



Board of County Commissioners Agenda Request

2N
Agenda Item #

Requested Meeting Date: December 17, 2019

Title of Item: ATM - Government Center

<input type="checkbox"/> REGULAR AGENDA	Action Requested:	<input type="checkbox"/> Direction Requested
<input checked="" type="checkbox"/> CONSENT AGENDA	<input checked="" type="checkbox"/> Approve/Deny Motion	<input type="checkbox"/> Discussion Item
<input type="checkbox"/> INFORMATION ONLY	<input type="checkbox"/> Adopt Resolution (attach draft)	<input type="checkbox"/> Hold Public Hearing* <i>*provide copy of hearing notice that was published</i>

Submitted by: Kirk Peysar	Department: Auditor's
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Presenter (Name and Title): N/A	Estimated Time Needed: N/A
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Summary of Issue:

Currently the Aitkin County License Center accepts Cash and Checks.

Hazelwood Corp. has approached the County to put an ATM machine on the 1st Floor of the Government Center. There will be no charge to the County. The County will supply electricity to operate the machine. Hazelwood will handle the maintenance and other operations of the machine, including filling it with funds. For rental, the County will receive \$1.00 per transaction.

Please see attached memo.

Alternatives, Options, Effects on Others/Comments:

We believe this to be a great customer service option.

Recommended Action/Motion:

Authorize signatures to the attached agreement (which has been approved by Jim Ratz and Hazelwood)

Financial Impact:

Is there a cost associated with this request? Yes No

What is the total cost, with tax and shipping? \$

Is this budgeted? Yes No

Please Explain:

AITKIN COUNTY AUDITOR

Aitkin County Government Center
Kirk Peysar, Aitkin County Auditor
307 2nd Street NW, Room 121
AITKIN, MN 56431
218-927-7354

MEMORANDUM

Date: December 10, 2019
To: Aitkin County Board of Commissioners
From: Kirk Peysar, Aitkin County Auditor
Re: ATM Machine – First Floor of the Government Center

Hazelwood Corporation has approached the Auditor's Office regarding placing an ATM machine on the 1st floor of the new Government Center.

After reviewing their agreement, having Jim Ratz review their agreement and meeting with Matt Zasmata to discuss the details of the plan, I am recommending the County move forward with the agreement.

With this agreement, there is no cost to the County, except for electricity costs, which will be minor. Also, the County will be receiving \$1.00 per transaction as a rental fee. This is a benefit to the County along with the benefit to our customers. Anyone accessing the License Center, Treasurer's Office, Planning and Zoning, etc. will be able to use the ATM machine to access funds if they do not have the correct change or other funds on their person.

ATM SPACE LEASE

THIS SPACE LEASE (hereinafter referred to as the "Lease") is made this ____ day of _____ ("Effective Date") by and between _____ ("County") and Hazelwood Corporation a Minnesota based company, its assigns and sub-lessees ("Company").

RECITALS

County owns or leases that certain property whose addresses are attached in Exhibit A hereto (the "Premises"). County has control of the Premises so that it is able to enter into this Space Lease with Company for the term and any extensions hereinafter provided. Company is in the business of owning, selling, distributing, leasing, installing and maintaining automatic transaction machines ("ATMs") and related equipment, and providing related services, including processing, vault cash, management and location consultation services. County desires to provide ATMs as a convenience to its customers and as a revenue generating service. Company desires to lease a portion of the Premises for placement, operating and maintaining an ATM on its own account or for that of one of its customers at a location within the Premises.

NOW, THEREFORE, in consideration of the foregoing recitals and of the covenants and agreements hereinafter contained, it is hereby agreed as follows:

1. RECITALS. The Recitals set forth herein are factually true and correct and are made a part of this Agreement.
2. LEASE. Subject to the terms and conditions of this Space Lease, Company hereby leases and takes from County, and County hereby leases to Company certain portions of the Premises set forth on Exhibit "A" together with the right to use and occupy the same.
3. USE. The Leased Space may be used for the installation, operation, repair, maintenance, promotion and marketing of the ATM and related equipment, its uses and services and related lawful purposes. Company shall have the sole right, in its sole and exclusive discretion to operate, price, or otherwise determine the services to be dispensed or deployed from the ATM. No other use is authorized without the prior written consent of the County.
4. DEFAULT IN RENT PAYMENTS. If Company defaults in making any rent payments after reasonable notice or fails to perform the terms and conditions of this Lease, the County may at its option terminate this Lease with respect to all future rights of the Company. Company will indemnify County against all loss of rents and other payments which may accrue by reason of such termination, including all legal fees and expenses incurred in enforcing any of the terms of this Lease.
5. TERM. The term of this Space Lease shall commence on the date of complete installation of the ATM and shall continue for (7) Months thereafter. This Space Lease shall automatically renew for an additional period of (17) months, unless terminated by either party by giving the other party written notice of intent not to renew at least twenty (20) days prior to the expiration date of the original term or any renewal thereof.
6. RENT. Rental sums shall be determined based on the number of surcharged withdrawal transactions. This amount will be tabulated monthly and paid by the Company to the County Quarterly. The Company agrees to pay the County a sum of \$1.00 per transaction and will increase the same percentage that the surcharge fee increases.
7. ASSIGNMENT OF LEASE. Company shall not encumber or assign this Lease without the prior written consent of the County. No action by County in collecting rent from any assignee or sub-lessee shall constitute a waiver hereof.
8. TRANSACTION SURCHARGES. Company and County agree that an initial transaction surcharge fee of \$3.00 per withdrawal transaction will be imposed on the ATM user. User is to be considered the cardholder whom is initiating a withdrawal of funds from his or her account.
9. INSTALLATION AND OPERATING OF THE ATM. Company may install ATM(s) in the location identified in Exhibit "A" as soon as practicable after the signing of this Space Lease. Company will operate and maintain the ATM during the term of this Space Lease. The expansion or change of the location of the ATM may take place with the consent of Company and County. The ATM(s) will not be bolted down upon installation in the Leased Space. The Company will provide communication services required to operate the ATM and the County agrees to provide the electricity needed. Notwithstanding any of the above, the determination of appropriate lighting, safety, and security measures rests exclusively with the County.
10. ATM SPACE. County shall make available to Company so much of the space within the Premises as is necessary to enable customers of County and other persons who come within the Premises to have access to the ATM and to use the services it offers. For the term of this Space Lease, County grants to Company and third-party servicing agents' access to the ATM(s) and/or related property within its facilities during normal business hours

and reasonable after hours for purpose of inspecting, maintaining, repairing, removing, or installing and servicing the ATM(s).

11. **PUBLIC SAFETY AND SECURITY.** County shall be responsible for the general safety of all customers and persons who come within or about the Premises. County shall be solely responsible at its expense to provide ample lighting and other security measures for the safety of the general public while in or about the Premises and shall take all other actions commercially reasonable and appropriate to assure compliance with all applicable laws, insurance company's requirements and prudent business decisions regarding safety and security.
12. **DATA PRIVACY.** Pursuant to Minn. Stat. Ch. 13, Company agrees to maintain and protect data on individuals received, or to which Company has access, according to the statutory provisions applicable to the data. Company understands it is subject to the requirements of the Minnesota Government Data Practices Act. Company agrees that all data created, collected, received, stored, used, maintained or disseminated by Company in performing government functions is subject to the Minnesota Government Data Practices Act's requirements and that Company must comply with those requirements as if it were a government entity. Company agrees to indemnify and hold County, its officials, agents, and employees, harmless from any and all claims or causes of action arising from or in any manner attributable to any violation of any provision of the Minnesota Government Data Practices Act by Company or its agents or employees, including legal fees and disbursements paid or incurred to enforce this provision of this Lease. The County's disclosure of data in good faith compliance with the Minnesota Government Data Practices Act shall not be deemed or otherwise considered to be a breach of any of the County's material confidentiality obligations under this Lease.
13. **RECORDS AUDITING AND RETENTION.** Company's records, documents, papers, accounting procedures and practices, and other evidences relevant to this Lease are subject to the examination, duplication, transcription and audit by the County and either the Legislative or State Auditor, pursuant to Minn. Stat. sec. 16B.05, subd. 5. Company agrees to maintain such evidences for a period of six (6) years from the date of services or payment were last provided or made or longer if any audit in progress requires a longer retention period.
14. **WORKERS' COMPENSATION.** Company guarantees that it shall have Workers' Compensation Insurance in effect throughout the term of this Lease, as required by Minnesota Statutes section 176.182, and shall provide a certificate evidencing insurance to the County prior to executing the Lease.
15. **NON-DISCRIMINATION.** Company agrees to abide by all provisions of Minnesota Statutes section 181.59, as amended, entitled "Discrimination on Account of Race, Creed, or Color Prohibited in Contract." Company agrees to abide by all federal laws prohibiting discrimination. Company agrees not to discriminate in its employment practices, and will render services under this Lease without regard to race, color, religion, sex, national origin, veteran status, political affiliation, disabilities, or because of an individual's sexual orientation. Any act of discrimination committed by Company, or failure to comply with these obligations when applicable shall be grounds for termination of this Lease.
16. **MAINTENANCE AND SERVICE.** Company shall provide all services required in connection with the installation, maintenance, service, operation and removal of the ATM(s), including but not limited to provide paper for transaction receipts and printer ribbons, and provide all cash services. County shall maintain the space surrounding the ATM in a safe, neat and orderly condition and shall take due care and caution as to prevent County's employees, invitees, representatives, and customers from damaging the ATM.
17. **INSURANCE.** Aitkin County requires that each company with whom the County negotiates a contract meet standard insurance requirements. Please review the MINIMUM liability limits:
 - a. **Commercial General Liability – Single or Combined limit, occurrence based liability.**
\$500,000 per occurrence/\$1,500,000 aggregate.
**Aitkin County is listed as additional insured.
18. **GENERAL INDEMNIFICATION.** Company agrees to defend, indemnify, and hold County, its employees and officials harmless from any claims, demands, actions or causes of action, including reasonable attorney fees and expenses arising out of any act or omission on the part of Company, or its subcontractors, partners or independent contractors or any of their agents or employees, in the performance of or with relation to any of the work or services to be performed or furnished by Company or the subcontractors, partners or independent contractors or any of their agents or employees under the Lease.
19. **ENTIRE AGREEMENT.** This Space Lease and the exhibits attached hereto constitute the entire Agreement between Company and County with respect to the subject matter hereof and shall supersede all previous negotiations, commitments and writings. This Space Lease may not be released, discharged, abandoned,

changed or modified in any manner except by any instrument in writing signed by a duly authorized officer or representative of both Company and County.

County:
Aitkin County
307 2nd Street NW
Aitkin MN 56431

20. WAIVER. The failure of either party to enforce at any time any provision of this Space Lease or to exercise any right herein provided shall not in any way be construed to be a waiver of such provision or right in connection with any subsequent breach or default, and shall not in any way affect the validity of this Space Lease or any party hereof, or limit, prevent or impair the right of such party subsequently to enforce such provisions or exercise such right.

By _____

Its _____

Date _____

21. NOTICES. Any notice required or permitted thereunder shall be in writing and may be given by personal service or by depositing same in the United States mail first class postage prepaid, to the address of the party receiving notice as appears on the signature page of this Space Lease or as changed through written notice to the other party.

County:
Aitkin County
307 2nd Street NW
Aitkin MN 56431

By _____

Its _____

Date _____

22. GOVERNING LAW. This Agreement shall be constructed in accordance with Minnesota law, and venue for any actions pertaining to this Space Lease shall be in Minnesota.

23. RELATIONSHIPS OF THE PARTIES. It is expressly understood and acknowledged that it is not the intention or purpose of this Space Lease to create, nor shall the same be construed as creating any type of partnership, relationship or joint venture.

Company:
Hazelwood Corporation
800 Minnesota Avenue North
Aitkin MN 56431

By _____

Its _____

Date _____

24. COMPLIANCE WITH LAWS. Each party will perform its obligations under this Space Lease in strict compliance with all applicable laws, orders or regulations of all appropriate jurisdictions.

EXHIBIT "A"
LOCATION OF ATM(s)
Aitkin County Government Center
307 2nd Street NW
Aitkin MN 56431