

OFFICIAL CITY COUNCIL PROCEEDINGS  
REGULAR SESSION  
DECEMBER 18, 2017

A regular session of the Granite Falls City Council was called to order by Mayor David Smiglewski at 7:00 p.m., Monday, December 17<sup>th</sup>, in the Council Chambers of City Hall. Council Members present: DuWayne Galow, Sarina Otaibi, Brad Peterson and Joe Fagnano. Council Members absent: Steve Nordaune and Scott Peterson. Staff present: City Manager Crystal Johnson, Finance Director Neal Carstensen and City Clerk Joan Taylor. Also in attendance were EDA Director Cathy Anderson, Newly Hired Police Officer Kyler Jelen, Dawn Engstrom from Engan and Advocate News Reporter Noah Lusti.

CONSENT AGENDA: M/S FAGNANO/GALOW TO APPROVE THE CONSENT AGENDA AS FOLLOWS: Minutes, Bills, Finance Report, Police Chiefs Report, Correspondence and Meetings & Events. Motion carried unanimously by those present.

COUNCIL CHAMBERS: Dawn Engstrom from Engan was in attendance to discuss with council the acoustical squares proposed for the council chambers. Following discussion it was the consensus of council to go with the colored fabric cover that matches the wall color in the Council Chambers.

POLICE DEPT.: Kyler Jelen was in attendance to introduce himself to council as the newly hired full time police officer.

REPORTS: The EDA Board was acknowledged at this time. EDA Director Anderson was in attendance to request council approval of a deferral extension concerning the 811 Revolving Loan Fund loan to Todd Soderstrom dba Sode's Performance for \$150 per month payments until June 30, 2019. Following discussion Otaibi introduced a resolution and moved its adoption approving this extension.

RESOLUTION NO. 18-156

RESOLUTION DEFERRING LOAN PAYMENT –  
TODD SODERSTROM DBA SODE'S PERFORMANCE

WHEREAS, pursuant to Resolution No. 11-174, council approved a loan to Todd Soderstrom dba Sode's Performance in the amount of \$25,000 at an interest rate of 3% payable over 10 years to provide assistance with the purchase of the Prairie Palette property; and

WHEREAS, pursuant to Resolution No. 15-154, council approved a deferment of the loan to Todd Soderstrom dba Sode's Performance with interest only payment of \$40.20 per month for six months; and

WHEREAS, pursuant to Resolution No. 16-54 council deferred the payment on the loan Todd Soderstrom dba Sode's Performance with interest only payments to be made of \$40.20 for an additional six months beginning in June of 2016; and

WHEREAS, pursuant to Resolution No. 16-168 council restructured the loan payments on the loan with Todd Soderstrom dba Sode's Performance decreasing the monthly payments from \$241.27 to \$150 for a period of 12 months; and

WHEREAS, pursuant to Resolution No. 17-164 council extended the loan to Todd Soderstrom dba Sode's Performance extending his monthly payments of \$150 for a period of 6 months beginning December 2017.

WHEREAS, the EDA Board is now recommending an extension of this loan agreement with Todd Soderstrom for monthly payments of \$150 until June 30, 2019.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF GRANITE FALLS, MINNESOTA, extending the loan payments for Todd Soderstrom dba Sode's Performance for payments of \$150 until June 30, 2019.

Adopted by the City Council this 17<sup>th</sup> day of December, 2018.

David Smiglewski  
Mayor

ATTEST:

Joan M. Taylor  
City Clerk

With second by B. Peterson, the resolution was adopted unanimously by those present.

REPORTS: The Hospital Board report and Street Committee Report were acknowledged at this time.

CITIZEN APPOINTMENTS: Council reviewed a list of board openings and persons whose terms will expire at the end of the year. It was decided to wait until we hear back from board and commission members.

PRINTING/PUBLISHING: M/S GALOW/B. PETERSON TO DESIGNATE THE ADVOCATE-TRIBUNE AS THE OFFICIAL NEWSPAPER FOR ALL PUBLICATIONS. Motion carried unanimously by those present.

DEPOSITORIES: M/S OTAIBI/FAGNANO TO DESIGNATE THE FOLLOWING BANKS AS DEPOSITORIES OF CITY FUNDS: GRANITE FALLS BANK AND CITIZENS ALLIANCE BANK. Motion carried unanimously by those present.

BUDGET: The following budget items were acted on:

Introduced by Galow:

RESOLUTION NO. 18-157

RESOLUTION APPROVING TAX LEVY PAYABLE 2019

BE IT RESOLVED BY THE CITY COUNCIL OF GRANITE FALLS, COUNTIES OF YELLOW MEDICINE AND CHIPPEWA, STATE OF MINNESOTA, that the following sums of money be levied for the current year, collectible in 2019, upon the taxable property in said City of Granite Falls, Minnesota, for the following purposes:

|                     | 2019 Levy        |
|---------------------|------------------|
| GENERAL FUND        | \$ 1,164,367     |
| 2007 GO IMPROVEMENT | 50,300           |
| 2011 GO IMPROVEMENT | 237,500          |
| 2012 REFUNDING      | 166,300          |
| 2013 GO IMPROVEMENT | 145,100          |
| 2014 GO IMPROVEMENT | 70,800           |
| 2016 GO IMPROVEMENT | 101,700          |
| 2017 GO IMPROVEMENT | 72,400           |
| <br>Total           | <br>\$ 2,008,467 |

The city clerk is hereby instructed to transmit a certified copy of this resolution to the county auditors of Yellow Medicine and Chippewa counties, Minnesota.

Adopted by the City Council this 17th day of December 2018.

David Smiglewski  
Mayor

ATTEST:

Joan M. Taylor  
City Clerk

With second by Otaibi, the resolution was adopted unanimously by those present.

Introduced by Fagnano:

RESOLUTION NO. 18-158

RESOLUTION APPROVING GENERAL FUND BUDGET FOR YEAR 2019

BE IT RESOLVED BY THE CITY COUNCIL OF GRANITE FALLS, MINNESOTA, that the following budget provides a financial program for said city during the fiscal year beginning January 1, 2019 and ending December 31, 2019, and it is hereby approved, viz:

**REVENUES**

|                           | 2019               |
|---------------------------|--------------------|
| General Property Tax      | \$1,164,367        |
| Licenses & Permits        | 70,800             |
| Intergovernmental Revenue | 1,166,844          |
| Charges for Services      | 169,600            |
| Fines & Forfeits          | 15,700             |
| Other Financing Sources   | 325,000            |
| Miscellaneous Revenue     | 69,700             |
|                           | <hr/>              |
|                           | <u>\$2,982,011</u> |

**EXPENDITURES**

|                               |                    |
|-------------------------------|--------------------|
| General Government            | \$406,305          |
| Public Safety                 | 869,140            |
| Public Works                  | 505,100            |
| Culture & Recreation          | 264,562            |
| Miscellaneous/Other Functions | 277,650            |
| Transfers                     | 659,254            |
|                               | <hr/>              |
|                               | <u>\$2,982,011</u> |

Adopted by the City Council this 17<sup>th</sup> day of December, 2018.

David Smiglewski  
Mayor

ATTEST:

Joan M. Taylor  
City Clerk

With second by B. Peterson, the resolution was adopted unanimously by those present.

Introduced by Otaibi:

RESOLUTION NO. 18-159

RESOLUTION APPROVING SPECIAL REVENUE FUND  
AND ENTERPRISE FUND BUDGETS FOR 2019

WHEREAS, per generally accepted accounting principles promulgated by the National Council on Governmental Accounting, a formal budget is to be adopted for the following Special Revenue and Enterprise funds; and

**REVENUES EXPENSES**

|                                   |           |           |
|-----------------------------------|-----------|-----------|
| Dutch Elm #211                    | \$12,000  | \$12,000  |
| Lodging Tax #260                  | 15,000    | 14,300    |
| Gas Franchise #270                | 75,000    | 75,000    |
| PUR #401                          | 48,250    | 31,725    |
| General Revenue Capital Imp. #411 | 265,254   | 454,359   |
| Light Fund #601                   | 3,666,250 | 3,636,533 |
| Water Fund #602                   | 890,300   | 1,143,013 |
| Sewer Fund #609                   | 758,250   | 565,113   |
| Liquor Fund #611                  | 1,250,495 | 1,231,130 |
| Community Center #612             | 570,225   | 481,575   |
| Cable TV #614                     | 36,000    | 36,000    |
| Motor Vehicle #615                | 128,100   | 150,225   |
| Community Housing #616            | 241,000   | 312,445   |
| Library Trust #801                | 3,100     | 3,100     |
| Volstead Trust #831               | 5,000     | 5,000     |

WHEREAS, since formal budgets are not required for all other funds, they are available as financial projections for those funds.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF GRANITE FALLS, MINNESOTA, to adopt the budgets for the Special Revenue Funds and Enterprise Funds as stated above, for the City of Granite Falls during the fiscal year beginning January 1, 2019 and ending December 31, 2019.

Adopted by the City Council this 17<sup>th</sup> day of December 2018.

David Smiglewski  
Mayor

ATTEST:

Joan M. Taylor  
City Clerk

With second by Galow, the resolution was adopted unanimously by those present.

Introduced by B. Peterson:

**RESOLUTION NO. 18-160**

**RESOLUTION APPROVING TRANSFERS OF GENERAL FUNDS  
TO VARIOUS CITY FUNDS FOR 2019 BUDGET**

BE IT RESOLVED BY THE CITY COUNCIL OF GRANITE FALLS, MINNESOTA, to authorize the transfer of the indicated amounts of monies from the General Fund to the various funds listed below for the 2019 budget:

|                           |           |
|---------------------------|-----------|
| Community Development     | \$30,000  |
| Capital Improvements      | \$265,254 |
| Dutch Elm                 | \$12,000  |
| Severance Pay Trust       | -0-       |
| Airport Construction      | \$74,000  |
| Kilowatt Community Center | \$273,000 |
| Liquor Debt Service       | -0-       |
| Volstead Trust            | \$5,000   |

Adopted by the City Council this 17<sup>th</sup> day of December, 2018.

David Smiglewski  
Mayor

ATTEST:

Joan M. Taylor  
City Clerk

With second by Fagnano, the resolution was adopted unanimously by those present.

Introduced by Galow:

RESOLUTION NO. 18-161

RESOLUTION APPROVING TRANSFERS OF ENTERPRISE FUNDS TO THE 2018  
GENERAL  
AND AIRPORT CONSTRUCTION FUND

BE IT RESOLVED BY THE CITY COUNCIL OF GRANITE FALLS,  
MINNESOTA, to authorize the transfer of the indicated amounts of monies  
from the following listed funds to the General Fund and Airport Construction  
Fund for the operation of its 2019 budget:

The following funds will make a transfer of the stated amount to the  
General Fund in 2019:

|             |           |
|-------------|-----------|
| Light Fund  | \$225,000 |
| Liquor Fund | \$100,000 |

The following funds will make a transfer of the stated amount to the  
Airport Construction Fund in 2019:

|            |         |
|------------|---------|
| Light Fund | \$5,550 |
|------------|---------|

Adopted by the City Council this 17<sup>th</sup> day of December, 2018.

David Smiglewski  
Mayor

ATTEST:

Joan M. Taylor  
City Clerk

With second by B. Peterson, the resolution was adopted unanimously by those present.

Introduced by Fagnano:

RESOLUTION NO. 18-162

RESOLUTION APPROVING 5-YEAR CAPITAL IMPROVEMENTS PLAN AND  
EQUIPMENT REPLACEMENT SCHEDULE  
– ALL FUNDS

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF GRANITE FALLS, MINNESOTA, that the 5-Year Capital Improvements Plan and Equipment Replacement Schedule (a copy of which is on file in the office of the City Clerk), as presented at the Granite Falls City Council meeting held on Monday, December 17, 2018 is hereby approved.

Adopted by the City Council this 17<sup>th</sup> day of December 2018.

David Smiglewski  
Mayor

ATTEST:

Joan M. Taylor  
City Clerk

With second by B. Peterson, the resolution was adopted unanimously by those present.

TOWNSHIP PROJECT: Council reviewed a proposed township project for the replacement of Bridge 90170 with Bridge 12J57 and placement of a box culvert along Township Road T-224 (150<sup>th</sup> Street SE) adjacent to the city limits. Following review Galow introduced a resolution and moved its adoption approving this project.

RESOLUTION NO 18-163

APPROVING TOWNSHIP PROJECT ADJACENT TO MUNICIPAL  
CORPORATE LIMITS ON TOWNSHIP ROAD T-224 (150<sup>th</sup> STREET SE)

WHEREAS, plans for Project No.12-599-095 showing proposed alignment, profiles grades and cross-sections for the replacement of Bridge 90170 with Bridge 12J57 on Township Road T-224 (150<sup>th</sup> Street SE) adjacent to the limits of the City as an State Aid Project have been prepared and presented to the City.

NOW, THEREFORE, BE IT RESOLVED: That said plans be in all things approved.

Approved by the City Council this 17<sup>th</sup> day of December, 2018.

David Smiglewski  
Mayor

CERTIFICATION

State of Minnesota  
County of Chippewa  
City of Granite Falls

I hereby certify that the foregoing Resolution is a true and correct copy of a resolution presented to and adopted by the City Council of Granite Falls at a meeting therefor held in the City of Granite Falls, Minnesota, on the 17<sup>th</sup> day of December, 2018, as disclosed by the records of said City in my possession.

\_\_\_\_\_  
City Clerk

With second by Otaibi, the resolution was adopted unanimously by those present.

SNOW REMOVAL: B. Peterson introduced the following resolution and moved its adoption to accept the proposal received from Dean and Don Buesing for snow removal for the 2018/2019 season as follows:

|                                  |                |
|----------------------------------|----------------|
| Snowblower (when loading trucks) | \$130 per hour |
| Trucks                           | \$100 per hour |
| Snowblower (when used alone)     | \$155 per hour |



RESOLUTION NO. 18-164

RESOLUTION ACCEPTING QUOTE FOR SNOW REMOVAL

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF GRANITE FALLS, MINNESOTA accepting the quote received from Dean and Don Buesing for snow removal for the 2018-2019 season as follows:

|                                  |                |
|----------------------------------|----------------|
| Snowblower (when loading trucks) | \$130 per hour |
| Trucks                           | \$100 per hour |
| Snowblower (when used alone)     | \$155 per hour |

Adopted by the City Council this 17<sup>th</sup> day of December, 2018.

David Smiglewski  
Mayor

ATTEST:

Joan M. Taylor  
City Clerk

With second by Galow, the resolution was adopted unanimously by those present.

DALLAS II: Council discussed a proposal received from G & J Awning to replace the awnings on the Dallas II building. As this was the only proposal received Galow introduced a resolution waiving calling for quotes and accepting the quote from G & J Awning in the amount of \$6,294 to replace both the front and the back awning at Dallas II.

RESOLUTION NO. 18-165

RESOLUTION WAIVING CALLING FOR QUOTES AND ACCEPTING QUOTE FOR REPLACEMENT OF DALLAS II AWNING

WHEREAS, a proposal has been submitted by G & J Awning to replace the Dallas II awning in an amount not to exceed \$6,294; and

WHEREAS, G & J Awning is the only company that has submitted a quote and it being in the best interest of the city to expedite the replacement of this awning, it has been recommended that council waive calling for quotes and accept the quote received from G & J Awning in an amount not to exceed \$6,294.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF GRANITE FALLS, MINNESOTA, waiving calling for quotes and accepting the quote received G & J Awning to replace the Dallas II awning in an amount not to exceed \$6,294.

Adopted by the City Council this 17<sup>th</sup> day of December, 2018.

David Smiglewski  
Mayor

ATTEST:

Joan M. Taylor  
City Clerk

With second by Fagnano, the resolution was adopted unanimously by those present.

WWTP: Upon the recommendation of Wastewater Superintendent Finken, Galow introduced the following resolution and moved its adoption waiving calling for bids and accepting the bid received from Tri-State Pump and Control in the amount of \$13,723 to rebuild one of the two pumps at the Wastewater Treatment Plant.

RESOLUTION NO. 18-166

RESOLUTION WAIVING CALLING FOR BIDS AND ACCEPTING BID  
FOR REBUILD ONE PUMP

WHEREAS, Wastewater Treatment Plant Superintendent is recommending that one of its pumps be rebuilt; and

WHEREAS, these types of repairs are considered specialized and only completed by a select few companies; and

WHEREAS, the following two bids were received by WWTP Superintendent Finken:

|                                |  |
|--------------------------------|--|
| Tri-State Pump & Control       | \$13,723   |
| Rapids Process Equipment, Inc. | \$14,951.22 (Pump only and additional costs to retrofit it to our current application) |

WHEREAS, it being in the best interest of the city to expedite the rebuilding of this pump, it has been recommended that council waive calling for bids and accept the bid received from Tri-State Pump & Control in the amount of \$13,723.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF GRANITE FALLS, MINNESOTA, waiving calling for bids and accepting the bid from Tri-State Pump & Control in the amount of \$13,723 to rebuild this pump.

Adopted by the City Council this 17<sup>th</sup> day of December, 2018.

David Smiglewski  
Mayor

ATTEST:

Joan M. Taylor  
City Clerk

With second by B. Peterson, the resolution was adopted unanimously by those present.

LIVING AT HOME/BLOCK NURSE PROGRAM: B. Peterson introduced the following resolution and moved its adoption approving a donation to the Living at Home/Block Nurse Program for 2019 in the amount of \$1,000.

RESOLUTION NO. 18-167

RESOLUTION APPROVING \$1,000 DONATION  
TO LIVING AT HOME/BLOCK NURSE PROGRAM

WHEREAS, Mary Ims, Program Director, requested a donation from the City of Granite in continuing support of the Granite Falls Living at Home/Block Nurse Program;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF GRANITE FALLS, MINNESOTA, approving a donation to the Granite Falls Living at Home/Block Nurse Program in the amount of One Thousand Dollars (\$1,000) for calendar year 2019.

Adopted by the City Council this 17<sup>th</sup> day of December, 2018.

David Smiglewski  
Mayor

ATTEST:

Joan M. Taylor  
City Clerk

With second by Otaibi, the resolution was adopted unanimously by those present.

WESTERN PRAIRIE WATERS: Otaibi introduced the following resolution and moved its adoption authorizing a contribution to Western Minnesota Prairie Waters Convention and Visitors Bureau for 2019 in the amount of \$1,298.

RESOLUTION NO. 18-168

RESOLUTION AUTHORIZING CONTRIBUTION TO  
WESTERN MINNESOTA PRAIRIE WATERS  
REGIONAL TOURISM PROGRAM

WHEREAS, Western Minnesota Prairie Waters Regional Tourism Program has requested a commitment from the city for its cooperative advertising and promotion of the five county region; and

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF GRANITE FALLS, MINNESOTA, authorizing a donation of \$1,298 for 2019 to Western Minnesota Prairie Waters Regional Tourism Program.

Adopted by the City Council this 17<sup>th</sup> day of December, 2018.

David Smiglewski  
Mayor

ATTEST:

Joan M. Taylor  
City Clerk

With second by B. Peterson, the resolution was adopted unanimously by those present.

PAY EQUITY: After review of the Pay Equity Implementation Report, B. Peterson introduced the following resolution and moved its adoption to approve the Pay Equity Implementation Report as completed.

RESOLUTION NO. 18-169

RESOLUTION APPROVING PAY EQUITY  
IMPLEMENTATION REPORT

WHEREAS, to comply with the 1984 Local Government Pay Equity Act the city has completed and will submit the 2019 Pay Equity Implementation Report.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF GRANITE FALLS, MINNESOTA approving the Pay Equity Implementation Report as submitted.

Adopted by the City Council this 17<sup>th</sup> day of December, 2018.

David Smiglewski  
Mayor

ATTEST:

Joan M. Taylor  
City Clerk

With second by Galow, the resolution was adopted unanimously by those present.

MEMORIAL PARK: As mandated by the Grant Contract with the DNR for Memorial Park, B. Peterson introduced the following resolution and moved its adoption agreeing to record along with the Deed for Memorial Park the following Deed restrictions:

1. The property shall be permanently managed and maintained for public outdoor parks and trails and other recreational use.
2. The City of Granite Falls shall not at any time convert any portion of the park area to uses other than public outdoor recreational use without the prior written approval of the State acting through its Commissioner or Natural Resources.

RESOLUTION NO. 18-170

DEPARTMENT OF NATURAL RESOURCES GREATER MINNESOTA  
PARKS AND TRAILS COMMISSION GRANT – MEMORIAL PARK DEED  
REQUIREMENTS

WHEREAS, the City of Granite Falls was awarded a grant for parks and trails of regional significance sponsored through the Minnesota Department of Natural Resources; and

WHEREAS, the grant agreement requires that the City of Granite Falls shall record with the Deed to all lands within Memorial Park specific language; and

WHEREAS, in order to comply with the Department of Natural Resources Park Legacy Project, Contract GMRPTC18-4, with the City of Granite Falls certain restrictions will be imposed on the property.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF GRANITE FALLS, MINNESOTA, to record with the Deed that all lands within Memorial Park are imposed the following restrictions as specified in the Grant Agreement between the City and the Department of Natural Resource.

1. The property shall be permanently managed and maintained for public outdoor parks and trails and other recreational use.
2. The City of Granite Falls shall not at any time convert any portion of the park area to uses other than public outdoor recreational use without the prior written approval of the State acting through its Commissioner or Natural Resources.

Adopted by the City Council this 17<sup>th</sup> day of December, 2018.

David Smiglewski  
Mayor

ATTEST:

Joan M. Taylor  
City Clerk

With second by Galow, the resolution was adopted unanimously by those present.

CITY LICENSES: Council reviewed the city ordinance regarding dances. Following discussion it was the consensus of council to leave the ordinance as is.

SCADA SYSTEM: Council was update relative to the updating of the SCADA System.

MEMORIAL PARK: Staff updated council concerning the Memorial Park meeting which was held earlier today.

ADJOURN: M/S/P OTAIBI/B. PETERSON TO ADJOURN AT 8:10 p.m.

David Smiglewski  
Mayor

ATTEST:

Joan M. Taylor  
City Clerk

**BILLS PAID:**

|                                      |           |
|--------------------------------------|-----------|
| Total ADVOCATE-TRIBUNE:              | 1,064.15  |
| Total ALMICH'S MARKET:               | 121.22    |
| Total AMERICAN ENGINEERING TESTING:  | 217.90    |
| Total AMERICAN WELDING & GAS INC:    | 80.45     |
| Total ARTIC GLACIER INC:             | 91.09     |
| Total ARTISAN BEER COMPANY:          | 47.00     |
| Total AUS, NANCY:                    | 100.00    |
| Total AUTOMATIC SYSTEMS CO:          | 1,135.30  |
| Total BEVERAGE WHOLESALERS:          | 191.10    |
| Total BOLTON & MENK INC:             | 1,400.00  |
| Total BORDER STATES ELECTRIC SUPPLY: | 746.12    |
| Total BREAKTHRU BEVERAGE:            | 4,667.29  |
| Total CENTRAL MN MUNICIPAL POWER:    | 95,815.60 |
| Total CENTURYLINK:                   | 1,886.23  |
| Total CHAMBER OF COMMERCE:           | 8,000.00  |
| Total CINTAS:                        | 203.30    |
| Total CITIZENS ALLIANCE BANK:        | 5,352.85  |
| Total CIVIL AIR PATROL MAGAZINE:     | 245.00    |
| Total CNH CAPITAL:                   | 48.97     |
| Total COUNTRYSIDE PUBLIC HEALTH:     | 375.00    |
| Total CRYSTEEL TRUCK EQUIPMENT:      | 353.00    |

|                                       |           |
|---------------------------------------|-----------|
| Total DAN'S SHOP INC:                 | 24.64     |
| Total DAVE'S ELECTRIC MOTOR CO:       | 129.88    |
| Total DEPARTMENT OF ENERGY:           | 21,034.58 |
| Total DUININCK BROS. INC.:            | 6,109.09  |
| Total DUNN RITE POOL PRODUCTS:        | 938.20    |
| Total FARMERS COOPERATIVE ELEV. CO.:  | 75.15     |
| Total FARMERS UNION OIL CO.:          | 3,996.75  |
| Total FASTENAL COMPANY:               | 56.45     |
| Total GALLS INC.:                     | 434.27    |
| Total GOPHER STATE ONE-CALL:          | 33.75     |
| Total GRANITE FALLS BANK:             | 4,071.71  |
| Total GRANITE FALLS HEALTH:           | 73.21     |
| Total GRANITE FALLS HEALTH CARE:      | 907.93    |
| Total GRANITE FALLS, CITY OF:         | 38.24     |
| Total GRANITE TRUE VALUE:             | 9,059.55  |
| Total GREAT PLAINS GAS CO.:           | 10,807.33 |
| Total HAWKINS INC:                    | 3,493.21  |
| Total HINZ, DIANE:                    | 55.00     |
| Total HOERNEMANN, PAUL:               | 280.00    |
| Total HOLMSTROM & KVAM PLLP:          | 1,020.50  |
| Total IMS PLUMBING LLC:               | 157.25    |
| Total JOHNSON BROS WHOLESALE LIQUOR:  | 9,192.37  |
| Total KEELER-AUS, RAE ANN:            | 800.00    |
| Total KIEFER SWIM PRODUCTS:           | 59.76     |
| Total KNUTSON, TYLER:                 | 25.00     |
| Total LA CONSTRUCTION & DESIGN INC:   | 80.00     |
| Total LEE'S AUTO & DIESEL:            | 126.21    |
| Total LIGHT FUND:                     | 271.59    |
| Total LINCOLN PIPESTONE RURAL WATER:  | 45.22     |
| Total LOCATORS & SUPPLIES:            | 65.47     |
| Total LOCHER BROTHERS:                | 7,540.65  |
| Total MADISON BOTTLING CO.:           | 6,518.70  |
| Total MARSHALL NORTHWEST PIPE:        | 236.69    |
| <hr/>                                 |           |
| Total MEDIACOM:                       | 68.01     |
| Total MINNESOTA VALLEY SERVICES LLC:  | 3,499.97  |
| Total MINNESOTA VALLEY TECH. INC:     | 384.40    |
| Total MN DEPT OF COMMERCE:            | 751.54    |
| Total MN DPT OF LABOR & INDUSTRY:     | 30.00     |
| Total MN FALLS DEMOLITION LANDFILL:   | 132.00    |
| Total MN VALLEY COOPERATIVE:          | 1,146.71  |
| Total MN VALLEY TESTING LAB INC.:     | 317.00    |
| Total MOSS & BARNETT:                 | 750.00    |
| Total MVTV:                           | 338.75    |
| Total NIELSEN, PETER:                 | 25.00     |
| Total NORTHERN BUSINESS PRODUCTS:     | 79.49     |
| Total OFFICE DEPOT:                   | 271.48    |
| Total OFFICE PEEPS:                   | 113.97    |
| Total PAUSTIS & SONS:                 | 1,578.12  |
| Total PHILLIPS WINE & SPIRITS CO.:    | 4,939.53  |
| Total PIONEER PUBLIC TV:              | 600.00    |
| Total PITNEY BOWES INC.:              | 317.22    |
| Total PRAIRIE 5 CAC INC.:             | 2,545.88  |
| Total RAMBOW:                         | 224.47    |
| Total RECREATION BY LEMMIE JONES LLC: | 9,250.00  |
| Total RECREATION SUPPLY COMPANY:      | 39.94     |
| Total RUPP, GERALD:                   | 40.23     |
| Total SCHULTZ, KAREN:                 | 30.00     |
| Total SCHWIETERS FORD OF MONTEVIDEO:  | 20.74     |
| Total SHRED-IT USA:                   | 120.64    |
| Total SLAGLE, MANDY:                  | 9.78      |
| Total SMIGLEWSKI, DAVID:              | 20.71     |
| Total SOUTHERN WINE & SPIRITS OF MN:  | 3,433.23  |
| Total SR PERSPECTIVE:                 | 103.50    |
| Total STENGEL, ROB:                   | 195.30    |

|                                       |             |
|---------------------------------------|-------------|
| Total SVOBODNY, JENNIFER:             | 825.00      |
| Total SW-WC SERVICE COOPERATIVES:     | 41,450.50   |
| Total T & L WELDING:                  | 110.00      |
| Total TALKING WATERS BREWING CO. LLC: | 230.00      |
| Total UNIVAR USA INC:                 | 13,656.16   |
| Total UPS:                            | 35.18       |
| Total WEST CENTRAL COMMUNICATIONS:    | 153.25      |
| Total WEST CENTRAL SANITATION:        | 507.66      |
| Total WESTERN MENTAL HEALTH CENTER:   | 142.20      |
| Total WINE MERCHANTS:                 | 375.00      |
| Total XCEL ENERGY:                    | 1,373.12    |
| Total XEROX CORPORATION:              | 67.34       |
| Total YME JAZZY HI-KICK BOOSTER CLUB: | 75.00       |
| Total ZEE MEDICAL SERVICES:           | 174.75      |
|                                       | <hr/>       |
| Grand Totals:                         | 300,452.69  |
|                                       | <hr/> <hr/> |