

Lakes Area Economic Development Authority Meeting
Thursday, May 1 at 4 pm
Alexandria Area Economic Development Commission Office

AGENDA:

- 1. CALL TO ORDER BY PRESIDENT DAHLHEIMER**
- 2. APPROVAL OF NOVEMBER 26, 2024 MINUTES**
- 3. APPROVAL OF 2024 YEAR END PRELIMINARY FINANCIAL REPORT**
 - a. AVAILABLE AT THE MEETING
- 4. ELECTION OF OFFICERS**
 - a. PRESIDENT
 - b. VICE PRESIDENT
 - c. TREASURER
 - d. SECRETARY
- 5. ANNUAL ORGANIZATIONAL RESOLUTIONS**
 - a. DESIGNATE DEPOSITORIES
 - b. DESIGNATE OFFICIAL NEWSPAPER
 - c. DESIGNATE 2025 MEETING DATES at 4 pm:
 - i. June 19
 - ii. August 21
 - iii. October 23
 - d. ESTABLISH PER DIEM
 - i. Currently \$85. This was a \$5 increase in 2024
- 6. UPDATE ON AVIONICS & LAKES COUNTRY SERVICE COOPERATIVE PROJECT**
 - a. APPROVAL OF STATE OF MN LEASE EFFECTIVE THROUGH JUNE 30, 2026
- 7. CALLING A PUBLIC HEARING FOR ISSUANCE OF A CONDUIT BOND FOR SOLUTIONS BEHAVIORAL HEALTHCARE FOR JUNE 19, 2025 AT 4 PM**
- 8. BOARD UPDATES/OTHER**

Lakes Area Economic Development Authority
November 26, 2024

Members Present: Bobbie Osterberg, Greg Bowen, Joel Dahlheimer, Jason Uhde

Members Absent:

Staff Present: Nicole Fernholz, AAEDC

Call to Order: The meeting of the LAEDA Board of Commissioners was called to order at 4:00 pm by President Dahlheimer.

October 9, 2024 Minutes: Minutes were reviewed

A motion by Bowen, seconded by Uhde, to approve minutes as presented was carried.

Approval of Account Set Up Fernholz reviewed current account balances and local bank rates

A motion by Uhde, seconded by Bowen, to approve the establishment of a money market account at Glenwood State Bank was carried.

Board Updates: none

Adjourn: Hearing no additional business, a motion by Bowen, seconded by Uhde, to adjourn the meeting at 4:30 pm.

Lakes Area Economic Development
Balance Sheet Prev Year Comparison
As of December 31, 2024

| | Dec 31, 24 | Dec 31, 23 | \$ Change | % Change |
|---------------------------------------|---------------------|---------------------|-----------------|-------------|
| ASSETS | | | | |
| Current Assets | | | | |
| Checking/Savings | | | | |
| GSB Checking | 116,803.88 | 0.00 | 116,803.88 | 100.0% |
| Checking-Bremer-General Fund | 93,062.95 | 99,440.33 | -6,377.38 | -6.4% |
| Ck Bremer-Airport Ind Park Fund | 0.00 | 104,248.21 | -104,248.21 | -100.0% |
| Viking Bank CD | 109,054.79 | 500,000.00 | -390,945.21 | -78.2% |
| Total Checking/Savings | 318,921.62 | 703,688.54 | -384,766.92 | -54.7% |
| Other Current Assets | | | | |
| Garfield Receivable | 0.00 | 14,328.37 | -14,328.37 | -100.0% |
| Windmill Ponds Receivable | 4,308,828.63 | 4,308,828.63 | 0.00 | 0.0% |
| Total Other Current Assets | 4,308,828.63 | 4,323,157.00 | -14,328.37 | -0.3% |
| Total Current Assets | 4,627,750.25 | 5,026,845.54 | -399,095.29 | -7.9% |
| Fixed Assets | | | | |
| NEW Building 2024 | 405,000.00 | 0.00 | 405,000.00 | 100.0% |
| Total Fixed Assets | 405,000.00 | 0.00 | 405,000.00 | 100.0% |
| TOTAL ASSETS | 5,032,750.25 | 5,026,845.54 | 5,904.71 | 0.1% |
| LIABILITIES & EQUITY | | | | |
| Liabilities | | | | |
| Current Liabilities | | | | |
| Accounts Payable | | | | |
| Accounts Payable | -270.41 | 250.00 | -520.41 | -208.2% |
| Total Accounts Payable | -270.41 | 250.00 | -520.41 | -208.2% |
| Other Current Liabilities | | | | |
| Garfield Payable | 0.00 | 14,328.37 | -14,328.37 | -100.0% |
| Windmill Ponds Payable | 4,308,828.63 | 4,308,828.63 | 0.00 | 0.0% |
| Total Other Current Liabilities | 4,308,828.63 | 4,323,157.00 | -14,328.37 | -0.3% |
| Total Current Liabilities | 4,308,558.22 | 4,323,407.00 | -14,848.78 | -0.3% |
| Total Liabilities | 4,308,558.22 | 4,323,407.00 | -14,848.78 | -0.3% |
| Equity | | | | |
| Retained Earnings | 703,438.54 | 649,944.77 | 53,493.77 | 8.2% |
| Net Income | 20,753.49 | 53,493.77 | -32,740.28 | -61.2% |
| Total Equity | 724,192.03 | 703,438.54 | 20,753.49 | 3.0% |
| TOTAL LIABILITIES & EQUITY | 5,032,750.25 | 5,026,845.54 | 5,904.71 | 0.1% |

RESOLUTION # 25-01

**LAKES AREA ECONOMIC DEVELOPMENT AUTHORITY
RESOLUTION ELECTING OFFICERS**

BE IT RESOLVED by the Board of Commissioners (the “Board”) of the Lakes Area Economic Development Authority (the “LAEDA’), as follows:

1. Recitals. All actions required by the applicable provisions of Minnesota Statutes, Sections 469.090 to 469.108, inclusive, have been duly taken in order to create, constitute and activate the LAEDA.
2. Election of Officers. In accordance with Minnesota Statutes, Section 469.096, the Board hereby elects to the following designated offices of the LAEDA the following persons:

President: _____

Vice President: _____

Secretary: _____

Treasurer: _____

3. Terms. The term of office of the President, the Vice President, the Secretary, the Treasurer shall expire on the date of annual meeting of the Board from this date forward.
4. Adoption of By-Laws. The Board hereby adopts the By-Laws of the EDA presented to it as of this date.

The motion for the adoption of the foregoing resolution was made by _____, seconded by _____, and upon vote being taken thereon the following voted:

Yes:

No:

Absent:

PASSED AND DULY ADOPTED by the Lakes Area Economic Development Authority on this day 1st of May 2025.

President, LAEDA

ATTEST: _____
Executive Director, LAEDA

**BY-LAWS OF THE
LAKES AREA ECONOMIC DEVELOPMENT AUTHORITY**

ARTICLE 1

Authority and Purpose

1.1 Name of the Authority. The name of the Authority shall be the Lakes Area Economic Development Authority (hereinafter, the “Authority”), and its governing body shall be called the Board of Commissioners (hereinafter, the “Board”).

1.2 Enabling Statute. Minn. Session Laws 2003, Chapter 127, Sections 34 through 41, authorizes the establishment of the Lakes Area Economic Development Authority.

1.3 Powers. The Authority has all the powers and duties as set forth in Minn. Session Laws 2003 Chapter 127, Sections 35 through 41 and may exercise any of the powers of an economic development authority as set forth in Minnesota Statutes, sections 469.090 to 469.1082, 469.096 to 469.101, 469.103 to 469.106 and 469.108 to 469.1081, except that the Authority’s fiscal year is the calendar year.

1.3.1 Limitations.

1.3.1.1. The Authority shall ensure that:

- (a) any development and redevelopment action by the Authority conforms with applicable county, city, and township comprehensive plans and official controls implementing the comprehensive plans.
- (b) It submits its plans for development and redevelopment to its members’ respective city council or town board for approval.

1.3.1.2. The following provisions specifically do not apply to the Authority: (1) Minn. Stat. 469.091, subdivision 1, expressly relating to the adoption of an enabling resolution, Minn. Stat. 469.092, or housing and redevelopment authorities; and, (2) Minn. Stat. 469.093, 469.095, 469.102 and 469.107.

1.3 Public Corporation. The Lakes Area Economic Development Authority (LAEDA) has jurisdiction over the geographical area of its members and is established as a public corporation and political subdivision of the State of Minnesota with perpetual succession and all the rights, powers, privileges, immunities and duties that may be validly granted to or imposed upon a municipal corporation.

1.4 Tax Levy. The Authority will levy a tax in any year for the benefit of the Authority. The money collected must be used by the Authority for the purposes set forth in the enabling statute. The tax is, for each member, a pro rata portion of the total amount of tax requested by the Authority based on the taxable market value within a member’s jurisdiction, but in no event the tax in any year exceed 0.01813

percent (0.01813%) of taxable market value. The Douglas County Treasurer will pay to the Treasurer of the Authority the amount collected for this purpose.

1.5 Contracts. The Authority may enter into contracts with one or more nonprofit corporations to make, from of and under guidelines set by the Authority, loans or grants for projects the Authority may undertake under the provisions set forth in Minnesota Law.

ARTICLE II

2.1 Office. The principal office of the Authority shall be 324 Broadway Street – Suite 101, Alexandria, MN 56308.

2.2 Seal. The Authority shall have an official seal.

ARTICLE III

Officers

3.1 Officers. The officers of the Authority shall be a President, a Vice President, a Secretary, and a Treasurer. The President, Vice President, and Treasurer shall be members of the Board and shall be elected annually-for one (1) year terms. No commissioner may serve as the President and Vice President at the same time. The other offices may be held by the same commissioner. The office of Secretary need not be held by a Commissioner. Officers shall hold office until their successors are elected and qualified.

3.1.1. President. The President shall preside at all meetings of the Board and perform such other duties that are incident to the office of the president and as authorized by the Board of Directors.

3.1.2. Vice President. The Vice President shall preside at any meeting of the Board in the absence of the President and may exercise all powers and perform all responsibilities of the President if the President is unable or cannot exercise or perform the duties of the President.

3.1.3. Treasurer. The Treasurer shall receive and be responsible for Authority money, shall be responsible for the acts of the Assistant Treasurer, shall disburse Authority money by check only, shall keep an account of all Authority receipts and disbursements and the nature and purpose relating thereto, shall file the Authority's financial statement with its Secretary at least once a year at times set by the Authority.

3.1.3.1 Treasurer's Bond. The Treasurer shall give bond to the State conditioned for the faithful discharge of official duties. The bond must be approved as to form and surety by the Authority and filed with the Secretary. The bond must be for twice the amount of money likely to be on hand at any one time as determined at least annually by the Authority, provided, however, that said bond must not exceed \$300,000.

3.1.4 Secretary. The Secretary shall keep or cause to be kept minutes of all meetings of the Board and shall maintain or cause to be maintained all records of the Authority. The Secretary shall also have such additional duties and responsibilities as the Board may from time to time and by resolution prescribe.

ARTICLE IV

Board of Commissioners

4.2.1 Board and Composition. The Authority shall be governed by a Board of Commissioners. The mayor of each member city and the chair of the town board of each member town shall appoint one (1) commissioner, subject to approval by the respective city council or town board.

4.2.2. Terms. The terms of the initial appointees to the Board of Commissioners are for three, four, five, and six years and must be established by lot among the four commissioners. The mayor or town board chair of any new member added shall designate the term, not to exceed six (6) years of the first commissioner appointed to represent to the new member. Succeeding terms of all commissioners are six (6) years, except that each commissioner serves until a successor has been duly selected and qualified.

4.2.3. Vacancies. If a vacancy occurs on the Board, the vacancy must be filled for the unexpired term in a like manner as provided for selection of the commissioner who vacated the office.

4.2.4. Removal. A commissioner may be removed by the unanimous vote of the appointing governing body, with or without cause.

4.2.5. Qualifications. A commissioner may, but need not, be a resident of the territory of the member appointing that commissioner.

4.2.6. Compensation. A commissioner must be paid a per diem compensation for attending a regular or special meeting. The Board shall establish the per diem rate at the Board's first meeting in each calendar year. A commissioner must also be reimbursed for all reasonable expenses incurred in the performance of commissioner duties as determined by the Board.

ARTICLE V

Executive Director and Committees

5.1. Executive Director. The Executive Director of the Alexandria Area Economic Development Commission shall be appointed the Executive Director of the Authority and shall have such responsibilities and authority as the Board may from time to time by resolution prescribe.

5.2 Advisory Committees. The Board may by resolution establish advisory committees to assist the Authority in carrying out its prescribed responsibilities. The Board shall not authorize any advisory committees, or its members, to exercise any decision-making authority of the Board.

ARTICLE VI

Membership

6.1 Member of the Authority. The members of the Authority shall include the City of Alexandria, or the City of Garfield, or the Township of Alexandria or the Township of LaGrand and any other municipality, geographic area of which is included within the jurisdiction of the Authority.

6.2 Addition of Members. A municipality or a local unit of government, upon a resolution adopted by a four-fifths (4/5) vote of all its governing body may petition the Authority to be included within the jurisdiction of the Authority, and, if approved by the Authority, the geographic area of the municipality shall be included within the jurisdiction of the Authority and subject to the jurisdiction of the Authority.

6.3. Withdrawal of Members. A municipality may withdraw from the Authority by resolution of its governing body. The municipality must notify the Authority Board of Commissioner of the withdrawal by providing to the Authority at its corporate office a copy of the resolution at least two (2) years in advance of the proposed withdrawal. Unless the Authority and the withdrawing member agree otherwise by action or their governing bodies, the taxable property of the withdrawing member is subject to the property tax levy imposed by the Authority for two (2) taxable years following the notification of withdrawal, and the withdrawing member retains any rights, obligations, and liabilities obtained or incurred during its participation.

ARTICLE VII

Meetings

7.1. Annual Meeting. The annual meeting of the Board shall be the first meeting of the calendar year.

7.2. Regular Meetings. The Board shall meet on an as needed basis, but should consider meeting four (4) times each calendar year with dates to be determined by the Board. Notice of the dates, times, and locations of the meetings shall be duly published or posted pursuant to Minnesota Law.

7.3. Special Meetings. Special meetings of the Board may be called by any two (2) Commissioners or by the Executive Director. The Executive Director or the Secretary shall post notice of any special meeting in the office of the Authority no less than three (3) days prior to such special meeting. Reasonable efforts, including oral notice, must be made to notify all commissioners of the special meetings.

7.4. Quorum. A quorum of the Board shall consist of three (3) Commissioners. In the absence of a quorum; no official action may be taken by, on behalf of, or in the name of the Board or the Authority.

7.5. Adoption of Resolutions. Resolutions of the Board shall be deemed adopted if approved by not less than a simple majority of the commissioners. Resolutions may, but need not, be read aloud prior to a vote on the resolution and shall be executed after passage.

7.6. Rules of Order. The meetings of the Board shall be governed by the most recent edition of Robert's Rules of Order.

ARTICLE VIII

Finances and Administration

8.1. Fiscal Year. The fiscal year of the Authority shall be the calendar year.

8.2. Checks. An Authority check must be signed by two officers or one officer and the Executive Director. The check must state the name of the payee and the reason for which the check was issued.

8.3. Financial Statement. The Board shall examine the Authority's financial statement, which shall disclose all receipts and disbursements, together with all vouchers, money on hand accounts, Authority's credits and assets and its outstanding liabilities. If the Board determines that the financial statement and vouchers to be correct, it shall approve them by resolution.

8.4. Annual Report. The Authority shall annually make a report to the member city councils and town boards giving a detailed account of its activities and its receipts and expenditures for the preceding calendar year. The Authority shall also annually send its budget to the member city councils and town boards. The budget shall include a written estimate of the amount of money needed by the Authority from its members in order for the Authority to conduct business during the upcoming fiscal year.

8.5. Records. All the books and records of the Authority shall be kept at the Authority office.

8.6. Employees. The Authority may employ persons as it may determine is necessary to properly execute its duties and responsibilities, and shall specify their duties, qualifications, and compensation.

8.7. Contract Services. The Authority may contract for services with the Alexandria Area Economic Development Commission, a not-for-profit organization providing economic development services, as stated in 2003 Minnesota Session Laws, Chapter 127, Section 40. The Authority may also contract for services with consultants, public accountants, attorneys, and others as it determines is necessary to perform its duties and to exercise its powers.

8.8. Supplies, Purchasing, Facilities, and Services. The Authority is authorized to purchase the supplies and materials it needs to perform its duties and exercise its powers. Authority members may furnish offices, structures and space, stenographic, clerical, engineering and other assistance to the Authority as deemed reasonable by the members of the Authority.

8.9. Execution of Contracts. All contracts, notes, and other written agreements or instruments to which the Authority is a party or signatory or by which the Authority may be bound shall be executed by the President and the Executive Director or by such other Commissioners or Officers of the Authority as the Board may by resolution prescribe.

8.10. Amendment of By-Laws. These By-Laws may be amended by the Board by majority vote of all the Commissioners, provided that a copy of any such proposed amendment shall first have been

delivered to each commissioner by U.S. mail, fax, or email at least three (3) days prior to the meeting at which such amendment is considered.

8.11. Notices. Whenever notice is required by these By-Laws or by statute, personal notice is not required. Notice may be given in writing by depositing the same in the U.S. mail, post-paid, addressed and the notice shall be deemed given on the date of the deposit in the U.S. mail.

8.12. Conflict of Interest. Except as authorized in Minnesota Statutes, section 471.88, a commissioner, officer or employee of the Authority must not acquire any financial interest, direct or indirect, in any project or in any property included or planned to be included in any project, nor have any financial interest, direct or indirect, in any contract for materials or service to be furnished or used in connection with any project.

Resolution # 25-02

RESOLUTION DESIGNATING DEPOSITORIES

WHEREAS, the Lakes Area Economic Development Authority is required to name a depository, and

WHEREAS, the named depository, before acting as a depository, shall give the authority a bond approved as to form and surety by the authority, and

NOW, THEREFORE, BE IT RESOLVED by the Lakes Area Economic Development Authority names the following financial institution(s) be designated as the LAEDA depository for 2025:

Bremer Bank

Viking Bank

The motion for the adoption of the foregoing resolution was made by _____, seconded by _____, and upon vote being taken thereon the following voted:

Yes:

No:

Absent:

PASSED AND DULY ADOPTED by the Lakes Area Economic Development Authority on this day 1st of May, 2025.

President, LAEDA

ATTEST: _____
Executive Director, LAEDA

Resolution # 25-03

RESOLUTION DESIGNATING OFFICIAL NEWSPAPER

WHEREAS, the Lakes Area Economic Development Authority is required by Minnesota State Statute 412.831 to annually designate a legal newspaper of general circulation in the geographical area of the Authority as the official newspaper.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Commissioners of the Lakes Area Economic Development Authority:

The Board of Commissioners does hereby designate The Echo Press, published Wednesday and Friday, respectively, of each week by Alexandria Newspapers, Inc., as the official newspaper of the Lakes Area Economic Development Authority.

The motion for the adoption of the foregoing resolution was made by _____, seconded by _____, and upon vote being taken thereon the following voted:

Yes:

No:

Absent:

PASSED AND DULY ADOPTED by the Lakes Area Economic Development Authority on this day 1st of May, 2025.

President, LAEDA

ATTEST:

Executive Director, LAEDA

Resolution # 25-04

RESOLUTION ESTABLISHING MEETING DATES

WHEREAS, the Lakes Area Economic Development Authority By-Laws require the Authority to meet on an as needed basis, and

WHEREAS, the first meeting of the calendar year will be designated as the Annual Meeting, and

WHEREAS, the meetings of the Authority will be at the Alexandria Area Economic Development Commission offices, and

NOW, THEREFORE, BE IT RESOLVED, by the Board of Commissioners of the Lakes Area Economic Development Authority:

The Board of Commissioners designates the following dates for their annual and regular meetings of the Authority:

Thursday, May 1, 2025
Thursday, June 19, 2025
Thursday, August 21, 2025
Thursday, October 23, 2025

The motion for the adoption of the foregoing resolution was made by _____, seconded by _____, and upon vote being taken thereon the following voted:

Yes:

No:

Absent:

PASSED AND DULY ADOPTED by the Lakes Area Economic Development Authority on this day 1st of May, 2025.

President, LAEDA

ATTEST:

Executive Director, LAEDA

Resolution # 25-05

RESOLUTION ESTABLISHING PER DIEM

BE IT RESOLVED, by the Board of Commissioners of the Lakes Area Economic Development, that the per diem reimbursement rate for all meetings will be \$_____.

The motion for the adoption of the foregoing resolution was made by _____, seconded by _____ and upon vote being taken thereon the following voted:

Yes:

No:

Absent:

PASSED AND DULY ADOPTED by the Lakes Area Economic Development Authority on this day 1st of May, 2025.

President, LAEDA

ATTEST: _____
Executive Director, LAEDA

RESOLUTION No: EDA 25-06

RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF A LEASE WITH STATE OF MN

WHEREAS, the Lakes Area Economic Development Authority ("LAEDA") is a public body corporate and politic and a political subdivision of the State of Minnesota and owns certain real property located at 1204 34th Avenue West, Alexandria, Minnesota (the "Property")

WHEREAS, the Authority is authorized by Minnesota Session Laws 2003 Chapter 127, Sections 35 through 41 and Minnesota Statutes, Sections 469.090 to 469.1082, specifically Minnesota Statutes Section 469.101, to acquire and sell real and personal property by entering into lease-purchase agreements and make contracts for the purpose of economic development within the powers given it by Minnesota Statutes, Sections 469.090 to 469.108; and

WHEREAS, the Board of Directors has reviewed the terms and conditions of the proposed lease and finds them acceptable and beneficial to the Organization; and

NOW, THEREFORE, BE IT RESOLVED THAT:

1. Execution and Delivery of a Lease: The Lease has been prepared and submitted to LAEDA by State of Minnesota. The Board of Directors hereby approves the execution and delivery of a lease with State of Minnesota of approximately seven thousand six hundred and eighty (7,680) square feet of parking lot space for the purpose of motorcycle skill testing.
2. Authority to Execute Documents: Joel Dahlheimer, Chair of LAEDA and Nicole Fernholz, Director of LAEDA are hereby authorized and directed to execute and deliver on behalf of the Organization, any and all documents necessary or appropriate to execute the lease.
3. Ratification of Prior Acts: All actions taken by the officers and directors of the Organization prior to the adoption of this resolution that are within the authority conferred hereby are hereby ratified, confirmed, and approved.
4. Effective Date: This resolution shall be effective immediately upon its adoption.

Adopted this 1st day of May 2025, by the Board of Directors of Lakes Are Economic Development Authority.

CERTIFICATION

I, Jason Uhde, the Secretary of LAEDA hereby certify that the foregoing is a true and correct copy of a resolution duly adopted by the Board of Directors of said Organization on May 1, 2025 and that said resolution has not been amended or repealed.

Jason Uhde, Secretary

Attachments:

- Exhibit A: Copy of the Lease Agreement

STATE OF MINNESOTA

LEASE

LEASE NO. **PS0338**

THIS LEASE is made by and between Board of Trustees, Minnesota State Colleges and Universities, on behalf of Alexandria Technical and Community College, 1601 Jefferson Street, Alexandria, MN 56308, hereinafter referred to as LESSOR, and the State of Minnesota, Department of Administration, hereinafter referred to as LESSEE, acting for the benefit of Driver and Vehicle Services, Department of Public Safety.

WHEREAS, the Commissioner of Administration is empowered by Minn. Stat. §16B.24, subd. 6, to lease non-state owned property;

NOW, THEREFORE, LESSOR and LESSEE, in consideration of the rents, covenants and considerations hereinafter specified, do hereby agree each with the other as follows.

1. **LEASED PREMISES** LESSOR grants and LESSEE accepts a lease of the following described Leased Premises located in the City of Alexandria, County of Douglas, Minnesota 56308:

A mutually agreed upon area approximately 64' x 120' in the parking lot of the building known as the Interior Design building on State Highway 27
2. **USE** LESSEE shall use and occupy the Leased Premises only as a motorcycle skill test course and related activities.
3. **LEASE TERM**
 - 3.1 The term of this Lease is three (3) years, commencing July 1, 2013 and continuing through June 30, 2016, between the hours of 8:00 a.m. and 4:30 p.m. on Monday and Tuesday of each week during the months of May through October.
 - 3.2 LESSOR and LESSEE hereby agree that a change in the hours or day(s) of use may be made by mutual agreement in writing between the parties, so long as there is no increase in usage or cost.
4. **RENT**
 - 4.1 The consideration for this Lease shall be the mutual benefits to both parties of this Lease.

4.2 LESSEE shall have the quiet enjoyment of the Leased Premises during the full term of this Lease and any extension or renewal thereof.

5. **OPTION TO RENEW**

5.1 LESSOR further grants and LESSEE accepts the right to one (1) option to renew this Lease for a period of two (2) years at the same terms, conditions and rental rate as this Lease.

5.2 To exercise the above noted option, LESSEE must indicate in writing its intent to exercise said option thirty (30) days prior to the expiration date of this Lease.

6. **TERMINATION**

6.1 In the event that the Minnesota State Legislature does not appropriate to the Department of Public Safety funds necessary for the continuation of this Lease, or in the event that Federal Funds necessary for the continuation of this Lease are withheld for any reason, this Lease may be terminated by LESSEE upon giving thirty (30) days written notice.

6.2 Pursuant to Minn. Stat. §16B.24, subd. 6, this Lease is subject to cancellation upon thirty (30) days written notice by LESSEE for any reason except lease of other non-state-owned land or premises for the same use.

6.3 Notwithstanding Clauses 6.1 and 6.2 above, this Lease may be terminated by LESSEE for any reason at any time upon giving thirty (30) days prior written notice to LESSOR.

7. **DUTIES OF LESSOR**

7.1 LESSOR shall:

- a. Furnish and provide to LESSEE access to the Leased Premises.
- b. Allow LESSEE to provide markings for a motorcycle skill-testing course.

7.2 Disability Access Guidelines LESSOR agrees to provide and maintain the Leased Premises and the building of which the Leased Premises are a part with accessibility and facilities for persons with disabilities meeting code requirements including, but not limited to: Title II and III of the American with Disabilities Act (ADA), all applicable laws, rules, ordinances and regulations issued by any federal, state or local political subdivisions having jurisdiction and authority in connection with said property.

7.3 Management LESSOR agrees that in exercising its management responsibilities of the property which the Leased Premises are a part, including the maintenance, repair,

alterations and construction relating thereto, it shall comply with all applicable laws, statutes, rules, ordinances and regulations, including but not limited to: building code, disabilities access, zoning, air quality, pollution control, recyclable materials and prevailing wage requirements, as issued by any federal, state or local political subdivisions having jurisdiction and authority in connection with said property.

8. **DUTIES OF LESSEE** Except as otherwise provided herein, LESSEE shall:

Furnish materials and services required for its use of the Leased Premises.

8.1 Maintain the Leased Premises in a reasonably good condition and state of repair during the continuance of its tenancy.

8.2 Surrender the Leased Premises to LESSOR at the termination of such tenancy in such condition as the same are in at the commencement of such tenancy, reasonable wear and damage by the elements excepted.

9. **INSURANCE**

9.1 **Property Damage** It shall be the duty of LESSOR and LESSEE to maintain insurance or self-insurance on their own property, both real and personal. Notwithstanding anything apparently to the contrary in this Lease, LESSOR and LESSEE hereby release one another and their respective partners, officers, employees and property manager from any and all liability or responsibility to the other or anyone claiming through or under them by way of subrogation or otherwise for loss or damage, even if such loss or damage shall have been caused by the fault or negligence of the other party or anyone for whom such party may be responsible.

9.2 **Liability** LESSOR and LESSEE agree that each party will be responsible for its own acts and the results thereof to the extent authorized by law and shall not be responsible for the acts of any others and the results thereof. LESSEE'S liability shall be governed by the provisions of the Minnesota Tort Claims Act, Minnesota Statutes, Section 3.736, and other applicable law

10. **DESTRUCTION** If the Leased Premises shall be destroyed or damaged by fire, tornado, flood, civil disorder or any cause whatsoever, so that the Leased Premises become untenable, the rent shall be abated from the time of such damage and LESSEE shall have the option of terminating this Lease immediately or allowing LESSOR such amount of time as LESSEE deems reasonable to restore the damaged Leased Premises to a tenable condition.

11. **MAINTENANCE AND REPAIRS**

11.1 It shall be the duty of LESSOR to maintain at its own expense, in working condition, all appurtenances within the scope of this Lease, including the maintenance of proper plumbing, wiring, heating (and, where applicable, cooling) devices and ductwork.

11.2 LESSOR shall, at its own expense, make such necessary repairs so as to continue to provide all such service appurtenances as are required by this Lease, provided, however, that LESSOR shall not be responsible for repairs upon implements or articles which are the personal property of LESSEE, nor shall LESSOR bear the expense of repairs to the Leased Premises necessitated by damage caused by LESSEE beyond normal wear and tear.

12. **AUDIT** Pursuant to Minn. Stat. §16C.05, subd. 5, the books, records, documents and accounting procedures and practices of LESSOR relevant to this Lease shall be subject to examination by the State and/or Legislative Auditor, as appropriate, for a minimum of six (6) years.

13. **AFFIRMATIVE ACTION**

13.1 For all contracts in excess of \$100,000.00, LESSOR shall comply with the following:

- a. LESSOR certifies pursuant to Minn. Stat. §363A.36 that LESSOR has not had more than forty (40) full-time employees within the State of Minnesota at any time during the previous twelve (12) months; OR
- b. If LESSOR has had more than forty (40) full-time employees within the State of Minnesota on a single working day during the previous twelve (12) months, that it has an affirmative action plan pursuant to the requirements of Minn. Stat. §363 for the employment of minority persons, women and qualified disabled individuals approved by the State of Minnesota, Commissioner of Human Rights; OR
- c. If LESSOR has not had forty (40) full-time employees within the State of Minnesota on a single working day during the previous twelve (12) months, but has had more than forty (40) full-time employees on a single working day during the previous twelve (12) months in the state in which it has its primary place of business, then:
 - (i) LESSOR has current Minnesota certificate of compliance issued by the Minnesota Commissioner of Human Rights, OR
 - (ii) LESSOR certifies that it is in compliance with federal Affirmative Action requirements.

d. Minnesota Rule 5000.3550 - Disabled Individuals Affirmative Action Clause

- (i) LESSOR shall not discriminate against any employees or applicants for employment because of physical or mental disability in regard to any position for which the employee or applicant for employment is qualified. LESSOR agrees to take affirmative action to employ, advance in employment, and otherwise treat qualified disabled individuals without discrimination based upon their physical or mental disability in all employment practices such as the recruitment, advertising, layoff or termination, rates of pay or other forms of compensation and selection for training, including apprenticeship.
- (ii) LESSOR agrees to comply with the rules and relevant orders of the Minnesota Department of Human Rights issued pursuant to the Minnesota Human Rights Act.
- (iii) In the event of LESSOR'S noncompliance with the requirements of this clause, actions for noncompliance may be taken in accordance with Minn. Stat. §363A.36 and the rules and relevant orders of the Minnesota Department of Human Rights issued pursuant to the Minnesota Human Rights Act.
- (iv) LESSOR agrees to post in conspicuous places, available to employees and applicants for employment, notices in a form to be prescribed by the commissioner of the Minnesota Department of Human Rights. Such notices shall state LESSOR'S obligation under the law to take affirmative action to employ and advance in employment qualified disabled employees and applicants for employment, and the rights of applicants and employees.

13.2 LESSOR shall notify each labor union or representative of workers with which it has a collective bargaining agreement or other contract understanding, that LESSOR is bound by the terms of Minn. Stat. §363A.36 of the Minnesota Human Rights Act and is committed to take affirmative action to employ and advance in employment physically and mentally disabled individuals.

14. **DEFAULT BY LESSOR** If LESSOR shall default in the performance of any of the terms or provisions of this Lease, LESSEE shall promptly so notify LESSOR in writing. If LESSOR shall fail to cure such default within thirty (30) days after receipt of such notice, or if the default is of such character as to require more than thirty (30) days to cure, and LESSOR shall fail to commence to do so within thirty (30) days after receipt of such notice and thereafter diligently proceed to cure such default, then in either event, LESSEE, at its sole option, may terminate this Lease upon thirty (30) days written notice or may cure such default. In the event LESSEE cures the default, LESSOR shall pay all reasonable and actual expenses paid by LESSEE to cure said default, including attorneys fees, within ten (10) days of receipt of invoices therefore

are rendered, or LESSEE shall have a specific right to set-off any such amounts due from LESSOR against any rent payments or other amounts due under this Lease. In the event LESSEE elects to terminate this Lease, said termination shall not limit LESSEE'S rights to damages caused by the breach and failure to cure. This provision in no way limits LESSEE'S other remedies for breach under common law or this Lease.

15. **GOVERNMENT DATA PRACTICES ACT COMPLIANCE**

15.1 LESSOR must comply with the Minnesota Government Data Practices Act, Minn. Stat., Chapter 13, as it applies to all data provided by LESSEE in accordance with this Lease and as it applies to all data created, collected, received, stored, used, maintained, or disseminated by LESSOR in accordance with this Lease. The civil remedies of Minn. Stat. §13.08, apply to LESSOR and LESSEE.

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

16. **NOTICES** All notices or communications between LESSOR and LESSEE shall be deemed sufficiently given or rendered if in writing and delivered to either party personally or sent by registered or certified mail addressed as follows:

LESSOR:

Alexandria Technical & Community
College
David Bjelland, CFO
1601 Jefferson Street
Alexandria, MN 56308

LESSEE:

Accounts Payable
Department of Public Safety
444 Cedar St Ste 126
St Paul MN 55101-5126

NO ATTACHMENTS

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IN WITNESS WHEREOF, the parties have set their hands on the date(s) indicated below intending to be bound thereby.

LESSOR: Alexandria Technical and
Community College

Lessor certifies that the appropriate person(s) have executed the Lease on behalf of Lessor as required by applicable articles, bylaws, resolutions or ordinances.

By David Bjelland

Title CFO

Date 6/11/13

By _____

Title _____

Date _____

LESSEE:
STATE OF MINNESOTA
DEPARTMENT OF ADMINISTRATION
COMMISSIONER
Delegated to

By Holly E. Koller

Title Lease Coordinator

Date 6/17/13

APPROVED:
STATE OF MINNESOTA
DEPARTMENT OF PUBLIC SAFETY

By [Signature]

Title Deputy Director

Date 6-12-13

STATE OF MINNESOTA
AMENDMENT OF LEASE

Amendment No. 2

Lease No. PS0338

THIS AMENDMENT, made by and between Board of Trustees, Minneapolis State Colleges and Universities on behalf of Alexandra Technical and Community College, 1601 Jefferson Street, Alexandria, MN 56308, hereinafter referred to as LESSOR, and the State of Minnesota, Department of Administration, hereinafter referred to as LESSEE, acting for the benefit of the Department of Public Safety, Driver and Vehicle Services, shall be an amendment to Lease No. PS0338.

WHEREAS, LESSOR and LESSEE entered into Lease No. PS0338, involving the lease of approximately seven thousand six hundred eighty (7,680) square feet of office space in the parking lot of the building known as the Interior Design Building on State Highway 27 in the city of Alexandra, County of Douglas;

WHEREAS, the parties deem certain amendments and additional terms and conditions mutually beneficial for the effective continuation of said Lease;

NOW THEREFORE, LESSOR and LESSEE agree to substitution and/or addition of the following terms and conditions, which shall become a part of Lease No. PS0338 effective as of the date set forth herein.

1. **RENEWAL TERM** This Lease shall be renewed for a period of five (5) years, commencing July 1, 2021 and continuing through June 30, 2026 ("Renewal Term"), at the same terms, conditions and rental rate.

2. **RENT**

2.1 The consideration for this Lease Agreement shall be the mutual benefits to both parties of this Lease Agreement

3. Except as modified by the provisions of this Amendment, said Lease is ratified and confirmed as originally written.

NO ATTACHMENTS

IN WITNESS WHEREOF, the parties have set their hands on the date(s) indicated below intending to be bound thereby.

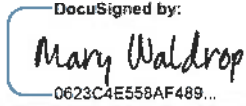
LESSOR: ALEXANDRA TECHNICAL AND COMMUNITY COLLEGE

LESSOR certifies that the appropriate person(s) have executed the Lease on behalf of LESSOR as required by applicable articles, bylaws, resolutions or ordinances.

By David Bylland
CFO
Title 5/5/21
Date _____

By _____
Title _____
Date _____

LESSEE: STATE OF MINNESOTA DEPARTMENT OF ADMINISTRATION COMMISSIONER

Delegated To: 
By _____
Title Lease Supervisor
Date 5/14/2021

APPROVED: STATE OF MINNESOTA DEPARTMENT OF PUBLIC SAFETY
By Rita Wurm
Title Deputy Director
Date 5/13/2021

STATE OF MINNESOTA

AMENDMENT OF LEASE

Amendment No. 3

Lease No. PS0338

THIS AMENDMENT No. 3 to Lease No. PS0338 is made by and between Lakes Area Economic Development Authority, successor-in-interest to Board of Trustees, Minneapolis State Colleges and Universities on behalf of Alexandra Technical and Community College, 1601 Jefferson Street, Alexandria, MN 56308, hereinafter referred to as LESSOR, and the State of Minnesota, Department of Administration, hereinafter referred to as LESSEE, acting for the benefit of the Department of Public Safety, Driver and Vehicle Services.

WHEREAS, the Board of Trustees, Minneapolis State Colleges and Universities and LESSEE entered into Lease No. PS0338, dated June 17, 2013, as may subsequently be amended, involving the lease of approximately 64' x 120' area , approximately seven thousand six hundred eighty (7,680) usable square feet of space in the parking lot of the building known as the Interior Design Building on State Highway 27, located at 1204 34th Ave W, in the City of Alexandria, Minnesota, 56308.

WHEREAS, the Board of Trustees, Minneapolis State Colleges and Universities has conveyed and quitclaimed the Building to Lakes Area Economic Development Authority pursuant to the Quit Claim Bill of Sale dated October 22, 2024;

WHEREAS, the parties deem certain amendments and additional terms and conditions mutually beneficial for the effective continuation of said Lease;

NOW THEREFORE, LESSOR and LESSEE agree to substitution and/or addition of the following terms and conditions, which shall become a part of Lease No. PS0338 effective as of the date set forth herein.

1. **NOTICES**

1.1 Deletion Section 16 of the Lease is hereby deleted and of no further force or effect and is replaced with the following Sections 1.2 and 1.3.

1.2 All notices or communications between LESSOR and LESSEE shall be in writing and deemed to have been given upon the occurrence of one of the following methods of delivery to the address noted in Section 1.3 below:

a. when personally delivered to the addressee, or

- b. on the second business day after sender has deposited the registered or certified mailing with the US Postal Service, or
- c. when delivered via electronic mail from LESSEE to LESSOR at nfernholz@alexmn.org (provided such delivery or attempted delivery is confirmed), or
- d. one (1) business day after deposited with an overnight courier service.

1.3 Mailing Addresses:

LESSOR:

Lakes Area Economic Development
Authority
324 Broadway Suite 101
Alexandria, MN 56308
Attn: Nicole Fernholz
Email: nfernholz@alexmn.org

LESSEE:

Real Estate and Construction
Services
Department of Administration
50 Sherburne Ave # 309
St Paul MN 55155
Attn: Lease Supervisor

2. **EXECUTION IN COUNTERPARTS; ELECTRONIC SIGNATURES** This Amendment may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which counterparts of this Amendment taken together shall constitute but one and the same Amendment. The parties further agree that this Amendment may be executed by electronic signature and that said electronic signature shall be binding upon the party providing such signature as if it were the party's original signature. Delivery of an executed counterpart of this Amendment by facsimile or email or a PDF file shall be equally as effective as delivery of an original executed counterpart of this Amendment.
3. Except as modified by the provisions of this Amendment, said Lease is ratified and confirmed as originally written. All capitalized terms used but not defined herein shall have the meanings assigned to them as set forth in the Lease, unless otherwise stated.

NO ATTACHMENTS

IN WITNESS WHEREOF, the parties have set their hands on the date(s) indicated below intending to be bound thereby.

LESSOR:
LAKES AREA ECONOMIC DEVELOPMENT
AUTHORITY

LESSOR certifies that the appropriate person(s) have executed this Amendment to the Lease on behalf of LESSOR as required by applicable articles, bylaws, resolutions or ordinances.

By _____

Title _____

Date _____

By _____

Title _____

Date _____

LESSEE:
STATE OF MINNESOTA
DEPARTMENT OF ADMINISTRATION
COMMISSIONER

By _____
Real Estate and Construction Services

Date _____

APPROVED:
STATE OF MINNESOTA
DEPARTMENT OF PUBLIC SAFETY

By _____

Title _____

Date _____