any and all services or activities performed or undertaken pursuant to this Agreement shall be deemed for public and governmental purposes only. It is the intention of the parties hereto that all privileges, protections, defenses, immunity and damage limitations afforded to political subdivisions and its employees shall extend to the parties to this Agreement and to the services performed hereunder.

6. No Waiver of Defenses, Immunities or Limitations of Liability. This Agreement shall not be construed, in any manner, to aggregate or limit the rights, defenses, immunities, exemptions, powers, duties or functions of any of the parties hereto except as expressly stated herein.

7. Modification/Waiver. No provision of this Agreement shall be amended or modified except in writing and signed by all parties hereto. A waiver of any term or provision shall not be effective unless signed by the party waiving such right, nor shall be construed as a waiver of any subsequent breach of the same term or provision, nor shall be construed as a waiver of any other term or provision.

8. Total Agreement. This Agreement constitutes the entire agreement between the parties pertaining to the subject matter hereof and supersedes all prior and other agreements and understandings of the parties in connection herewith, and all prior negotiations, agreements, letters of intent, contracts, negotiations, memorandums of understanding, discussions and/or understandings of the parties with respect to the subject matter hereof. No agreement, covenant, representation or condition not expressed in this Agreement shall affect or be effective to interpret, change or restrict the provisions of this Agreement.

9. No Third Party Beneficiary. There are no third party beneficiaries to this Agreement. This Agreement may only be enforced by the parties hereto. This Agreement is solely for the benefit of the parties hereto and no other person or persons shall have any right, benefit, priority or interest under or because of the existence of this Agreement.

10. Duplicate Originals. This Agreement may be executed in multiple counterparts or duplicate originals, each of which constitute and is considered as one and the same document.

11. Governing Law. This Agreement shall be governed, interpreted and construed in accordance with the laws of the State of North Dakota.

12. Binding Agreement. This Agreement is binding upon the parties hereto, their successors and assigns.

**LAKE REGION LAW
ENFORCEMENT CENTER**

By: _____
Its: _____

CITY OF DEVILS LAKE

By: _____
Its: _____

ATTEST:

By: _____
Its: _____

RAMSEY COUNTY

By: _____
Its: _____

ATTEST:

By: _____
Its: _____

BENSON COUNTY

By: _____
Its: _____

ATTEST:

By: _____
Its: _____

NELSON COUNTY

By: _____
Its: _____

ATTEST:

By: _____
Its: _____

EDDY COUNTY

By: _____
Its: _____

ATTEST:

By: _____
Its: _____

SPIRIT LAKE NATION

By: _____
Its: _____

ATTEST:

By: _____
Its: _____

LAKE REGION AMBULANCE

By: _____
Its: _____

Agenda Item: Budget Amendment 23-01 – Completed Construction Project Payoffs

Submitted By: Spencer Halvorson, City Administrator/Auditor

Staff Recommended Action: Approve Budget Amendment 23-01 – Completed Construction Project Payoffs

OVERVIEW

The below budget amendments are for the closing and internal payoff of completed construction projects and were not explicitly included as part of the 2023 budget

FROM	TO	AMOUNT	PROJECT
2045.700.58900	4312.700.39990	\$ 513,568	WM IMP 25-20
2045.700.58900	4528.700.39990	\$ 901,246	STR IMP 78-22
2045.700.58900	4530.700.39990	\$ 255,552	220101 MILL AND OVERLAY
2033.700.58900	4220.700.39990	\$ 2,175	SI 73-20 Change Order
2033.700.58900	4351.700.39990	\$ 67,833	2022 CGS
2033.700.58900	4516.700.39990	\$ 12,235	STR IMP 67-18
2033.700.58900	4520.700.39990	\$ 1,063	STR IMP 70-19

These project payoffs were included as part of the Capital Improvement Plan and financing framework approved by the City Commission at their February 17th meeting.

Agenda Item: Purchase of Treasury Bonds and Certificates of Deposit from General Fund

Submitted By: Spencer Halvorson, City Administrator/Auditor

Staff Recommended Action: Authorize the purchase of up to \$1.5 million dollars in Treasury Bonds or CD's through Edward Jones from the General Fund with earnings directed to the General Fund

OVERVIEW

It is recommended that the Commission authorize the purchase of both Treasury Bonds and CD's out of the City's General Fund to take advantage of current interest rates as an avenue to further supplement current revenue streams.

The City Commission has previously approved the purchase of CD's through Edward Jones using funds from the Equipment Reserve and Water Source Replacement Fund with those earnings directed to Police, Fire, Water, and Sewer's equipment reserves. It is recommended, given the reserve balance in the General Fund relative to its expenses, that an additional \$1.5 million be put in the market. At an estimated average of a 4.5% return, this would bring in projected earnings of \$65,000 in a 12 month period.

An overall snapshot of the City's cash vs investment allocation is attached. It is standard practice for municipalities to keep 3/4 months (25-33%) of operating expenses in liquid cash.

The cash flow exercise is a very conservative projection focuses on the expense side. Given the average of outlays the previous 5 years and expected external disbursements upcoming (to include 1.5 million for possible but unlikely unforeseen outlays), the City would be at about 37% cash on hand if expenses were to come in 10% more than its last 5 year average.

ATTACHMENT

- Cash vs. Investment Allocation (as of 04/27/2023)

Total Cash On Hand	\$ 13,368,410
Invested Assets	\$ 5,586,168
TOTAL	\$ 18,954,578

Future Disbursements	
Parks	\$ 1,000,000
airport	\$ 1,126,000
Infrastructure	\$ 1,000,000
Parks	\$ 250,000
Misc	\$ 1,500,000

Additional Investment	
Total Cash On Hand (projected)	\$ 8,492,410
Invested Assets	\$ 5,586,000
TOTAL	\$ 14,078,410

(1,500,000)	\$ 6,992,410	49.67%
1,500,000	\$ 7,086,000	50.33%
	\$ 14,078,410	

Average Yearly Expenses (5 years) =	10% increase	Cash minus future disbursements	% of Expenses
\$ 17,019,661	\$ 18,721,627	\$ 6,992,410	37.35%

INTERGOVERNMENTAL LOAN AGREEMENT

THIS AGREEMENT is made and entered by and between the **the City of Devils Lake**, a North Dakota municipality, referred to herein as “the City,” and **the Park District of the city of Devils Lake**, a North Dakota park district, whose principle address is 1409 8th Ave NW, Devils Lake, ND 58301, referred to herein as “Devils Lake Park Board” or “Devils Lake Park District” or “Park Board.” The City and Park Board are collectively referred to as “the Parties.”

RECITALS

A. The Park Board seeks additional financing for the Devils Lake Family Entertainment Center. The City desires to provide financing at amount and rate described in the Terms of Agreement.

B. The Parties agree this debt is unsecured.

C. There are certain additional conditions set forth in this loan agreement which must be complied with by the Park Board.

NOW, THEREFORE, based upon the mutual terms and conditions set forth herein, it is hereby agreed by and between the parties as follows:

TERMS OF AGREEMENT

1. The City agrees to loan to The Park Board the sum of \$1,000,000.00. To evidence that loan, the Park Board agrees to execute a Promissory Note, a true and correct copy of which is attached and incorporated into this agreement marked Attachment “A.” This Loan Agreement and Promissory Note have a 7-year term, expiring July 1, 2030.

2. The Parties agree the Loan Agreement and Promissory Note will bear interest at a yearly rate of 1.5%. An amortization schedule is attached and incorporated into this agreement marked Attachment “B.”

3. The Park Board has the right of prepayment without additional penalty or fee.

4. The Parties agree the Loan Agreement and Promissory Note is unsecured. The Parties further agree that in the event of Default each party has the right to pursue all remedies available under North Dakota law, federal law, and common law. “Default” means a breach of any obligation contained within the four corners of this agreement.

5. The Parties agree that any dispute shall be governed by North Dakota law.

6. This Agreement constitutes the sole and entire agreement of the Parties and contemplates all previous written and oral statements and understandings between the Parties.

Dated this _____ day of May, 2023.

**THE PARK DISTRICT OF THE CITY OF
DEVILS LAKE**, a North Dakota Park District

By: _____
Kale Stromme, President – Devils Lake Park
Board

Dated this _____ day of May, 2023.

THE CITY OF DEVILS LAKE, a North Dakota
Municipality

By: _____
Jim Moe, Mayor

By: _____
Spencer Halvorson, Administrator

ATTACHMENT A – PROMISSORY NOTE

1. BORROWER’S PROMISE TO PAY

In return for a loan that the Devils Lake Park Board a/k/a Devils Lake Park District a/k/a the Park District of the city of Devils Lake (hereinafter referred to as “I” or the “Borrower”) has received, I promise to pay \$1,000,000.00 (this amount is called “principal”), plus interest, to the order of the Lender. The Lender is the City of Devils Lake. I will make all payments under this Note in the form of cash, check, certified funds or money order at the option and direction of Lender. I understand that the Lender may transfer this Note. The Lender or anyone who takes this Note by transfer and who is entitled to receive payments under this Note is called the “Note Holder.”

2. INTEREST

Interest will be charged equally across every payment until the full amount of principal has been paid. I will pay interest at a yearly rate of 1.5%. The interest rate required by this Section 2 is the rate I will pay both before and after any default described in Section 6(B) of this Note.

3. PAYMENTS

(A) Time and Place of Payments

I will pay principal and interest by making a payment every month. I will make my monthly payment on the first day of each month beginning on July 1, 2023. I will make these payments every month until I have paid all of the principal and interest and any other charges described below that I may owe under this Note. Each monthly payment will be applied as of its scheduled due date and will be applied to interest before principal. If, on July 1, 2029, I still owe amounts under this Note, I will pay those amounts in full on that date, which is called the “maturity date.” I will make my monthly payments at the Devils Lake City Offices located at 423 6th St NE, P.O. Box 1048 Devils Lake, ND 5830, or at a different place if required by the Note Holder.

(B) Amount of Monthly Payments

My monthly payment will be in the amount of \$12,548.13. \$11,904.76 of each payment will be applied to principle and \$643.37 will be applied to interest. Attached as “Attachment B” is a true and correct copy of the amortization schedule.

4. BORROWER’S RIGHT TO PREPAY

I have the right to make payments of principal at any time before they are due. A payment of principal only is known as a “prepayment.” When I make a prepayment, I will tell the Note Holder in writing that I am doing so. I may not designate a payment as a prepayment if

I have not made all the monthly payments due under the Note.

I may make a full prepayment or partial prepayments without paying a prepayment charge. The Note Holder will use my prepayments to reduce the amount of principal that I owe under this Note. However, the Note Holder may apply my prepayment to the accrued and unpaid interest on the prepayment amount, before applying my prepayment to reduce the principal amount of the Note. If I make a partial prepayment, there will be no changes in the due date or in the amount of my monthly payment unless the Note Holder agrees in writing to those changes.

5. LOAN CHARGES

If a law, which applies to this loan and which sets maximum loan charges, is finally interpreted so that the interest or other loan charges collected or to be collected in connection with this loan exceed the permitted limits, then: (i) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (ii) any sums already collected from the Borrower which exceeded permitted limits will be refunded to me. The Note Holder may choose to make this refund by reducing the principal I owe under this Note or by making a direct payment to me. If a refund reduces principal, the reduction will be treated as a partial prepayment.

6. BORROWER'S FAILURE TO PAY AS REQUIRED

(A) Late Charge for Overdue Payments and Receipt of Payments

If the Note Holder has not received the full amount of any monthly payment by the end of 30 calendar days after the date it is due, I will pay a late charge to the Note Holder. The amount of the charge will be 1.75% of my overdue payment of principal. I will pay this late charge promptly but only once on each late payment. In no event will the late charge exceed the maximum amount allowed by North Dakota law.

Payments to the Note Holder will not be considered made until received by the Note Holder at the address specified. Mailing is insufficient to constitute delivery to the Note Holder.

The number of days required for payment of a late charge will not be considered as a grace period for the payment date required under this Note and the Borrower will be in default if the payment is not paid on the due date.

(B) Default

If I do not pay the full amount of each monthly payment on the date it is due, I will be in default.

(C) Notice of Default

If Borrower is in default, the Note Holder may send Borrower a written notice stating that if Borrower does not pay the overdue amount by a certain date, the Note Holder may require Borrower to pay immediately the full amount of principal which has not been paid and all the interest that Borrower owes on that amount. That date must be at least 30 days after the date on which the notice is mailed to Borrower or delivered by other means.

(D) No Waiver By Note Holder

Even if, at a time when I am in default, the Note Holder does not require Borrower to pay immediately in full as described above, the Note Holder will still have the right to do so if I am in default at a later time.

(E) Payment of Note Holder's Costs and Expenses

If the Note Holder has required Borrower to pay immediately in full as described above, the Note Holder will have the right to be paid back by Borrower for all of its costs and expenses in enforcing this Note to the extent not prohibited by applicable law.

7. GIVING OF NOTICES

Unless applicable law requires a different method, any notice that must be given to Borrower under this Note will be given by delivering it or by mailing it by first class mail to the Note Holder at the Address above or at a different address if I give the Note Holder a notice of my different address. Any notice that must be given to the Note Holder under this Note will be given by delivering it or by mailing it by first class mail to the Note Holder at the address stated in Section 3(A) above or at a different address if I am given a notice of that different address.

8. OBLIGATIONS OF PERSONS UNDER THIS NOTE

Any person who takes over these obligations, including the obligations of a guarantor, surety or endorser of this Note, is also obligated to keep all of the promises made in this Note. The Note Holder may enforce its rights under this Note against the Devils Lake Park Board.

9. INDEMNIFICATION

The Borrower agrees to indemnify the Note Holder for any claim arising out of the Borrower's negligence or a more culpable act or omission, including recklessness or willful misconduct.

The Borrower agrees to defend and indemnify Note Holder and Note Holder's employees, officers, directors, shareholders, affiliates, correspondents, agents and representatives (other than Note Holder, collectively "Agents") against, and hold Note Holder and each such Agent harmless from, all claims, actions, proceedings, liabilities, damages, losses, expenses and other amounts incurred by Lender and each such Agent, arising from (i) the matters contemplated by this Agreement or the Loan Agreement, (ii) any dispute between Borrower and a third party, or (iii) any contention that Borrower has failed to comply with any law, rule,

regulation, order or directive applicable to Borrower's business; provided, however, that this indemnification shall not apply to any of the foregoing incurred solely as the result of Lender's or any Agent's gross negligence or willful misconduct. This indemnification will survive the payment and satisfaction of all of Borrower's Obligations to Lender.

10. WAIVERS

I and any other person who has obligations under this Note waive the rights of presentment and notice of dishonor. "Presentment" means the right to require the Note Holder to demand payment of amounts due. "Notice of dishonor" means the right to require the Note Holder to give notice to other persons that amounts due have not been paid.

PRIOR TO SIGNING THIS NOTE, BORROWER READ AND UNDERSTOOD ALL PROVISIONS OF THIS NOTE. BORROWER AGREES TO THE TERMS OF THIS NOTE.

**THE PARK DISTRICT OF THE CITY OF
DEVILS LAKE, a North Dakota Park District**

By: _____
Kale Stromme, President – Devils Lake Park
Board

ATTACHMENT B - AMORTIZATION SCHEDULE

Date	Principle	Interest	Total Payment	Princ Rem.
Jun-23				\$ 1,000,000.00
Jul-23	\$ 11,904.76	\$ 643.37	\$ 12,548.13	\$ 988,095.24
Aug-23	\$ 11,904.76	\$ 643.37	\$ 12,548.13	\$ 976,190.48
Sep-23	\$ 11,904.76	\$ 643.37	\$ 12,548.13	\$ 964,285.72
Oct-23	\$ 11,904.76	\$ 643.37	\$ 12,548.13	\$ 952,380.96
Nov-23	\$ 11,904.76	\$ 643.37	\$ 12,548.13	\$ 940,476.20
Dec-23	\$ 11,904.76	\$ 643.37	\$ 12,548.13	\$ 928,571.44
Jan-24	\$ 11,904.76	\$ 643.37	\$ 12,548.13	\$ 916,666.68
Feb-24	\$ 11,904.76	\$ 643.37	\$ 12,548.13	\$ 904,761.92
Mar-24	\$ 11,904.76	\$ 643.37	\$ 12,548.13	\$ 892,857.16
Apr-24	\$ 11,904.76	\$ 643.37	\$ 12,548.13	\$ 880,952.40
May-24	\$ 11,904.76	\$ 643.37	\$ 12,548.13	\$ 869,047.64
Jun-24	\$ 11,904.76	\$ 643.37	\$ 12,548.13	\$ 857,142.88
Jul-24	\$ 11,904.76	\$ 643.37	\$ 12,548.13	\$ 845,238.12
Aug-24	\$ 11,904.76	\$ 643.37	\$ 12,548.13	\$ 833,333.36
Sep-24	\$ 11,904.76	\$ 643.37	\$ 12,548.13	\$ 821,428.60
Oct-24	\$ 11,904.76	\$ 643.37	\$ 12,548.13	\$ 809,523.84
Nov-24	\$ 11,904.76	\$ 643.37	\$ 12,548.13	\$ 797,619.08
Dec-24	\$ 11,904.76	\$ 643.37	\$ 12,548.13	\$ 785,714.32
Jan-25	\$ 11,904.76	\$ 643.37	\$ 12,548.13	\$ 773,809.56
Feb-25	\$ 11,904.76	\$ 643.37	\$ 12,548.13	\$ 761,904.80
Mar-25	\$ 11,904.76	\$ 643.37	\$ 12,548.13	\$ 750,000.04
Apr-25	\$ 11,904.76	\$ 643.37	\$ 12,548.13	\$ 738,095.28
May-25	\$ 11,904.76	\$ 643.37	\$ 12,548.13	\$ 726,190.52
Jun-25	\$ 11,904.76	\$ 643.37	\$ 12,548.13	\$ 714,285.76
Jul-25	\$ 11,904.76	\$ 643.37	\$ 12,548.13	\$ 702,381.00
Aug-25	\$ 11,904.76	\$ 643.37	\$ 12,548.13	\$ 690,476.24
Sep-25	\$ 11,904.76	\$ 643.37	\$ 12,548.13	\$ 678,571.48
Oct-25	\$ 11,904.76	\$ 643.37	\$ 12,548.13	\$ 666,666.72
Nov-25	\$ 11,904.76	\$ 643.37	\$ 12,548.13	\$ 654,761.96
Dec-25	\$ 11,904.76	\$ 643.37	\$ 12,548.13	\$ 642,857.20
Jan-26	\$ 11,904.76	\$ 643.37	\$ 12,548.13	\$ 630,952.44
Feb-26	\$ 11,904.76	\$ 643.37	\$ 12,548.13	\$ 619,047.68
Mar-26	\$ 11,904.76	\$ 643.37	\$ 12,548.13	\$ 607,142.92
Apr-26	\$ 11,904.76	\$ 643.37	\$ 12,548.13	\$ 595,238.16
May-26	\$ 11,904.76	\$ 643.37	\$ 12,548.13	\$ 583,333.40
Jun-26	\$ 11,904.76	\$ 643.37	\$ 12,548.13	\$ 571,428.64
Jul-26	\$ 11,904.76	\$ 643.37	\$ 12,548.13	\$ 559,523.88
Aug-26	\$ 11,904.76	\$ 643.37	\$ 12,548.13	\$ 547,619.12
Sep-26	\$ 11,904.76	\$ 643.37	\$ 12,548.13	\$ 535,714.36
Oct-26	\$ 11,904.76	\$ 643.37	\$ 12,548.13	\$ 523,809.60
Nov-26	\$ 11,904.76	\$ 643.37	\$ 12,548.13	\$ 511,904.84
Dec-26	\$ 11,904.76	\$ 643.37	\$ 12,548.13	\$ 500,000.08
Jan-27	\$ 11,904.76	\$ 643.37	\$ 12,548.13	\$ 488,095.32

ATTACHMENT B - AMORTIZATION SCHEDULE

Feb-27	\$ 11,904.76	\$ 643.37	\$ 12,548.13	\$ 476,190.56
Mar-27	\$ 11,904.76	\$ 643.37	\$ 12,548.13	\$ 464,285.80
Apr-27	\$ 11,904.76	\$ 643.37	\$ 12,548.13	\$ 452,381.04
May-27	\$ 11,904.76	\$ 643.37	\$ 12,548.13	\$ 440,476.28
Jun-27	\$ 11,904.76	\$ 643.37	\$ 12,548.13	\$ 428,571.52
Jul-27	\$ 11,904.76	\$ 643.37	\$ 12,548.13	\$ 416,666.76
Aug-27	\$ 11,904.76	\$ 643.37	\$ 12,548.13	\$ 404,762.00
Sep-27	\$ 11,904.76	\$ 643.37	\$ 12,548.13	\$ 392,857.24
Oct-27	\$ 11,904.76	\$ 643.37	\$ 12,548.13	\$ 380,952.48
Nov-27	\$ 11,904.76	\$ 643.37	\$ 12,548.13	\$ 369,047.72
Dec-27	\$ 11,904.76	\$ 643.37	\$ 12,548.13	\$ 357,142.96
Jan-28	\$ 11,904.76	\$ 643.37	\$ 12,548.13	\$ 345,238.20
Feb-28	\$ 11,904.76	\$ 643.37	\$ 12,548.13	\$ 333,333.44
Mar-28	\$ 11,904.76	\$ 643.37	\$ 12,548.13	\$ 321,428.68
Apr-28	\$ 11,904.76	\$ 643.37	\$ 12,548.13	\$ 309,523.92
May-28	\$ 11,904.76	\$ 643.37	\$ 12,548.13	\$ 297,619.16
Jun-28	\$ 11,904.76	\$ 643.37	\$ 12,548.13	\$ 285,714.40
Jul-28	\$ 11,904.76	\$ 643.37	\$ 12,548.13	\$ 273,809.64
Aug-28	\$ 11,904.76	\$ 643.37	\$ 12,548.13	\$ 261,904.88
Sep-28	\$ 11,904.76	\$ 643.37	\$ 12,548.13	\$ 250,000.12
Oct-28	\$ 11,904.76	\$ 643.37	\$ 12,548.13	\$ 238,095.36
Nov-28	\$ 11,904.76	\$ 643.37	\$ 12,548.13	\$ 226,190.60
Dec-28	\$ 11,904.76	\$ 643.37	\$ 12,548.13	\$ 214,285.84
Jan-29	\$ 11,904.76	\$ 643.37	\$ 12,548.13	\$ 202,381.08
Feb-29	\$ 11,904.76	\$ 643.37	\$ 12,548.13	\$ 190,476.32
Mar-29	\$ 11,904.76	\$ 643.37	\$ 12,548.13	\$ 178,571.56
Apr-29	\$ 11,904.76	\$ 643.37	\$ 12,548.13	\$ 166,666.80
May-29	\$ 11,904.76	\$ 643.37	\$ 12,548.13	\$ 154,762.04
Jun-29	\$ 11,904.76	\$ 643.37	\$ 12,548.13	\$ 142,857.28
Jul-29	\$ 11,904.76	\$ 643.37	\$ 12,548.13	\$ 130,952.52
Aug-29	\$ 11,904.76	\$ 643.37	\$ 12,548.13	\$ 119,047.76
Sep-29	\$ 11,904.76	\$ 643.37	\$ 12,548.13	\$ 107,143.00
Oct-29	\$ 11,904.76	\$ 643.37	\$ 12,548.13	\$ 95,238.24
Nov-29	\$ 11,904.76	\$ 643.37	\$ 12,548.13	\$ 83,333.48
Dec-29	\$ 11,904.76	\$ 643.37	\$ 12,548.13	\$ 71,428.72
Jan-30	\$ 11,904.76	\$ 643.37	\$ 12,548.13	\$ 59,523.96
Feb-30	\$ 11,904.76	\$ 643.37	\$ 12,548.13	\$ 47,619.20
Mar-30	\$ 11,904.76	\$ 643.37	\$ 12,548.13	\$ 35,714.44
Apr-30	\$ 11,904.76	\$ 643.37	\$ 12,548.13	\$ 23,809.68
May-30	\$ 11,904.76	\$ 643.37	\$ 12,548.13	\$ 11,904.92
Jun-30	\$ 11,904.92	\$ 643.37	\$ 12,548.29	\$ (0.00)

City of Devils Lake
423 6th St NE
PO Box 1048
Devils Lake, ND 58301
701.662.7600
www.dvlnl.com



MEMORANDUM

To: President Moe and City Commissioners

From: Devils Lake Renaissance Zone Authority *RJ*

Date: April 26, 2023

Re: Recommendation of project approval of Renaissance Zone Project 25-DL

The Devils Lake Renaissance Zone Authority took action at their April 25, 2023 meeting to recommend City Commission approval of a project to remodel the building at 125 4th St SW to resume use as a movie theatre. The project packet is enclosed for your review.

RJ

Enclosure

RENAISSANCE ZONE PROJECT APPLICATION

NORTH DAKOTA DEPARTMENT OF COMMERCE

DIVISION OF COMMUNITY SERVICES

SFN 59291 (5/16)

In order to receive DCS approval on zone projects, the following information must be submitted to the DCS:

1. Type of project

Business ☒ Residential ☐ Utility Infrastructure Project (UIP) ☐

2. If this is a UIP, project is the applicant a renaissance zone project? Yes ☐ No ☐

- a. To be considered a Renaissance Zone project, the project would need to take place in the Renaissance Zone and be a utility company.
- b. If this is a property owner affected by a UIP not participating in a renaissance zone project, is the property owner in the Renaissance Zone? Yes ☐ No ☐

3. Name of applicant(s)/or business name Unpopped Colonels

If business, type of entity LLC

Provide a copy of the Certificate of Good Standing from Tax Department)

Address and renaissance zone block number as it appears in the development plan property listings.

Address 125 4th Street Southwest

City Devils Lake, ND 58301 Renaissance Zone Block 29

4. For residential projects provide evidence that the home purchased is the taxpayer's primary residence.

5. Project Type:

a. Purchase (to include new construction) ☐

b. Purchase with major improvements ☐

c. Lease

i. What type of lease?

New ☐ Expansion ☐ Continuation of a Lease ☐ Leasehold Improvement ☐

If this an expansion, what is the additional square feet of the expansion? _____

ii. If it is a lease project, does it involve the relocation of a business from one location in the city to the Renaissance Zone or from one zone property to another zone property? Yes ☐ No ☐

d. Rehabilitation

i. Commercial 50% of the True and full value ☒

Or

ii. Residential 20% of the true and full value ☐

iii. Current true and full value \$ 702,000

*purchase price of property
\$272,500.00*

iv. For rehabilitation projects, provide a description of the work and the estimated costs.

Work to be Done	Estimated Cost
External Improvements - parking lot, paint etc.	\$ 50,000.00
Internal Improvements - Seats, Paint, Flooring	\$ 200,000.00
Ceiling tiles, wall decor/sound proofing etc.	

6. Does this project involve historical preservation or renovation? Yes ☐ No ☒

a. For projects that involve historical preservation or renovation, but are not part of a rehabilitation project, provide a description of the work and the estimated costs. **A letter of approval from the Historical Society is required to claim any historical tax credits either on a rehabilitation project or renovation.**

b. Information for historical properties may be obtained by contacting the Historical Society at: (701) 328- 2666.

7. For projects other than the purchase(includes new construction) or rehabilitation of a single family home and historical preservation and renovation, describe how the overall benefit(s) of the project to the community meets or exceeds the financial and tax benefit to the businesses or investor.

The Devils Lake movie theater has been closed for the past several years by AMC, as you all know. The most important attraction for the movie theater is it gives another activity for younger/older people to utilize. Further, it would provide some economic benefit for the city with people traveling from other rural towns while patronizing other local businesses. It will also employ multiple people within the community that find this type of industry enjoyable. The Devils Lake community has been missing this place of exposure to different cultural experiences for young people; not to mention a communal place for young people to gather, there certainly isn't enough of those in town. The more we talk to people, the same response comes up, "Devils Lake doesn't even have a movie theater." It's time for us to change that and restart a once revered business/building in town - we would very much appreciate you partnering with us to do it.

8. Is the project being funded by a Renaissance Fund Organization? Yes ☐ No ☒

If yes, describe the type and amount of financing and name of the Renaissance Fund Organization.

9. Provide the estimated state and local tax benefit to the taxpayer for five years (applies to all projects).

Total State tax benefit for five years \$ _____

Total Property tax benefit for five years \$ 50,000

Total Non-participating owner tax credit \$ _____

10. Zone Authority and City Documentation:

Date of approval or conditional approval ____/____/____

Provide a copy of minutes or other supporting documentation that indicates the formal approval by the approving entity.

11. Identify from the Development Plan the specific criteria used to approve the project

12. Evidence that the taxpayer is current on state taxes. **(Taxpayers can contact the Office of State Tax Commissioner to receive a Certificate of Good Standing. This request must indicate that it is for a Renaissance Zone Project.)** See Appendix E.

Letter of Good Standing Attached? Yes ☒ No ☐

13. Expected date of occupancy ____/____/____

NOTE: The DCS reserves the right to reject a zone-approved project or to continue negotiating its approval. When a project is approved by the DCS, the local zone authority will be notified in writing.

If after a project is approved and the property changes hands or a replacement project is approved during the five year exemption period, the DCS does not need to approve the transfer or the replacement project. The zone authority, however, must notify the DCS of the change and provide the applicable information about the new homeowners, business, and/or investor. The zone authority must also notify the DCS if any other change occurs in the status of the business or investor tax would affect the exemption approved.

Once the project is completed, DCS must be informed by email, Fax or letter of the exact date of completion, and project number before the final letter of approval can be issued.

On historical Renovations/rehabilitations documentation from the Historical Society approving the final restorations must be submitted to DCS prior a final letter of approval can be issued.

Signature

Date



STATE OF NORTH DAKOTA
OFFICE OF STATE TAX COMMISSIONER
BRIAN KROSHUS, COMMISSIONER

April 4, 2023

Ref: L1367876736

UNPOPPED COLONELS, LLC
304 15TH AVE SE
DEVILS LAKE ND 58301-7000

RE: Renaissance Zone Certificate Of Good Standing, State Income And Sales Taxes Only

This letter is evidence of good standing as required by the North Dakota Division of Community Services for purposes of obtaining final approval of a renaissance zone project.

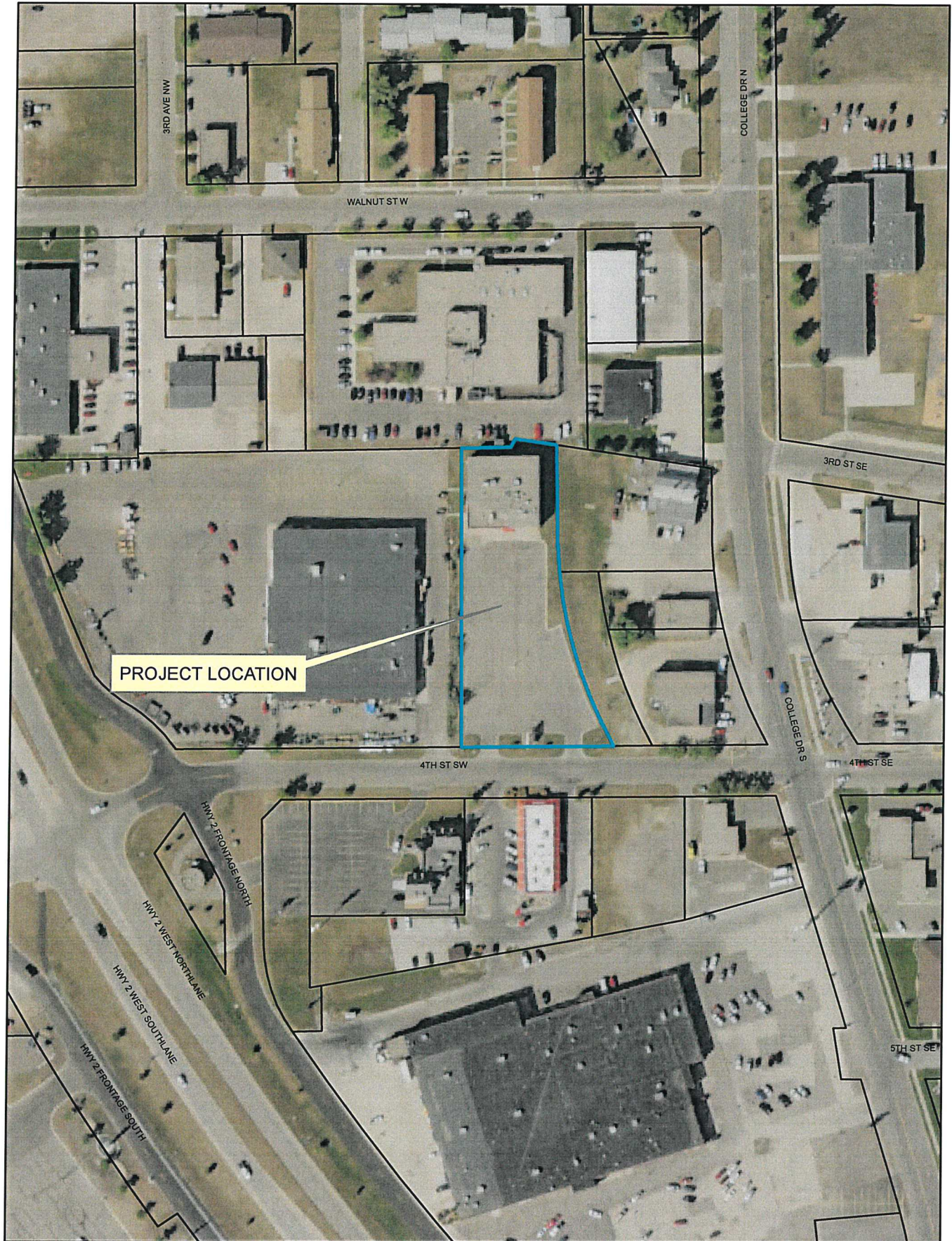
As of the date of this letter, the records in the North Dakota Office of State Tax Commissioner do not show probable cause to believe that any income taxes (including income tax withheld from wages) or sales and use taxes are due and owing to the State of North Dakota by the following taxpayer:

Taxpayer's Name: UNPOPPED COLONELS, LLC
SSN or FEIN: 92-3213469

This letter must be submitted (as part of the zone project application) to the local zone authority for the renaissance zone in which the proposed zone project will be located. Please keep a copy of this letter for your records.

Liliya Montgomery

Liliya Montgomery
Supervisor, Individual Income Tax and Withholding
Phone: 701-328-1296
Email: lmontgomery@nd.gov



Renaissance Board

Project to purchase the AMC Theater in Devils Lake, ND

Unpopped Colonels, LLC Mission Statement

Our mission really began because of "Unpopped Kernels" in a beloved local establishment that in our minds, needed to be brought back for the enjoyment of all 😊

It is our belief that a community of this size, with a footprint in a much larger surrounding area, certainly can support this endeavor and in turn benefit the entire business sector here in Devils Lake by bringing people (customers) into town.

With that being said, we do not want to open "just" a theater. All of us involved have been going to movies whenever we travel and know what is out there with respect to theater possibilities. We envision a theater running "First Run or New Release" movies but also catering to the demographics of our community with respect to age/wisdom and running "Golden Oldies or Fan Favorites." We hear it all the time, "There's nothing for the kids to do" so also children, teenage and young adult shows. With us being a group of LOCAL individuals, we feel we are more in tune with what the community wants and can also adapt quickly.

We plan to offer the availability of food and beverages as well as concessions to movie goers. We plan to have online ticket purchasing and possibly choosing your seat. We plan to renovate the interior and install a variety of seating options. We also plan to have a space to accommodate other needs in the community such as small meeting space with projection requirements, family/friend events, streaming events, live stage productions, book to movie club and even birthday parties for all age groups.

As all of us have deep family roots in the area, we are in a unique position to understand and adapt to the local environment and changes in the community. We anticipate the theater will expand to meet the evolving needs of the entire Lake Region, entertainment for some and employment for others. We look forward to being a viable part of the community for years to come.

City of Devils Lake
423 6th St NE
PO Box 1048
Devils Lake, ND 58301
701.662.7600
www.dvland.com



MEMORANDUM

To: President Moe and City Commissioners

From: Domestic Fowl Ordinance Committee 

Date: April 26, 2023

Re: Domestic Fowl Ordinance

The Domestic Fowl Ordinance Committee has drafted and presents for your consideration the enclosed ordinance detailing the requirements and process for permitting the possession of chickens within the City of Devils Lake.

If the ordinance is adopted, the Domestic Fowl Ordinance Committee recommends that the initial permit fee be \$100 with annual renewal permits \$25. The permit application would be drafted upon adoption of the ordinance and would emulate the City of Mandan permit application and the City of Grand Forks neighbor consent form.

RJ

Enclosure

6.16.020

It shall be unlawful for any person to keep, own, possess, or have under their control within the limits of the city, fowl of any kind, with the exception of commercial poultry hatcheries if otherwise allowed by law and as allowed by Devils Lake Municipal Code 6.16.021 – 6.16.026.

6.16.021 – Chickens prohibited without permit

Chickens are permitted. It is unlawful for any person to own, control, keep, maintain, or harbor chickens on any premises within the city unless issued a permit to do so. No permit shall be issued for the keeping or harboring of more than four (4) chickens on any premises. The keeping or harboring of male chickens or roosters, broiler chickens, and guinea hens is prohibited. Any person who owns, controls, keeps, maintains, or harbors chickens in the City of Devils Lake without obtaining or maintaining a current permit, or after a permit has been suspended or revoked, shall be guilty of an infraction.

6.16.022 – Definitions

The following definitions shall apply unless the context clearly indicates or requires a different meaning.

- A. “Chicken” means a female chicken or hen. It is not to include roosters and broiler chickens.
- B. “At large” means a chicken out of its chicken coop or run, off the premises or not under the custody and control of the owner.
- C. “Chicken coop” mean a full enclosable, non-residential structure for housing chickens that provides shelter from the elements.
- D. “Chicken run” means a fully enclosed and covered area attached to a coop where the chicken can roam.
- E. “Person” means for the purposes of this article and unless the context suggests otherwise, the resident, property owner, custodian, or keeper or of any chicken shall include, where the context of the provision allows, any natural person, co-tenancy, partnership, corporation, limited liability company, or other form of separate business entity recognized by North Dakota state law.
- F. “Premises” means for purposes of this article only, a lot as defined by Chapter 17.28.

6.16.023 – Permit

No person may maintain a chicken coop or chicken run unless granted a permit by the City Building Inspector. The permit shall be subject to all the terms and conditions of this article and any additional conditions deemed necessary by the City Building Inspector to protect public health, safety, and welfare. Prior to the issuance of an applicant’s initial permit by the City Building Inspector, the applicant must allow the city to inspect the applicant’s proposed chicken coop and chicken run as installed and the City’s Building Inspector must approve the installation. The following are requirements, limitations, and conditions:

- A. The person applying for a permit will be charged a fee in an amount set by the Devils Lake City Commission, not to exceed \$200. The permit application must include written consent from all owners of real property adjacent to and/or abutting the boundary line of the property where such chickens, chicken coop, and chicken run will be located.
- B. A permit issued under this chapter expires on December 31 of the year in which such permit is issued and may be annually renewed provided the requirement, limitations, and conditions set forth in this section are satisfied.
- C. The director of public health, or the director's designee, may revoke or suspend any permit issued under this article when it is determined that any of the requirements, limitations, or conditions for issuance of a permit are no longer complied with or it is determined the maintaining, keeping, or housing of a permitted chicken has become a public nuisance as described in Chapter 8.04.
- D. The person applying for the permit must submit with the application a scaled diagram that indicates the location of any chicken coop and chicken run, and the approximate size and distance from adjoining structures and property lines.
- E. A person who owns multiple properties within the city limits is limited to a single permit.
- F. A person who has had a nuisance violation or animal law violation issued to them within the last year is ineligible for a permit.

6.16.024 – Chicken Coops and Runs

The following shall be the standards for all chicken coops and runs:

- A. The chickens, coop, and run, must be located in the rear or side yard obscured from view from any street, trail, public park, or other right-of-way.
- B. The coop dimensions may not exceed 120 square feet.
- C. Coop height as measured from the average ground elevation to the highest point on the coop shall not exceed 8 feet.
- D. The coop and run may not be located closer than 10 feet from the property line and 20 feet from an adjacent property dwelling. The coop may not be located within or attached to any structure over 120 square feet.
- E. The coop shall be constructed to provide a minimum of 4 square feet per chicken.
- F. The run shall be constructed to provide a minimum of ten 10 square feet per chicken including the chicken coop and may not exceed 20 square feet per chicken.
- G. Coops, runs, and manure storage shall be kept 20 feet from streams, tributaries, ditches, storm water management facilities, drop inlets, or other storm drainage areas that would allow fecal matter to enter any city storm draining system or stream. Dumping chicken manure into the city's storm drainage system is prohibited.
- H. All coop and run construction shall be in a manner which prevents rodent infiltration.
- I. All coop and run construction shall be fully enclosed in a manner which prevents predators from entry. The fully-enclosed structure shall be constructed in a manner that is sturdy enough to keep out predators.

- J. All grain and food stored for the use of the chickens shall be kept in a rodent proof container.
- K. Chicken manure must be disposed of in accordance with the manner set by the City Sanitation Supervisor.
- L. All chickens must be kept confined at all times within the coop and/or run and may not be allowed to run at large. They may be out of their coop and run under direct supervision by an adult so long as they cannot run at large.

6.16.025 – Conditions and inspections

No person who owns, controls, keeps, maintains, or harbors chickens shall permit the premises where the chickens are kept to be maintained in an unhealthy, unsanitary, or noxious condition or to permit the premises to be in such condition that noxious odors are carried to adjacent public or private property. Any chicken coop or chicken run authorized by permit under this section may be inspected at any reasonable time by the animal control officer, law enforcement officer, public health official, or other employee or agent of the city. A person who has been issued a permit shall submit the same for examination upon demand by the animal control officer, law enforcement officer, public health official, or other employee or agent of the city.

6.16.026 – Removal of chicken coop and chicken run

Any chicken coop or chicken run constructed or maintained on any premises shall be immediately removed from said premises after the suspension, expiration, or termination of the permit for said premises, or shall be removed if the chicken-keeping activities have been discontinued or abandoned. Chicken-keeping activities shall be deemed to have been discontinued or abandoned if an annual renewal chicken-keeping permit is not obtained by a permittee by the last day of February each year.

6.16.027 – Death and/or Slaughter of Chickens

Except for chickens properly slaughtered for consumption, dead chickens must be disposed of within 24 hours after death. Legal forms of chicken carcass disposal include burial and off-site incinerate or rendering. All slaughtering of chickens shall be conducted so as not to be visible to the public or adjacent property owners and occupants.

Mike Grafsgaard – City Engineer
Devin Gathman – Assistant City Engineer
Helen Carlson – Engineering Admin



To: President Moe and City Commissioners

From: Mike Grafsgaard, City Engineer/Public Works Director 

Date: April 28, 2023

Re: Temporary Salary Schedule

I recently attended a job fair hosted by the ND Job Service. I visited with various employers and some of the 80+ job seekers that attended. I was made aware that local fast-food establishments are paying \$19 per hour for new hires that are 18 years and older. After the job fair I visited with public works supervisors related to the success we are having in getting and keeping part time help. It has become apparent that we need to adjust our current pay scale to attract and keep part-time help.

The current temporary pay scale was adjusted in January 2022 (see attached) and was previously adjusted in the spring of 2019. Since that time, it seems good employees, including part-time, are getting increasingly hard to find and the job market is competitive.

We are having difficulty hiring college and high school students for summer employment and no longer have retired long-term employees helping in streets. It is very difficult to find anyone with equipment experience or a CDL with the current temporary pay scale. We have discussed the potential issue with newer full-time employees getting paid near or below what a temporary employee could potentially be making, but the Commissions' authorization to allow supervisors to hire full-time employees higher on the pay scale (up to step E) has alleviated this concern. Supervisors also understand this issue and even though they have flexibility in the hiring range, they should not pay more than the experience of the employee warrants.

I recommend the City Commission adjust the temporary pay scale according to the attached sheet. Supervisors understand they must keep within their established budgets for temporary employees and if they pay more per hour, they will have less work hours available from temporary help.



Temporary Employee Classification and Salary Schedule

Effective May 1, 2023

The following is a basic summary of job descriptions and the salary schedule for temporary employees hired by the City of Devils Lake.

<u>Classification</u>	<u>Description</u>	<u>Salary Range</u>
Temporary I (age 16+)	Positions that are limited to work that can be performed due to age or physical limitations. Manual in nature, under direct supervision. Typically includes lawn mowing and trimming. Requires a valid Class D Driver's License.	\$12.00 - \$16.00
Temporary II (age 18+)	Positions perform tough physical labor in the heat and humidity. May be manual or technical in nature. Includes work within various public works departments performing a variety of tasks. May require a Commercial Driver's License with proper endorsements.	\$16.00 - \$18.00
Temporary III (age 18+)	Positions may include physical labor and environmental conditions as in Temporary II. May include operation of light or heavy equipment the City utilizes. Includes shade tree, and various public works departments. Requires a valid Commercial Driver's License with proper endorsements.	\$18.00 - \$21.00

Temporary personnel required to fill positions within the City of Devils Lake shall be classified and assigned a wage within the range specified, unless approved by the City Commission.

Generally, an employee with minimal experience will be hired at the bottom of the scale and may receive up to an additional compensation of \$1.00 per hour for every 300 hours of service to the City. Salary range is intended to provide flexibility to supervisors hiring positions, based on experience of personnel hired.



Temporary Employee Classification and Salary Schedule

Effective January 1, 2022

The following is a basic summary of job descriptions and the salary schedule for temporary employees hired by the City of Devils Lake.

<u>Classification</u>	<u>Description</u>	<u>Salary Range</u>
Temporary I (age 16+)	Positions that are limited to work that can be performed due to age or physical limitations. Manual in nature, under direct supervision. Typically includes lawn mowing and trimming. Requires a valid Class D Driver's License.	\$11.00 - \$14.50
Temporary II (age 18+)	Positions perform tough physical labor in the heat and humidity. May be manual or technical in nature. Includes work within various public works departments performing a variety of tasks. May require a Commercial Driver's License with proper endorsements.	\$14.50 - \$16.50
Temporary III (age 18+)	Positions may include physical labor and environmental conditions as in Temporary II. May include operation of light or heavy equipment the City utilizes. Includes shade tree, and various public works departments. Requires a valid Commercial Driver's License with proper endorsements.	\$16.50 - \$19.00

Temporary personnel required to fill positions within the City of Devils Lake shall be classified and assigned a wage within the range specified, unless approved by the City Commission.

Generally, an employee with minimal experience will be hired at the bottom of the scale and may receive up to an additional compensation of \$1.00 per hour for every 300 hours of service to the City. Salary range is intended to provide flexibility to supervisors hiring positions, based on experience of personnel hired.



Ref: L1557685376

ID: 45-6002052

(063) 

Contract For Collection of City Sales, Use and Gross Receipts Taxes

This contract is entered into by the Tax Commissioner of the State of North Dakota and the governing body of the City of Devils Lake, North Dakota through the Devils Lake City Auditor, under the provisions of North Dakota Century Code § 57-01-02.1.

This contract provides for services to be furnished, as follows:

1. The Office of State Tax Commissioner (Tax Commissioner) hereby assumes the responsibility of administering Ordinance 984 of the Devils Lake Municipal Code of Ordinances (Ordinance). The administration by the Tax Commissioner must be carried out in accordance with the relevant provisions of North Dakota Century Code Chapter 57-39.2, including reporting and paying requirements, correction of errors, payment of refunds, and application of penalty and interest.
2. The Tax Commissioner will notify the appropriate permit holders of their collection and remission responsibilities imposed by the Ordinance.
3. The Tax Commissioner shall design tax reporting forms which will be made available to the appropriate permit holders prior to the filing due dates.
4. The Tax Commissioner shall make available the proper rate chart(s) to the appropriate permit holders for use in computation of the state and city taxes.
5. The Tax Commissioner shall collect the tax imposed by the Ordinance on a monthly, quarterly or other periodic basis deemed necessary by the Tax Commissioner.
6. The Tax Commissioner assumes the responsibility for collection of any civil penalties due or criminal prosecution required under the Ordinance to the extent not in conflict with state law.
7. The Tax Commissioner shall certify on a monthly basis to the North Dakota State Treasurer the amount of tax payable to the City of Devils Lake.
8. Per N.D.C.C §57-01-02.1(5), the retailer has the option to apply the total local tax at the time of purchase or apply only the discounted maximum tax. The Tax Commissioner shall refund to purchasers the difference between the amount of sales, use, or gross receipts tax paid and the amount that would have been due by application of the maximum tax or threshold provided by the city's ordinance or home rule charter.
9. At the Tax Commissioner's discretion, the Tax Commissioner shall audit the appropriate permit holders.

The City of Devils Lake has the following responsibilities under this contract:

1. The city's Ordinance shall conform in all respects with regard to the taxable or exempt status of sales under chapters 57-39.2, 57-39.4, 57-39.5, 57-39.6, and 57-40.2.
2. The city's Ordinance shall provide for only one local tax rate; therefore, all sales, use, and gross receipts taxes will be imposed at the same rate.
3. Tax rate changes shall be effective on the first day of a calendar quarter and after ninety days notice which must be provided to the Tax Commissioner after final approval of the tax ordinance.
4. The City of Devils Lake shall provide the Tax Commissioner information about all boundary changes, which shall include all business addresses and zip codes within the changed area. For purposes of local sales, use and gross receipts taxes, boundary changes shall be effective on the first day of a calendar quarter and after ninety days notice which must be provided to the Tax Commissioner after final approval of the boundary change.
5. The City of Devils Lake shall provide notice to the Tax Commissioner on the continuation or termination of the local tax at least ninety days prior to the date the tax imposed by the ordinance is continued or terminated.

In consideration for the above-enumerated services for the period July 1, 2023 through June 30, 2025, the Tax Commissioner shall retain \$772.00 per month of the tax collected under the Ordinance.

This agreement, which supersedes any prior written or oral agreements between the parties, is effective upon the signature by the Devils Lake City Auditor, acting on behalf of the City of Devils Lake, and the Tax Commissioner for the State of North Dakota, and shall be effective July 1, 2023 through June 30, 2025.

This agreement shall be subject to renegotiation for the purpose of renewal July 01, 2025.

Dated the 1st day of May 2023, at Bismarck, North Dakota.



Brian Kroshus
Tax Commissioner

Dated the _____ day of _____ 2023 at _____, North Dakota.

Spencer Halvorson
Devils Lake City Auditor
Email: _____

LIST OF BILLS FOR THE CITY OF DEVILS LAKE
1-May-23

VENDOR	AMOUNT DUE
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AIRPORT

Capital One-Walmart	\$119.84
Capital One Trade Credit-Mac's	\$86.03
Gleason Construction	\$174,567.60
Cole Paper	\$167.38
Home of Economy	\$3.18
Interstate Billing Service	\$13.85
KLJ Engineering	\$6,730.71
John Deere Financial	\$117.26
Mead & Hunt	\$121,085.78
Skywest Airlines	\$3,047.00

CITY

ABM Equipment & Supply	\$539.74
Advance Auto Parts	\$21.15
Alycia Carmona	\$241.64
Altru Health System	\$492.00
Amazon Capital Services	\$225.47
Aramark	\$755.42
AT & T	\$3,806.28
Brandon Exner	\$175.00
Brandon Padilla	\$117.50
Butler Machinery	\$179.99
Capital One-Walmart	\$56.64
Capital One Trade Credit-Mac's	\$169.17
Champion Media, LLC	\$1,177.92
CivicPlus	\$550.00
CNH Industrial Accounts-High Plains Equipment	\$158.00
Corporate Technologies	\$2,969.20

LIST OF BILLS FOR THE CITY OF DEVILS LAKE
1-May-23

VENDOR	AMOUNT DUE
Dakota Implement	\$2,556.95
Decorated Wearables	\$120.14
Devils Lake Park Board	\$46,987.05
DL Chamber of Commerce/Tourism	\$37,977.04
Domain Networks	\$288.00
Dustin Dimmler	\$175.00
Dustin Willey	\$138.70
Ecolab	\$199.28
Executive Limousine Services	\$210.00
Galls	\$433.37
General Traffic Controls	\$211.54
Gessner Iron Works	\$2,070.00
Gerrells	\$80.00
Grainger-IL	\$687.14
Grand Forks Fraternal Order of Police	\$60.00
HE Everson	\$92.53
HACH	\$68.98
Harold's Auto Marine & Electric Motor	\$1,147.50
Hawkins	\$60.00
HB Bedrock	\$306.70
Hilton Garden Inn of Fargo	\$441.00
Home of Economy	\$174.90
JB Vending	\$218.47
Jeremy Beck	\$175.00
John Deere Financial	\$1.67
Johnson Controls Fire Protection	\$1,102.20
Keller's Briteway	\$22.00
Kiwanis	\$90.00
LEAF	\$451.35
Leevers	\$113.22
Locality Media	\$9,900.00

LIST OF BILLS FOR THE CITY OF DEVILS LAKE
1-May-23

VENDOR	AMOUNT DUE
Mid-Land Excavating	\$1,697.50
Motorola Solutions	\$7,525.00
ND Dept of Enviromental Quality	\$105.00
ND Fraternal Order of Police-State Lodge	\$405.00
NDPOA	\$240.00
Newby's Ace Hardware	\$80.33
Nodak Electric Cooperative	\$11,103.08
Northern Improvement	\$1,292.04
Northstar Auto	\$507.00
O'Reilly's Automotive	\$8.50
Office Depot	\$129.99
Ottertail Power Co	\$21,636.61
Quill	\$81.98
Ramsey County Auditor	\$42,000.00
Ramsey County Highway	\$6,547.20
Razor Tracking	\$75.00
Safe Alternatives for Abused Families	\$21,969.60
Scott Bachmeier	\$87.50
Service Tire	\$1,101.12
Sue Schwab	\$119.00
Tanya Weiler	\$1,000.00
Thompson's DL Glass & Paint	\$367.50
Tractor Supply Credit Plan	\$176.98
Usable Life	\$582.28
Wang's Welding & Machining	\$150.00

LIST OF BILLS FOR THE CITY OF DEVILS LAKE
1-May-23

VENDOR	AMOUNT DUE
TOTAL LIST OF BILLS	\$543,121.69